Hyloris PHARMACEUTICALS

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Hyloris Pharmaceuticals launches its Initial Public Offering on Euronext Brussels

Liège, Belgium – June 17, 2020: Hyloris Pharmaceuticals SA ("Hyloris" and/or the "Company"), an early-stage innovative specialty pharmaceutical company focused on adding value to the healthcare system by reformulating well-known pharmaceuticals, announces today the terms of its initial public offering of new shares, with admission to trading of all of its shares on the regulated market of Euronext Brussels (the "Offering").

Key terms of the Offering

- The Offering is an offering of up to 5,000,000 new shares of the Company, which number may be increased by up to 15% (the "Increase Option").[1] Any decision to exercise the Increase Option will be communicated, at the latest, on the date of the announcement of the Offer Price (as defined below).
- The price range of the Offering is between EUR 10.00 and EUR 11.50 per Offered Share (as defined below) (the "Price Range").
- No minimum amount is set for the Offering.
- Based on the Price Range, and assuming the Offer Price (as defined below) will be at the midpoint of the Price Range, the size of the Offering will range between EUR 53.75 million (assuming the full placement of the 5,000,000 initially offered New Shares, excluding the exercise in full or in part of the Increase Option and of the Over-allotment Option (as defined below)) and EUR 71.08 million (assuming placement of the maximum number of New Shares,

[1] The 5,000,000 initially offered new shares and the shares offered as a result of the possible exercise of the Increase Option are collectively referred to as the "New Shares", and each existing or future new share representing the Company's share capital as a "Share".

including the exercise in full of the Increase Option and the exercise in full by the Stabilization Manager (as defined below) of the Over-allotment Option (as defined below)).

- The implied market capitalisation of the Company at the midpoint of the Price Range could then range from EUR 267.06 million to EUR 284.39 million.
- The Offering comprises:
  - An offer to the public (as defined in Article 2(d) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "Prospectus Regulation")) in Belgium;
  - A private placement in the European Economic Area (the "EEA") (other than in Belgium) pursuant to applicable exemptions under the Prospectus Regulation, including but not limited to "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation;
  - A private placement in the United States to persons who are reasonably believed to be "qualified institutional buyers" ("QIBs") as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), in reliance on Rule 144A;;
  - A private placement to certain qualified and/or institutional investors under applicable laws of the relevant jurisdictions in the rest of the world

  All aforementioned qualified investors and QIBs are collectively referred to as "Institutional Investors". The Offering outside the United States will be made in compliance with Regulation S under the U.S. Securities Act ("Regulation S").
- The Company has appointed KBC Securities and Kempen & Co as Joint Global Coordinators and Joint Bookrunners for the Offering.
- KBC Securities NV/SA will, on the Underwriters' behalf (as defined below), act as stabilization manager (the "Stabilization Manager"). The Stabilization Manager will be able to over-allot Shares in the Offering (the "Additional Shares", and together with the New Shares, referred to as the "Offered Shares") in order to facilitate stabilization. To enable the Stabilization Manager to cover the placement of Additional Shares in the Offering, if any, or short positions created by such over-allotment, the Stabilization Manager is expected to be granted a warrant to subscribe for additional new Shares in a number equal to up to 15% of the number of New Shares subscribed for in the Offering at the Offer Price (as defined below) (the "Over-allotment Option"). The Over-allotment Option will be exercisable for a period of 30 calendar days following the Listing Date (as defined below) (the "Stabilization Period"). The Stabilization Manager may engage in transactions that stabilize, maintain or otherwise affect the price of the Shares during the Stabilization Period. These activities may support the market price of the Shares at a level higher than that which might otherwise prevail.

Commenting on today's announcement, Stijn Van Rompay, Chief Executive Officer and co-founder of Hyloris, stated: "Hyloris is at an exciting stage in its development and this Offering will enable us to achieve some important objectives including the development of our existing product candidates, establishing a US commercial team for our IV Cardiovascular Portfolio and expansion of our pipeline both internally and through business development, as well as create value for shareholders."

Company Highlights

- Focused on developing proprietary reformulated products it believes offer significant advantages compared to currently available alternatives, with the aim to address underserved medical needs and add value to the overall healthcare system

- Idea generator enabling the continuous identification of new product opportunities

- Strong product development engine that reformulates and brings product candidates to the market in a capital efficient manner, with a clear focus on the FDA's 505(b)(2) regulatory pathway for pharmaceuticals where safety and efficacy of the molecule have been established, providing Hyloris with the potential to:
  - Reduce the clinical burden required to bring a product to the market
  - Significantly shorten the development timelines and reduce costs and risks
- Diversified portfolio of two early stage commercial products and 12 product candidates, the majority of which are in the early reformulation development stage, offering sales growth potential:
  - The product portfolio has a particular focus on IV cardiovascular products, but also contains other reformulation products and established market products (high-barrier generics)
  - Maxigesic® IV and Sotalol IV are anticipated as primary drivers of short-term revenue growth until additional products are launched
- To date, Hyloris' operations have consisted primarily of the identification of product candidates to build its pipeline and the formulation, testing and development of its existing portfolio
- Led by an experienced lean management team that has a wealth of experience and knowledge in the fields of drug identification and development. Hyloris' management team combines more than 100 years of experience in managing and growing pharma companies that develop drugs and bring them to the market

Offering timetable

- The offering period will begin on 17 June 2020 at 9:00 (CEST) and is expected to end no later than 16:00 (CEST) on 25 June 2020 for retail shareholders and 26 June at 13:00 (CEST) for institutional shareholders, subject to early closing or extension, provided that the offering period will in any event be open for at least six business days (the "Offering Period") .
- The Offer Price (as defined below), the number of Offered Shares placed in the Offering and the allocation of Offered Shares to retail investors is expected to be made public on or about 26 June 2020 and in any event no later than the first business day after the end of the Offering Period.
- Trading of the Shares on the regulated market of Euronext Brussels is expected to commence, on an "if-and-when-issued-and/or-delivered" basis, on or about 29 June 2020 (the "Listing Date"), provided that this may be accelerated in case of early closing or postponed in case of extension.
- The closing date is expected to be 30 June 2020 (the "Closing Date") unless the Offering Period is closed earlier or extended. The Offer Price (as defined below) must be paid by investors by authorising their financial institutions to debit their bank accounts with such amount for value on the Closing Date.

Final price and allocation

- The final price per Offered Share (the "Offer Price") will be determined during the Offering Period through a book-building process in which only Institutional Investors may participate.
- The Offer Price will be a single price in euro, exclusive of the Belgian tax on stock exchange transactions, and of costs, if any, charged by financial intermediaries for the submission of applications. No tax on stock exchange transactions is due on the subscription for newly issued

Shares, but such tax could be due on the subscription for existing Shares. The tax treatment will depend on each investor's individual circumstances and may change in the future.

- In accordance with Belgian regulations, a minimum of 10% of the Offered Shares shall be allocated to retail investors, subject to sufficient retail demand. However, the proportion of Offered Shares allocated to retail investors may be increased or decreased if subscription orders received from them exceed, respectively, do not reach 10% of the Offered Shares effectively allocated. In the event of over-subscription of the Offered Shares reserved for retail investors, the allocation to retail investors will be made on the basis of objective allocation criteria, whereby all retail investors will be treated equally. The criteria to be used for this purpose are the preferential treatment of applications submitted by retail investors at the counters of KBC Bank NV/SA, CBC Banque SA/NV and through Bolero (the online investment platform of KBC Bank NV/SA and CBC Banque SA/NV) in Belgium, and at the counters of Van Lanschot Kempen Wealth Management N.V., Belgian branch, and the number of Offered Shares for which applications are submitted by retail investors. In the event of an over-allotment, the Underwriters will use reasonable efforts to deliver the New Shares to individual persons residing in Belgium and to investors subject to Belgian income tax on legal entities ("*rechtspersonenbelasting*"/"*impôt des personnes morales*"), in this order of priority.
- Subscription orders by retail investors may be submitted through Bolero (the online investment platform of KBC Bank NV/SA and CBC Banque SA/NV), at the counters of KBC Bank NV/SA, CBC Banque SA/NV in Belgium, and at the counters of Van Lanschot Kempen Wealth Management N.V., Belgian branch, at no cost to the investor or alternatively through other intermediaries. Investors wishing to place purchase orders for the Offered Shares through such other intermediaries, should request details of the costs which these intermediaries may charge, and which they will have to pay themselves.

Pre-commitments

- A number of investors (including members of the Board of Directors and the Executive Management of the Company) (the "Participating Investors"), have (in the aggregate) (i) subscribed for automatically convertible bonds, for a total aggregate amount of EUR 15,150,000 (the "Convertible Bonds") and (ii) committed themselves vis-à-vis the Company to irrevocably and conditionally only on completion of the Offering, subscribe for New Shares in the Offering for a total amount of EUR 22,725,000 (the "Pre-commitments").
- The completion of the Offering will result in the automatic conversion of all outstanding Convertible Bonds (for their full outstanding principal amount, increased by all or part of any unpaid interests due) in new Shares, at the Offer Price less a discount of 30%.
- In the event the Offering is oversubscribed, a maximum of one third of the Pre-commitment of each individual Participating Investor (i.e., EUR 7,575,000 in the aggregate) can be reduced in line with the allocation principles that apply in the context of the Offering, whereas a minimum of two thirds of the Pre-commitment of each individual Participating Investor (i.e., EUR 15,150,000 in the aggregate) will not be reduced but will be allocated entirely to the relevant Participating Investor.
- As no minimum amount is set for the Offering, if not all of the Offered Shares are subscribed for in the Offering, the net proceeds from the Offering could be limited to the net proceeds from the Pre-commitments.
- The current shareholders of the Company, as well as all of the Participating Investors, agreed to lock-up their pre-IPO Shares and the new Shares pursuant to the conversion of the Convertible Bonds, for a period of 180 days following the Listing Date, and to have further restrictions on their Shares for the following 180 days.
- After the 180 calendar day "hard" lock up and the 180 calendar day "soft" lock up, the current shareholders will have an additional lock-up amounting to (i) 66% of their pre-IPO Shares in the first year, and (ii) 33% of their pre-IPO Shares in the second year, subject to certain limited exceptions.

- The Company is expected to agree to a standstill on the issuance of new Shares and issuance of new warrants for a period of 360 days following the Closing Date, subject to customary exceptions.

Use of Proceeds

Hyloris intends to use the net proceeds of the Offering as follows:

- EUR 22.725 million is expected to be allocated to the development (up to and including the approval by the regulatory authority) of the existing portfolio of product candidates, whereby the amount will differ per product candidate based on the current phase of development
- EUR 11 million is expected to be allocated to the establishment of a commercial team in the U.S. for Hyloris' IV Cardiovascular Portfolio (excl. Sotalol IV, which is commercialized through a partner)
- To fund the expansion of its product pipeline both internally and through business development opportunities
- For general corporate purposes

Summary Timetable

17 June 2020, at 9:00 (CEST)	Expected start of the Offering Period
25 June 2020, at 16:00 (CEST)	Expected end of the Offering Period for retail investors
26 June 2020, at 13:00 (CEST)	Expected end of the Offering Period for Institutional Investors (1)
26 June 2020	Expected publication of the Offer Price and results of the Offering and communication of allocations
29 June 2020	Expected Listing Date (listing and start of "if-and-when-issued-and/or-delivered" trading)
30 June 2020	Expected Closing Date (payment, settlement and delivery of the Offered Shares)
29 July 2020	Expected last possible exercise date of the Over-allotment Option(2)

Notes:

(1) In the event of an early closing or extension of the Offering Period, these dates will be amended and published in the same manner as the announcement of the start of the Offering Period. If the Offering Period is extended with more than five business days, this will also be published in a supplement to the Prospectus.

(2) To enable the Stabilization Manager, acting on behalf of the Underwriters, to cover over-allotments or short positions, if any, resulting from the over-allotment, if any.

Prospectus and other information

- A prospectus has been approved by the Belgian Financial Services and Markets Authority on 16 June 2020 (the "Prospectus"). The FSMA only approved the Prospectus (including the summary of the Prospectus, the "Summary") as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the Offered Shares that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the Offered Shares.
- The Prospectus and the Summary may be distributed separately. The Prospectus is available to prospective investors in Belgium in English and French. The summary of the prospectus will also be available in English, French and Dutch for prospective investors.
- The Prospectus and the Summary shall be made available to investors free of charge as of 17 June 2020 (before opening of the markets) at the registered office of the Company (Boulevard Gustave-Kleyer 17, 4000 Liège (Belgium)). The Prospectus and the Summary shall also be made available free of charge to investors at (i) KBC Bank NV/SA, CBC Banque SA/NV, Bolero and KBC Securities NV/SA, upon request by phone 078 152 153 (KBC Bank NV/SA & CBC Banque SA/NV) and 0800 628 16 (Bolero Orderdesk) and on its websites www.kbc.be/hyloris, www.bolero.be/nl/hyloris and www.kbcsecurities.com The Prospectus can also be consulted as of 17 June 2020 (before opening of the markets) on the website of the Company (www.hyloris.com/investors/information/prospectus/), whereby the access on the aforementioned websites is each time subject to the usual limitations.
- An investment in the Offered Shares involves substantial risks and uncertainties. Prospective investors need to base their investment decision on the entire Prospectus and particularly, the risk factors, as described in the Prospectus. Prospective investors must be able to bear the economic risk of an investment in the Offered Shares and should be able to sustain a partial or total loss of their investment.
- The Offering is subject to Belgian law and the courts of Brussels are exclusively competent to adjudicate any and all disputes with investors arising out of or in connection with the Offering and/or the Offered Shares.

Key risks specific to Hyloris, the Offering and the Shares

- Hyloris has a limited operating history, and has not yet generated any substantial revenues. Hyloris has incurred operating losses, negative operating cash flows and an accumulated deficit since inception resulting in a negative equity at the date of the Prospectus and Hyloris may not be able to achieve or subsequently maintain profitability. Hyloris is executing its strategy in accordance with its business model, the viability of which has not been demonstrated.

- Hyloris' performance depends primarily on the success of its product candidates, a majority of which are in the early reformulation development stage and have not yet received FDA approval of the 505(b)(2) application or ANDA or the other approvals required before they may be commercially launched.

- Even if Hyloris receives regulatory approval for any of its product candidates, it may be unable to launch the product successfully and the revenue that Hyloris generates from sales of such product, if any, may be limited.

- Hyloris has entered into arrangements with related parties and these arrangements present potential conflicts of interest.

- Certain of Hyloris' directors and members of Hyloris' Executive Management hold directorships or shareholdings in other pharmaceutical companies, which could create potential conflicts of interest.

- After closing of the Offering, certain significant shareholders of the Issuer may have different interests from the Issuer and/or from the minority shareholders and may be able to control the Issuer, including the outcome of shareholder votes.

- Hyloris may be unable to successfully manage its growth.

- Despite receiving regulatory approval for a product candidate, competitors may receive regulatory approval for a product that is identical or substantially the same as one of Hyloris' product candidates, which may prevent Hyloris from commercializing its product candidates in accordance with its business plan or result in significant delays in doing so.

- Because the sector of the pharmaceutical market that Hyloris is targeting is open to greater competition than the market for new drug formulations and new pharmaceutical products, Hyloris' business is dependent on the continuous generation of new ideas and the development of new product candidates.

- Hyloris relies and expects to continue to rely in large part on the know-how of its development partners and, in particular, the know-how of its development partner with respect to its IV Cardiovascular Portfolio and it also relies on the know-how of its partners for the development and expansion of its portfolio.

- The occurrence of a pandemic, epidemic or other health crisis, including the recent outbreak of COVID-19, could have a negative impact on Hyloris' product development activities, including its access to APIs, the conduct of its clinical trials and its ability to source required funding, which could delay or prevent it from executing its strategy as planned.

- Hyloris currently has no sales and marketing function and it will be required to develop one in order to execute its strategy with respect to its IV Cardiovascular Portfolio in the United States and to secure suitable sales and marketing partners for its other products. If Hyloris is unable to do so, it may not successfully commercialize any of its product candidates.

- Hyloris will be completely dependent on third parties to supply APIs and manufacture its products, and commercialization of Hyloris' product candidates could be delayed, halted or made less profitable if those third parties fail to obtain and maintain the required approvals from the FDA or comparable foreign regulatory authorities, or otherwise fail to provide Hyloris with sufficient quantities of its products.

- There has been no prior public market for the Shares and an active market for the Shares may not develop, which may cause the Shares to trade at a discount to the Offer Price and make it difficult to sell the Shares.

- The fact that no minimum amount is set for the Offering may affect Hyloris' investment plan and the liquidity of the Shares

-Ends-

For more information, please contact:

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Note to Editors

About Hyloris Pharmaceuticals SA
Based in Liège, Belgium, Hyloris is an early-stage innovative specialty pharmaceutical company focused on adding value to the healthcare system by reformulating well-known pharmaceuticals. Hyloris develops proprietary products it believes offer significant advantages compared to currently available alternatives, with the aim to address the underserved medical needs of patients, hospitals, physicians, payors and other stakeholders in the healthcare system. Hyloris' portfolio spans three areas of focus: IV Cardiovascular, Other Reformulations and Established Market (high-barrier generics). Hyloris currently has two early commercial-stage products, Sotalol IV for the treatment of atrial fibrillation, commercialized through its partner AltaThera, and Maxigesic® IV, a non-opioid analgesic product for the treatment of pain, developed with the Company's partner, AFT Pharmaceuticals. Additionally, Hyloris has 12 product candidates in various stages of development across the Company's wider portfolio. Read more at www.hyloris.com. Hyloris stands for "high yield, lower risk" and relates to the 505(b)(2) regulatory pathway for product approval on which the Issuer focuses, but in no way relates or applies to an investment in the Shares.

IMPORTANT INFORMATION

The material set forth herein is for informational purposes only and does not constitute an offer of securities for sale or a solicitation of any offer to buy securities in the United States, Australia, Canada, Switzerland, Israel, Japan or South Africa or any other jurisdiction in which such an offer or solicitation is unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state in the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws. No public offering of securities has been or will be made in the United States. Subject to certain exceptions, the securities referred to herein may not be offered or sold in Australia, Canada, Switzerland, Israel, Japan or South Africa, or for the account or benefit of, any national, resident or citizen of Australia, Canada, Switzerland, Japan or South Africa. Copies of this material are not being, and should not be, distributed or sent, directly or indirectly, into the United States, Australia, Canada, Switzerland, Israel, Japan or South Africa.

This information does not contain a solicitation for money, securities or other consideration and, if sent in response to the information contained herein, will not be accepted. This announcement contains statements which are "forward-looking statements" or could be considered as such. These forward-looking statements can be identified by the use of forward-looking terminology, including the words 'believe', 'estimate', 'anticipate', 'expect', 'intend', 'may', 'will', 'plan', 'continue', 'ongoing', 'possible', 'predict', 'plans', 'target', 'seek', 'would' or 'should', and contain statements made by the Company regarding the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are warned that none of these forward-looking statements offers any guarantee of future performance. The Company's actual results may differ materially from those predicted by the forward-looking statements. The Company makes no undertaking whatsoever to publish updates or adjustments to these forward-looking statements, unless required to do so by law.

Any purchase of, subscription for or application for, Shares in the Company to be issued in connection with the Offering should only be made on the basis of information contained in the Prospectus issued by the Company, and published on the Company's website (www.hyloris.com) in connection with the Offering and any supplements thereto, as the case may be. Potential investors must read the entire Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities. This document is not a Prospectus. The Prospectus contains detailed information about the Company and its management, risks associated with investing in the Company, as well as financial statements and other financial data.

The date of completion of listing on the regulated market of Euronext Brussels may be influenced by things such as market conditions. There is no guarantee that such listing will occur and a potential investor should not base its financial decisions on the Company's intentions in relation to such listing. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested. Persons considering such investments should consult an authorized person specializing in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. An investment in Shares entails significant risks, as the value of the Shares can decrease as well as increase.

This announcement is addressed to and directed at persons in member states of the European Economic Area ("EEA") other than Belgium pursuant to applicable exemptions under the Prospectus Regulation, including but not limited to "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation. In addition, in the United Kingdom, this announcement is only addressed to and directed at (i) persons having professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) high net worth entities, etc. falling within Article 49(2)(a) to (d) of the Order, and (iii) any other person to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). The intended offering, as the case may be, will only be available to, and any invitation, offer or agreement to subscribe for, purchase, or otherwise acquire securities will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

KBC Securities NV/SA and Van Lanschot Kempen Wealth Management N.V. (the "Underwriters") are acting for the Company and no one else in relation to the intended offering, and will not be responsible to anyone other than the Company for providing the protections offered to their respective clients nor for providing advice in relation to the intended offering.

INFORMATION TO DISTRIBUTORS

The Joint Global Coordinators have informed the Issuer that the following information is intended for distributors only. The information is provided by the Joint Global Coordinators and the Issuer does not assume responsibility for it.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of

Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), the Joint Global Coordinators have informed the Company that they have submitted the shares subject of the proposed offering (“Shares”) to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the proposed offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.