



## **Biosergen carries out a rights issue of units of approximately SEK 40.5 million, and secures bridge loan**

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**The Board of Directors of Biosergen AB (“Biosergen” or the “Company”) has today, subject to approval from a subsequent extraordinary general meeting scheduled to be held on March 1, 2024, resolved to carry out an issue of units consisting of shares and warrants with preferential rights for existing shareholders of approximately SEK 40.5 million (the “Rights Issue”). The Rights Issue is covered to approximately 65 percent through subscription commitments and underwriting commitments. Furthermore, the Company has decided to enter into a loan agreement of SEK 7.0 million (the “Bridge loan”) with the major shareholder Östersjöstiftelsen (the “Lender”) to ensure short-term financing. The notice for the extraordinary general meeting will be announced separately through a press release.**

### **Summary**

- Upon full subscription, the Rights Issue provides Biosergen with approximately SEK 40.5 million before issuing costs.
- In the event of full subscription and full exercise of all warrants of series TO3 in conjunction with offered units, the Company may be provided with an additional maximum of approximately SEK 68 million.
- The Rights Issue is covered to approximately 65 percent through subscription- and underwriting commitments.
- All existing shareholders will receive one (1) unit right for each one (1) share owned on the record date, March 5, 2024. Three (3) unit rights give the right to subscribe for one (1) unit. One (1) unit consists of eight (8) newly issued shares and eight (8) warrants of series TO3. The subscription price per unit is SEK 2.40, corresponding to SEK 0.30 per share (the warrants are issued free of charge).
- The subscription period for the Rights Issue will run from and including March 7, 2024, up to and including March 21, 2024.
- The Bridge loan amounts to a total of SEK 7.0 million. The Bridge loan amount will be fully repaid through setoff of subscribed units in the Rights Issue, corresponding to 2,916,666 units. The Lender has entered subscription commitments in the Rights Issue corresponding to SEK 13.5 million.
- The Rights Issue is conditional upon approval by an extraordinary general meeting which is scheduled to be held on March 1, 2024 and requires that the extraordinary general meeting also resolves to change the limits for the share capital and the number of shares in the Company’s articles of association. The notice for the extraordinary

general meeting will be announced separately through a press release.

### **Background and rationale in summary**

Biosergen AB is a Swedish clinical stage pharmaceutical company. The company's drug candidate BSG005 is a potentially groundbreaking antifungal, which has demonstrated significant safety and potency advantages compared to similar medications. The drug is based on an anti-fungal molecule from the group of polyene macrolides and is currently entering the first in-patient safety and efficacy study, with topline data expected in Q3 2024. To continue this research and product development and to fund the clinical development of the drug, the Company has recognized a need to implement a capital raise. The Company has resolved on the Rights Issue to give all shareholders the right to participate in the issue and fund the treatment of this overlooked emerging disaster of invasive fungal infections.

The proceeds of the Rights Issue and the warrants of series TO3 shall primarily be used for:

- Completion of the first in-patient safety and efficacy study for BSG005
- CMC investments to cover the phase 2 and 3 studies (both studies will be managed and financed by Biosergen's partner Alkem Laboratories Ltd)
- Offsetting the Bridge loan

### **Terms for the Rights Issue**

The Board of Directors of Biosergen has today, subject to approval from a subsequent extraordinary general meeting scheduled to be held on March 1, 2024, resolved on the Rights Issue in accordance with the following main terms:

- All existing shareholders will receive one (1) unit right for each one (1) share owned on the record date, March 5, 2024, and three (3) unit rights give the right to subscribe for one (1) unit. One (1) unit consists of eight (8) newly issued shares and eight (8) warrants of series TO3.
- The subscription price per unit is SEK 2.40, corresponding to SEK 0.30 per share (the warrants are issued free of charge).
- The Rights Issue entails an issue of a maximum of 16,895,287 units, corresponding to 135,162,296 shares and 135,162,296 warrants of series TO3.
- Upon full subscription in the Rights Issue, the Company receives approximately SEK 40.5 million before transaction costs.
- The subscription period for subscription of units will run from March 7, 2024, up to and including March 21, 2024.
- The subscription price for subscription of shares with the support of warrants of series TO3 corresponds to 70 percent of the volume-weighted average price paid for the Company's shares on Nasdaq First North Growth Market during the period from November 4, 2024, to November 15, 2024, but not less than SEK 0.30 and not more than SEK 0.50.
- The exercise period for subscription of shares with the support of the warrants of series TO3 will run from November 18, 2024 to November 29, 2024.
- In the event of full subscription and full exercise of all warrants of series TO3 in conjunction with offered units, the Company may be provided with an additional maximum of approximately SEK 68 million.
- Through the Rights Issue, the share capital may increase by a maximum of SEK 3,379,057.400, from SEK 1,267,146.575 to SEK 4,646,203.975. Upon full exercise of the warrants of series TO3 covered by the Rights Issue, the share capital may increase by an additional SEK 3,379,057.400, from SEK 4,646,203.975 to SEK 8,025,261.375.
- The existing shareholders in the Company who do not subscribe for units in the Rights Issue will be subject to dilution. A fully subscribed Rights issue entails a dilution corresponding to 72.73 percent. The maximum increase in the number of shares in the Company as a result of full subscription of the Rights Issue and full exercise of attached warrants of series TO3 may entail a further dilution of approximately 42.11 percent.
- The Company intends to apply for admittance of trading of the warrants of series TO3 on Nasdaq First North Growth Market after final registration with the Swedish Companies Registration Office.

## Subscription commitments, underwriting commitments, lock-up and potential compensation issue

The Rights Issue is covered to approximately 65 percent through subscription commitment and underwriting commitments. The subscription commitments and underwriting commitments are not secured through bank guarantees, pledge, or similar arrangements. A subscription commitment of approximately SEK 13.5 million has been provided by Östersjöstiftelsen, the largest shareholder of the Company. The underwriting commitments have been provided by existing shareholders and external investors. For the underwriting commitments, underwriting compensation will be paid either in cash or in the form of newly issued units. In case of payment in cash, the underwriting compensation will correspond to twelve (12) percent of the underwritten amount. In case of payment in the form of newly issued units, the underwriting compensation will correspond to fifteen (15) percent of the underwritten amount, with a subscription price corresponding to the subscription price per unit in the Rights Issue, which the Board of Directors deems to be market terms. No compensation is paid for the subscription commitment.

Some underwriters have provided underwriting commitments which could result in an ownership that exceed ten percent of the votes in the Company if the Rights Issue is only subscribed up to the level covered by subscription and underwriting commitments. To the extent the underwriters' fulfilment of such commitment entails that the investment must be approved by the Inspectorate of Strategic Products (Sw. *Inspektionen för strategiska produkter*) in accordance with the Swedish Screening of Foreign Direct Investments Act (Sw. *lagen (2023:560) om granskning av utländska direktinvesteringar*), such part of the commitment is conditional upon notification that the application of the transaction is left without action or that approval has been obtained from the Inspectorate of Strategic Products.

## Indicative timetable

March 1, 2024	Extraordinary general meeting
March 1, 2024	Last day of trading in Biosergen's shares including the right to receive unit rights
March 4, 2024	First day of trading in Biosergen's shares excluding the right to receive unit rights
March 5, 2024	Record date for obtaining unit rights. Shareholders who are registered in the share register kept by Euroclear Sweden AB on this day, receive unit rights for participation in the Rights Issue.
March 7 – March 18, 2024	Trading with unit rights on Nasdaq First North Growth Market
March 7 – March 21, 2024	Subscription period for the Rights Issue
March 7 – week 16, 2024	Trading with BTU on Nasdaq First North Growth Market
March 25, 2024	Estimated date for announcement of the Rights Issue outcome

## The Bridge loan

The Bridge loan is issued by Biosergen's largest shareholder Östersjöstiftelsen, with a maximum total principal amount of SEK 7.0 million.

The Company may draw down the Bridge loan in whole or in part, and in one or more tranches until December 1, 2024 (the "**Repayment Date**"). Prior to the Repayment Date, the Company has the right to request, and Östersjöstiftelsen has the obligation to accept, a conversion of the whole or a part of the Bridge loan, to shares or other financial instruments in the Company. The Bridge loan will carry interest as from and excluding the drawdown date up to and including the Repayment Date or the relevant conversion date at a rate of 8.0 per cent per annum (the "**Interest**"). The Interest will be calculated based on the actual number of days elapsed, divided by 360 days. The Interest shall not be compounded. The Interest accrued on any Bridge loan amount repaid or converted shall be payable in cash on the Repayment Date or on the relevant conversion date.

The Company intends to request that the Bridge loan amount shall be fully repaid through setoff of subscribed units in the Rights Issue. Östersjöstiftelsen has entered into subscription commitments in the Rights Issue corresponding to SEK 13.5 million.

### **Shares, share capital and dilution**

As a result of the Rights Issue, and assuming full subscription, the number of shares will increase by 135,162,296, from 50,685,863 to 185,848,159, and the Company's share capital will increase by 3,379,057.400, from 1,267,146.575 SEK to 4,646,203.975 SEK. In the event that all warrants of series TO3 issued in the Rights Issue are exercised for subscription of new shares, the number of shares will increase by an additional 135,162,296, and the share capital will increase by an additional 3,379 057.400 SEK.

A fully subscribed Rights issue entails a dilution corresponding to 72.73 percent. The maximum increase in the number of shares in the Company as a result of full subscription of the Rights Issue and full exercise of attached warrants of series TO3 may entail a further dilution of approximately 42.11 percent.

### **Prospectus**

An EU growth prospectus will be available before the beginning of the subscription period on the Company's website, [www.biosergen.net](http://www.biosergen.net).

### **Advisers**

Mangold Fondkommission AB is the financial advisor to Biosergen in connection with the Rights Issue. Advokatfirman Hammarstiöld & Co AB is the legal advisor to the Company in connection with the Rights Issue.

### **For further information about Biosergen, please contact:**

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The Company's Certified Adviser is Carnegie Investment Bank AB (publ).

*This information is such information that Biosergen AB 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 18:30 CET, on January 30, 2024.*

### **ABOUT BIOSERGEN**

Biosergen is a leading clinical-stage biotechnology company at the forefront of antifungal drug development. Our mission is to develop BSG005, our lead drug candidate, into the new first-line treatment choice for invasive fungal diseases, while generating significant returns for our shareholders. Our Phase I trial showcased the exceptional safety and tolerability of BSG005, especially when compared to existing alternatives. Building on those results we are now advancing to test the drug in patients expected to clinically validate BSG005's potential as a new and strong antifungal treatment. Biosergen's development of BSG005 is based on two decades of scientific work at the Norwegian University of Science and Technology. For more information, visit [www.biosergen.net](http://www.biosergen.net).

### **Important Information**

Release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions according to law and people in those jurisdictions, in which this press release has been announced or distributed,

should inform themselves of and follow such legal restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Biosergen in any jurisdiction. Invitation to the persons concerned to participate in the Rights Issue will only take place through the EU growth prospectus which the Company intends to publish in connection with the Rights Issue.

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. The information in this press release may not be announced, published or distributed in or into the United Kingdom, the United States, Canada, Japan, Australia, Hong Kong, New Zealand, Singapore, Switzerland, South Africa, South Korea or in any other jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations.

Within the European Economic Area, no offer is made to the public of securities in any country other than Sweden. In other Member States of the European Union, such an offer may only be made in accordance with the exceptions in the Prospectus Regulation (EU) 2017/1129.

This press release contains certain forward-looking information that reflects the Company's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development, and actual outcomes may differ materially from the statements set forth in the forward-looking information.