

PRESS RELEASE

19 May 2020

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, SWITZERLAND, SINGAPORE, SOUTH AFRICA, THE UNITED STATES OF AMERICA OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE THE SECTION "IMPORTANT INFORMATION" AT THE END OF THIS PRESS RELEASE.

Recipharm has carried out a directed share issue of 4,524,886 class B shares and is hereby provided with proceeds of SEK around 500 million

Recipharm AB (publ) ("Recipharm" or the "Company") has, with the support of the authorization from the Annual General Meeting on 12 May 2020, resolved on a directed share issue of 4,524,886 class B shares at a subscription price of SEK 110.50 per share (the "Directed Share Issue") and is hereby provided proceeds of approximately SEK 500 million before deduction of costs related to the transaction. The subscription price is in line with the price recently traded on NASDAQ Stockholm and has been determined by the Company's Board of Directors in consultation with the Company's financial advisers Danske Bank and DNB based on the considered interest shown by institutional investors.

THE DIRECTED SHARE ISSUE

Subscribers in the Directed Share Issue are Gladiator, Länsförsäkringar and Polar Capital, and four others. The subscription price amount to SEK 110.50 per share, in line with the price recently traded on NASDAQ Stockholm, and has been determined by the Company's Board of Directors in consultation with the Company's financial advisers Danske Bank and DNB based on the considered interest shown by institutional investors. The Company's Board of Directors is therefore of the opinion that the subscription price has been set at market terms.

The Directed Share Issue provides the Company with proceeds of approximately SEK 500 million before deduction of costs related to the transaction. As the Company has previously announced, the Company intends to carry out one or several new share issues to repay the bridge facility which was used to finance the acquisition of Consort. The Directed Share Issue forms part of the Company's intention to repay the bridge facility the proceeds from the Directed Share Issue will be used in accordance therewith. The subscribers in the Directed Share Issue have expressed their intention to subscribe for their pro rata share in a potentially upcoming rights issue.

Through the Directed Share Issue, the Company's share capital will increase by SEK 2,262,443.00, from SEK 33,887,896.50 to SEK 36,150,339.50, by new issue of 4,524,886 class B shares, resulting in the total number of shares increasing from 67,775,793 shares to 72,300,679 shares, whereof 15,222,858 are class A shares and 57,077,821 are class B shares. The Directed Share Issue results in a dilution of approximately 6.26 percent of the capital and approximately 2.16 percent of the votes for existing shareholders based on the total number of shares and votes in the Company after the Directed Share Issue.

THOMAS ELDERED, CEO IN RECIPHARM

"We are very proud of the interest we have received from well-renowned international investors. Noting that the issue was subscribed in line with the price recently traded on NASDAQ Stockholm



also confirms the strong support of our strategy and is a message of strength in these volatile times.” says Thomas Eldered, CEO, Recipharm.

ADVISERS

Recipharm has in connection with the Directed Share Issue appointed Danske Bank A/S, Denmark, Sweden Branch (“Danske Bank”) and DNB Markets, a part of DNB Bank ASA, Sweden Branch (“DNB”) as financial advisers and Joint Lead Managers. Setterwalls Advokatbyrå acts as legal adviser to the Company and Schjødt acts as legal adviser to Danske Bank and DNB.

For more information please visit www.recipharm.com or contact:

Thomas Eldered, CEO, telephone: +46 8 602 52 10

Tobias Häggglöv, CFO, ir@recipharm.com, telephone: +46 8 602 52 00

This information is information that Recipharm 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 19:00 CEST on 19 May 2020.

About Recipharm

Recipharm is a leading Contract Development and Manufacturing Organisation (CDMO) in the pharmaceutical industry employing almost 9,000 employees. Recipharm offers manufacturing services of pharmaceuticals in various dosage forms, production of clinical trial material and APIs, pharmaceutical product development and development and manufacturing of medical devices. Recipharm manufactures several hundred different products to customers ranging from big pharma to smaller research and development companies. Recipharm’s annual turnover is approximately SEK 11 billion. The company operates development and manufacturing facilities in France, Germany, India, Israel, Italy, Portugal, Spain, Sweden, the UK and the US and is headquartered in Stockholm, Sweden. The Recipharm B-share (RECI B) is listed on Nasdaq Stockholm.

For more information on Recipharm and our services, please visit www.recipharm.com

IMPORTANT INFORMATION

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in the Company in any jurisdiction, neither from the Company or anyone else.

This press release is not an offer or invitation to acquire or subscribe for shares or other securities in the United States. The securities that have been mentioned in this release are not allowed to be sold in the United States without registration, or without application of an exception from registration, according to the applicable U.S. Securities Act from 1933 (“Securities Act”), or as a part of a transaction that is not covered by the registration requirements according to the Securities Act. There is no intention to register any shares or securities mentioned herein in the United States or to announce a public offering of such securities in the United States. The information in this press release shall not be published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, Singapore, South Africa, the United States of America or any other jurisdiction in which the release, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would demand additional registration or other actions than those required according to Swedish law. Acts in contrary to this instruction can constitute a crime according to applicable securities laws.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “Prospectus Regulation”) and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the

Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

To the extent this press release contains forward-looking statements, such statements does not constitute facts and are characterized by words such as "shall", "expect", "believe", "assess", "intend", "estimate" and similar expressions. Such statements reflect Recipharm's intentions, views or present expectations or assumptions. Such forward-looking statements are based on Recipharm's current plans, estimates and projections, which have been made to the best of Recipharm's ability. However, Recipharm does not assert that these statements will be correct in the future. Forward-looking statements are associated with risks and uncertainties which are difficult to predict and which generally cannot be affected by Recipharm. It should be contemplated that actual events or outcomes may differ materially from what is included or expressed in such forward-looking statements.

INFORMATION TO DISTRIBUTORS

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"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the new shares in the Directed Share Issue have been subject to a product approval process, which has determined that the these 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 Directed Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

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.