



SciBase Holding AB (publ) proposes a preferential rights issue of SEK 85 million, secured to SEK 75 million

Summary

- The board of directors of SciBase Holding AB (publ) ("SciBase" or "The Company") has decided to propose a new share issue of approximately SEK 85 million with preferential rights for the Company's existing shareholders (the "Rights Issue").
- The subscription price in the Rights Issue is set to SEK 9.00.
- The Rights Issue is subject to approval at the Extraordinary General Meeting to be held on 15 November 2017. The Company has today issued a notice to the Extraordinary General Meeting.
- The proceeds from the Rights Issue will be primarily used for the launch of Nevisense in the US, to develop and market new applications for Nevisense and development of the next generation products based on an application specific integrated circuit platform.
- The Company's three largest shareholders, SEB Pensionsstiftelse, Fouriertransform Aktiebolag and SEB Venture Capital have expressed their support for the Rights Issue and have undertaken to subscribe for a total of SEK 16.0 million. In addition, a guarantee consortium procured by Pareto Securities AB has, subject to certain conditions, committed to subscribe for new shares for up to SEK 59 million. Together, these subscription undertakings and guarantee commitments amount to SEK 75 million or approximately 88 percent of the new shares offered in the Rights Issue. Members of the board of directors and management have also undertaken to subscribe for shares for a total of approximately SEK 0.6 million.

Background and rationale

SciBase is a medical technology company headquartered in Stockholm developing and selling instruments for skin cancer detection and the investigation of skin diseases. The Company's main product, Nevisense, has been developed for doctors and nurses to facilitate detection of malignant melanoma, the most dangerous form of skin cancer. Since the Company was founded in 1998, more than SEK 600 million has been invested into the Company and the technology which has resulted in a technologically advanced product ready for an accelerated commercialisation. The technology is patented and has been validated by several clinical studies with good results. Nevisense has been granted approval to sell the device in the EU (CE marking), Australia (TGA approval) and, since June 2017, in the US (PMA approval).

The work to obtain a PMA approval was initiated in 2008 and has been an important and resource-intensive process for the Company. Following the approval of the PMA-application by the US Food and Drug Administration, SciBase can now market and sell Nevisense on the US market. The Company's management and board of directors have together developed an updated business strategy covering SciBase's entry into the US market, the continued growth on the core market Germany and the development of the current product platform for use within additional clinical applications.

The Company assesses that the US market is the largest and most profitable market for medical devices and that a successful launch of Nevisense on the US market would constitute a major commercial opportunity for the Company. The US is therefore considered to be a natural next step for SciBase. In addition to the launch in the US, the updated growth strategy aims to broaden the mode of use of Nevisense from being a pure melanoma detection tool to becoming a unique platform product that dermatologists and general practitioners can use to detect and investigate various skin conditions. SciBase will primarily focus on indications within non-melanoma skin cancer and atopic dermatitis, both of which comprise significantly larger patient groups than the current indication malignant melanoma.

SciBase recently successfully completed a three-year development project with the Royal Institute of Technology in Stockholm to miniaturise the measurement electronics in Nevisense through an application-specific integrated circuit (ASIC). The ASIC enables the future development of a significantly smaller, cheaper and simpler device which will in turn make it possible to approach new customer groups.

The planned US launch and the Company's updated growth strategy will over time entail increased capital requirements. SciBase's management and board of directors have resolved to propose the Rights Issue of up to approximately SEK 85 million in order to provide the capital needed. The Rights Issue is secured up to approximately SEK 75 million through subscription undertakings and guarantee commitments.

Of the SEK 85 million expected to be raised through the Rights Issue, the Company intends to distribute the secured SEK 75 million in proceeds as follows: 50–60 percent to finance the launch and marketing of Nevisense in the US, 15–20 percent to develop and market new applications for Nevisense and 15–20 percent for development of next generation products based on the ASIC platform. About 10–15 percent of the issue proceeds will be allocated to general corporate purposes, including transaction costs. The Company is further continuously looking into acquisition opportunities that might supplement current product offerings and distribution channels. The remaining and unsecured part of the proceeds corresponding to approximately SEK 10 million will be used to accelerate the launch of Nevisense in the US and to finance potential acquisitions.

As of the end of the second quarter of 2017, the Company had a cash position of approximately SEK 61 million. The board of director's assessment is that the current cash position together with the proceeds from the secured part of the Rights Issue will be sufficient to implement the Company's current business plan.

The Rights Issue

On 26 October 2017, the board of directors of SciBase proposed to the Extraordinary General Meeting to resolve on a preferential rights issue of approximately SEK 85 million.

For each share held on the record date, the shareholder will receive one (1) subscription right. Seven (7) subscription rights entitle the holder to subscribe for eight (8) new shares. The subscription price has been set to SEK 9.00 per share. At full subscription, the Rights Issue will provide SciBase with approximately SEK 85 million, before deduction of transaction costs, by issuing no more than 9,468,306 new shares, resulting in an increase in the share capital of up to approximately SEK 35,032,732.20. Following the Rights Issue, the number of outstanding shares in SciBase will amount to no more than 17,753,074.

Subscription undertakings and guarantee commitments

The Company's three largest shareholders, SEB Pensionsstiftelse, Fouriertransform and SEB Venture Capital, (the "**Main Owners**") who together represent approximately 53.4 percent of the capital and voting rights of the Company, have through subscription undertakings undertaken to subscribe for a total of SEK 16.0 million, corresponding to 18.8 percent of the gross proceeds in the Rights Issue, at full subscription. The Main Owners have undertaken not to exercise or sell the remaining subscription rights they will be assigned in connection with the Rights Issue. Moreover, a consortium of Swedish and international investors have, through guarantee commitments, committed to guarantee subscription of new shares in the Rights Issue up to a total amount of SEK 59 million, corresponding to approximately 69 percent of the Rights Issue, at full subscription. Subscription undertakings and guarantee commitments amount to a total amount of SEK 75 million, which means that the Rights Issue is approximately 88 percent covered by subscription undertakings and guarantee commitments. In addition, members of the board and management have undertaken to subscribe for shares corresponding to a total amount of approximately SEK 0.6 million, or 0.8 percent of the Rights Issue.

Extraordinary General Meeting

The Rights Issue is proposed to be resolved at the Extraordinary General Meeting that will be held on 15 November 2017.

For the complete notice to the Extraordinary General Meeting, please see separate press release.

Indicative timetable

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| 10 November 2017 | Q3-report is published |
| 15 November 2017 | Extraordinary General Meeting |
| 20 November 2017 | Expected date for publication of the prospectus |
| 22 November 2017 | Record date. Shareholders who are registered in the Company's share ledger kept by Euroclear Sweden AB on this day will be assigned subscription rights carrying the right to participate in the Rights Issue |
| 27 November – 7 December 2017 | Trading in subscription rights |
| 27 November – 11 December 2017 | Subscription period |
| On or about 14 December 2017 | The outcome of the Rights Issue is announced |
| On or about 27 December 2017 | The Rights Issue is completed and registered |

Adviser

Pareto Securities AB is financial adviser to SciBase and Setterwalls Advokatbyrå AB is legal adviser to SciBase and Pareto Securities AB in connection with the Rights Issue. Avanza Bank is the Company's certified adviser.

IMPORTANT INFORMATION

This press release is not an offer or solicitation to acquire shares in SciBase. A prospectus relating to the Rights Issue referred to in this press release will be filed with the Swedish Financial Supervisory Authority. After approval and registration of the prospectus by the Swedish Financial Supervisory Authority, the prospectus will be published and made available, inter alia, on SciBase's website.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended. SciBase does not intend to register any portion of the offering of the securities in the United States or to conduct a public offering of the securities in the United States. The information in this press release may not be announced, published or distributed, directly or indirectly, to the United States, Canada, Australia, New Zealand, Singapore, South Africa, Japan or Hong Kong or in any other jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations.

For further information, please contact:

Simon Grant, CEO, Tel +46 72 887 43 99

Michael Colérus, CFO, Tel +46 70 341 34 72

This information is information that SciBase Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 21:00 CET on 26 October, 2017.