

Panion Animal Health AB: Panion draws down a second tranche of convertibles of SEK 2 million

Panion Animal Health AB ("Panion") draws down a second tranche from the investment fund managed by Yorkville Advisors Global ("Yorkville").

Panion entered into a financing agreement with Yorkville which was announced on 9 January 2018 (the "Agreement") (see press release dated 9 January 2018).

On 23 January 2019, Panion's board of directors decided to draw down a second tranche pursuant to the Agreement as well as the issuance of the Notes and warrants under this second tranche. The issuance is within the limitations of the authorization from the shareholder's meeting held on 29 May 2018.

The capital will be used for further investments in research and development.

The transaction is carried out through the issuance of convertible notes (the "Notes") with warrants attached (the "Warrants").

Highlights about the second tranche:

- The second tranche of SEK 2 million is carried out through the issuance of Notes with Warrants attached to Yorkville.
- The Notes have a principal amount of SEK 100,000 each. They bear no interest and have a maturity of 12 months from the date of the registration of their issuance with the Swedish Companies Registration Office. During their term, Yorkville may request to convert any or all of the Notes at a variable conversion price which shall be equal to 93 per cent of the lowest daily volume weighted average price over the five consecutive trading days immediately preceding the conversion date (the "Reference Price" below refers to the lowest daily volume weighted average price over five consecutive trading days).
- The Warrants have a maturity of three (3) years from the date of the registration of their issuance with the Swedish Companies Registration Office. Each Warrant gives right to subscribe for one (1) new share in Panion at a fixed strike price of 115 per cent of the Reference Price immediately preceding the date when Panion's written request for the disbursement of a tranche was submitted.
- In the specific case of this second tranche, the strike price will be SEK 1.00.
 - Tranche amount: SEK 2,000,000
 - Tranche issuance Reference Price: SEK 0.8671
 - Strike price of Warrants: $\text{SEK } 0.8671 \times 1.15 \sim \text{SEK } 1.00$
 - Number of Notes: $2,000,000 / 100,000 = 20$ Notes
 - Number of Warrants: $2,000,000 / 1.00 = 2,000,000$

This information is such information as Panion Animal Health AB is required to disclose under the EU Market Abuse Regulation. The information was provided by the contact person below for publication on January 23, 2019.

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Bolaget ska utveckla och kommersialisera genterapi för behandling av epilepsiliknande tillstånd hos hundar och andra djur, samt utveckla och kommersialisera andra veterinärmedicinska produkter och nya behandlingsformer som kan ge sjuka djur bättre livskvalitet.

Panion will develop and commercialize a gene therapy treatment for dogs with drug refractory epilepsy, and other new animal health products and treatments that improve the quality of life for animals suffering from chronic diseases.