

Expres²ion Biotech Holding AB
Press release, 2018-01-16

Expres²ion resolves on a preferential rights issue to accelerate the Company's development

Hørsholm, Denmark, January 16, 2018 – Expres²ion Biotech Holding AB ("Expres²ion") announces that the Board has decided, pursuant to the authorisation granted by an Extraordinary General Meeting, to carry out a preferential rights issue with the aim to accelerate the Company's development. The preferential rights issue comprises a maximum of 2,400,403 shares with a subscription price of 8.00 SEK per share. The public is also invited to subscribe for shares. Upon full subscription of the rights issue, Expres²ion will raise approximately MSEK 19,203,224 before issue expenses. Beforehand, Expres²ion has agreed on subscription commitments amounting to approximately MSEK 10.9, corresponding to approximately 57 percent of the total issue amount, with persons and entities including management, major shareholders and institutions. Expres²ion also announces that the Company's Year End Report will be published on February 7, 2018. The previous publication date was February 28, 2018. Notice of the Extraordinary General Meeting will be published shortly.

The proceeds from the preferential rights issue are expected to finance:

- Working capital to, on its own, pursue additional projects regarding vaccines and candidate drugs that the Company regularly encounter on the market.
- Resources to create more value in the joint venture AdaptVac and its development projects.
- Further development of the Company's platform with new products that will strengthen the Company's position in new market segments and generate new clients, thereby increasing the Company's short-term earnings as well as long-term possibilities.

A comment from CEO Steen Klysner

"Our positive development since the listing in 2016 has increased the Company's revenue significantly, and at the same time we have reached a unique and favourable position in the market. The Company's board and management, together with major shareholders, deem the Company's limited working capital a limiting factor in developing the Company in an optimal way. We regularly encounter opportunities with potential to create significant value for the Company, that we are forced to decline because of resource shortages. The number of opportunities has increased, both thanks to our joint ownership in the promising company AdaptVac and as a direct consequence of our increased market efforts. Additional capital would increase the pace of our process towards achieving critical mass for our core activities, ensure a strong value development for the Company's existing assets, and at the same time enable us to invest in and develop additional assets. The strong confidence in the Company is seen not in the least through subscription commitments of approximately 57 % from management, major shareholders and institutions.

Purpose of the preferential rights issue

Expres²ion has increased the number of projects and its revenue during the last 12 months. Additionally, in 2017, the joint venture AdaptVac ApS was formed together with NextGen Vaccines ApS, a spin-out from the University of Copenhagen, which has a synergistic and revolutionary platform technology for vaccines and vaccine-like treatments, and a pipeline of early, promising pharmaceutical projects. To finance this opportunity, Expres²ion carried out a preferential rights issue of around MSEK 3.9 in August 2017. In addition to the therapeutic, breast cancer related vaccine previously made public by the Company, the AdaptVac pipeline contains another candidate that, in early studies, has shown promising results compared to existing therapies/vaccines. Due to competitive reasons, the Company cannot announce which indications this candidate is developed for at this time, but the plug-and-play procedure that is integrated in the technology is ideal for quickly developing advanced candidate drugs. With additional resources, the pace for initiating the development of one-two new candidates can be increased.

Following the Company's success with the applied development strategy, and the opportunities it has created, the board, management and major shareholders now deem this strategy and business model, primarily based on financing business development by increasing core business revenues, to be insufficient in enabling the Company to pursue encountered opportunities in an optimal way going forward. Currently, the Company is mainly relying on on-going revenue to finance development activities, which results in lost revenues and business opportunities in situations where a larger working capital would enable the Company to benefit from market needs and utilise additional opportunities to create value with significant

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potential. Additional capital would also increase the pace of the ongoing development of the Company's core activities, thus accelerating the process of achieving critical mass and the financial strength and economies of scale that this would entail. Additionally, an increase of liquid funds would ensure a higher pace in the development of existing pharmaceutical assets in the joint venture AdaptVac, as well as enable the Company to enter into new agreements and initiate projects for highly valued pharmaceutical assets and other similar opportunities.

In view of the above, ExpreS²ion is now planning to carry out a preferential rights issue of approximately MSEK 19.2 to finance a development plan consisting of a number of selected elements that combined will enable consolidation, development and expansion of the Company's core business into a profitable and revenue generating platform. This will also enable the Company to invest in AdaptVac to increase the value of its technology platform and pharmaceutical projects significantly, and to pursue new opportunities to create value in synergy with the Company's platform.

Summary of the offer

- **Subscription period:** February 8 - 27 2018
- **Subscription price:** SEK 8.00 per share
- **Volume of issuance:** The offer comprises a maximum of 2,400,403 shares, corresponding to SEK 19,203,224
- **Record date and preferential right:** Those registered as shareholders in ExpreS²ion Biotech Holding AB on the record date February 2, 2018 have preferential right to subscribe for shares in the planned rights issue. For each held share, one (1) subscription right is received. Four (4) subscription rights entitle to subscription of one (1) new share. Please note that the public is also invited to subscribe for shares in the rights issue
- **Number of shares prior to the rights issue:** 9,601,612 shares
- **Trading period of subscription rights:** Trading with subscription rights will be conducted through Nasdaq Stockholm First North from February 8 until February 23, 2018
- **Company valuation (pre-money):** Approximately MSEK 76.8
- **Trading period of BTAs:** Trading with BTAs will be conducted through Nasdaq Stockholm First North from February 8, 2018 until the rights issue is registered at the Swedish Company Authority ("Bolagsverket"). The registration is expected to be finished in the middle of March 2018.
- **Subscription commitments:** ExpreS²ion has received subscription commitments of approximately MSEK 10.9 corresponding to approximately 57 percent of the right issue's total volume, from persons and entities including the management of the company, major shareholders and institutions

Full terms and instructions, information on subscription commitments and memorandum, teaser and subscription form without preferential right will be published on the company's (www.expres2ionbio.com) and Sedermera Fondkommission's (www.sedermera.se) websites no later than the beginning of the subscription period.

Financial advisor

Sedermera Fondkommission is ExpreS²ion's financial advisor in connection with the preferential rights issue.

Certified Adviser

Sedermera Fondkommission is the Certified Adviser of ExpreS²ion Biotech Holding AB.

For further information about ExpreS²ion Biotech Holding AB, please contact:

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This press release contains information that ExpreS²ion is obligated to make public pursuant to the EU Market Abuse Regulation. This information was provided, through the above contact, for publication on the 16 of January 2018.

About ExpreS²ion

ExpreS²ion Biotechnologies ApS is a fully owned Danish subsidiary of ExpreS²ion Biotech Holding AB with company register number 559033-3729. ExpreS²ion's unique proprietary platform technology, ExpreS², is designed to enable accelerated, cost effective development and robust production of complex proteins for new vaccines and diagnostics. Since founded in 2010, more than 250 proteins involved in e.g. malaria and Zika were produced in collaborations with research institutions and

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companies with a superior efficiency and success rate. ExpreS²ion also develops competitive virus-like-particle based vaccines through its joint venture AdaptVac, which was founded in 2017.