

## **Bio-Works Technologies resolves on fully secured rights issue of approximately SEK 39 million and announces intention to change listing venue to Spotlight Stock Market**

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The Board of Directors of Bio-Works Technologies AB ("Bio-Works" or the "Company") has today resolved on a new issue of shares and warrants ("Units") with preferential rights for the Company's existing shareholders of initially approximately SEK 39 million before deduction of issue costs (the "Rights Issue"). The Rights Issue is subject to approval at an extraordinary general meeting scheduled for July 29, 2024. The purpose of the Rights Issue is mainly to secure working capital and finance continued commercialization and market establishment of the Company's products until estimated positive cash flow from operations. In connection with the Rights Issue, the main shareholders Swedia Invest AB and Calyptra AB, other existing shareholders and all board members of the Company have entered into subscription commitments of approximately SEK 17.8 million, corresponding to approximately 45.6 percent of the Rights Issue. In addition, individual parties have entered into guarantee commitments of approximately SEK 21.2 million, corresponding to the remaining 54.4 percent of the Rights Issue. Upon full exercise of all warrants of series TO2 ("TO2"), within the framework of issued Units, Bio-Works may receive an additional capital injection of approximately SEK 39 million before deduction of issue costs. Bio-Works intends, before the subscription period begins in the Rights Issue, to carry out a list change from Nasdaq First North Growth Market to Spotlight Stock Market. Due to the Rights Issue, the Company has decided to move the Company's quarterly report for the second quarter of 2024 to August 2, 2024. Notice of the Extraordinary General Meeting is published via a separate press release.

Peter Ehrenheim, Chairman of the Board of Bio-Works, comments:

"The Bio-Works Board and management have learned important lessons from the negative developments in the past period in terms of both sales growth and excessive fixed costs. We have therefore made significant changes in the management team to adapt Bio-Works to the current market conditions with a more agile and customer-focused organization and a comprehensive savings program.

Several of our projects are now approaching a point where we believe they demonstrate both our ability to meet specific customer needs through innovation and expertise, and with the opportunity to generate larger orders with good margins.

The rights issue we are conducting aims to provide Bio-Works with working capital, cover deficits, continue to process the existing customer base, expand it, and develop products tailored for customers. The Board believes that with a fully subscribed rights issue, there will be no need for additional financing until we reach a positive cash flow from operations.

It is extremely encouraging and a sign of confidence that the rights issue is 100 percent secured through subscription commitments and free of charge guarantee commitments from our main shareholders, other shareholders and the Board of Directors.

The change of list venue we intend to carry out is based on the Board's conviction that Spotlight offers a more cost-effective and flexible alternative for Bio-Works, creating better conditions for future value creation. We also note that the change of list venue will result in direct savings regarding listing and issuance costs."

### **Summary of the Rights Issue**

- The Rights Issue comprises a maximum of 38 979 790 Units.
- One (1) existing share in the Company on the record date entitles to one (1) unit right. One (1) unit right entitles to subscription of one (1) Unit, consisting of one (1) share and one (1) free of charge warrant of series TO2.
- The subscription price amounts to SEK 1.00 per Unit, corresponding to SEK 1.00 per new share, which, if the Rights Issue is fully subscribed, means that the Company will initially receive approximately SEK 39 million before deduction of issue costs.
- The record date for the Rights Issue is scheduled for August 9, 2024, and the subscription period runs from August 13, 2024, to August 27, 2024.
- The last day of trading in Bio-Works' shares with the right to participate in the Rights Issue is August 7, 2024.
- In connection with the Rights Issue, the main shareholders Swedia Invest AB and Calyptra AB, other existing shareholders and all board members of the Company have entered into subscription commitments of approximately SEK 17.8 million, corresponding to approximately 45.6 percent of the Rights Issue. In addition, certain subscribers have also entered into free of charge guarantee commitments of approximately SEK 21.2 million, corresponding to the remaining 54.4 percent of the Rights Issue. Thus, the Rights Issue is 100 percent secured through subscription commitments and free of charge guarantee commitments.
- Upon full exercise of all TO2, within the framework of issued Units, Bio-Works may receive an additional capital injection of a maximum of approximately SEK 39 million before deduction of issue costs.
- One (1) warrant will entitle the holder to subscribe for one (1) new share in the Company at a subscription price of SEK 1.00 per new share.

- Exercise of TO2, for subscription of new shares, can take place during the first ten (10) trading days during each quarter from Q1 2025 up to and including Q3 2027, i.e., in a total of eleven (11) occasions. However, each TO2 can only be exercised to subscribe for one new share on one occasion.
- The Company intends to publish a prospectus regarding the Rights Issue on or about August 6, 2024.
- The Rights Issue is subject to approval at an Extraordinary General Meeting scheduled for July 29, 2024.

### **Background and motive of the Rights Issue**

Last year was a year for Bio-Works characterized by a decline in sales of the Company's bulk products, which in turn led to a lower gross margin. The Company has learned important lessons from this experience, which has highlighted the need to carefully balance the product offering and adapt the organization. Thus, over the past year, Bio-Works has undergone significant changes with the aim of creating an even more agile and focused organization that is adapted to current market conditions. Among other things, the Company initiated two cost-saving programs involving a cost reduction of approximately SEK 24 million with full effect from January 2024 to an annual cost base of less than SEK 60 million. Furthermore, several of the projects initiated in the previous year have now started to approach a point where the Board believes that they not only demonstrate the Company's ability to meet specific customer needs through innovation and expertise, but also face the possibility of generating larger orders.

#### *Use of proceeds*

The existing working capital is, according to the Board's assessment, not sufficient for Bio-Works' current needs over the next twelve months. In order to provide the Company with working capital, cover deficits, continue processing the existing customer base, expand the customer base and develop customer-specific products, Bio-Works is now conducting the Rights Issue, which, if fully subscribed, can initially provide the Company with approximately SEK 39 million before issue costs.

With a fully subscribed Rights Issue, it is the Board's assessment that no further financing needs exist until the Company achieves a positive cash flow from operations.

### **Terms for the Rights Issue and TO2**

The Board of Directors of Bio-Works has today, June 26, 2024, resolved on a rights issue of up to 38,979,790 Units with preferential rights for the Company's existing shareholders. The rights issue is subject to approval at an extraordinary general meeting scheduled for July 29, 2024.

Each Unit consists of one (1) share and one (1) free of charge warrant of series TO2. The right to subscribe for Units shall be granted with preferential rights to the Company's shareholders, whereby one (1) existing share entitles to one (1) unit right. In addition, investors are offered the opportunity to apply for subscription of Units without unit rights.

The subscription price in the Rights Issue amounts to SEK 1.00 per Unit, corresponding to SEK 1.00 per share, which means that the Company, upon full subscription, will receive approximately SEK 39 million before deduction of costs attributable to the Rights Issue and excluding the additional capital that may be added upon exercise of the warrants. The issue costs attributable to the Rights Issue amount to approximately SEK 1.4 million.

One (1) warrant will entitle the holder to subscribe for one (1) new share in the Company at a subscription price of SEK 1.00 per new share. Upon full exercise of all TO2, within the framework of issued Units, Bio-Works may receive an additional capital injection of a maximum of approximately SEK 39 million before deduction of issue costs. Exercise of TO2, for subscription of new shares, can take place during the first ten (10) trading days during each quarter from Q1 2025 to Q3 2027, i.e., in a total of eleven (11) occasions. However, each TO2 can only be exercised for subscription of one new share on one occasion. The warrants are intended to be admitted to trading after final registration of the Rights Issue with the Swedish Companies Registration Office.

The record date for receiving unit rights and the right to participate in the Rights Issue with preferential rights is August 9, 2024. The last day of trading in the share including the right to participate in the Rights Issue with preferential rights is August 7, 2024. The subscription period in the Rights Issue will run from August 13, 2024, up to and including August 27, 2024. The Company's Board of Directors has the right to extend the subscription period. Trading in unit rights will take place during the period from August 13, 2024, up to and including August 22, 2024, and trading in paid subscribed Units ("BTU") will commence on August 13, 2024 and continue until the Rights Issue has been registered with the Swedish Companies Registration Office.

### **Subscription- and guarantee commitments**

In connection with the Rights Issue, the main shareholders Swedia Invest AB and Calyptra AB, other existing shareholders and all board members of the Company have entered into subscription commitments of approximately SEK 17.8 million, corresponding to approximately 45.6 percent of the Rights Issue. In addition, certain subscribers have also entered into free of charge guarantee commitments of approximately SEK 21.2 million, corresponding to the remaining 54.4 percent of the Rights Issue. Thus, the Rights Issue is 100 percent secured through subscription commitments and free of charge guarantee commitments. No compensation is paid for entered subscription commitments or guarantee commitments. The subscription commitments and guarantee commitments are not secured by bank guarantee, blocked funds, pledges or similar arrangements.

Individual guarantors have provided guarantee commitments that may result in an ownership exceeding 20 or 30 percent of the votes in the Company provided that the Rights Issue is only subscribed up to the level covered by the subscription commitments and guarantee commitments. To the extent that the guarantors' fulfillment of such a guarantee commitment means that the investment must be approved in advance by the Swedish Inspectorate for Strategic Products (*Swe: Inspektionen för strategiska produkter*) in accordance with the Act (2023: 560) on the Review of Foreign Direct Investments, the part of the guarantee commitment that means that the required threshold according to the legislation is passed is conditional on the

application for the transaction being left without action or that approval has been obtained from the Swedish Inspectorate for Strategic Products. Thus, such part of the investment may need to be supplemented to the Company after the Rights Issue, when the approval has been obtained, or not at all in the event that approval is not obtained.

### **Exemption from mandatory bid**

The main shareholders in Bio-Works Swedia Invest AB and Calyptra AB (the "Main Shareholders"), whose shareholdings in the Company correspond to approximately 18.8 percent and approximately 15.7 percent of the capital and votes, respectively, have undertaken to subscribe for their respective pro-rata shares in the Rights Issue and have also entered into guarantee commitments. If the guarantee commitments were to be fully exercised, Swedia Invest AB's ownership of shares and votes in Bio-Works would increase to over 30 percent. Furthermore, the exercise of warrants of series TO2, which are allocated to the Main Shareholders via entered subscription commitments and guarantee commitments, could result in the Main Shareholders' share and voting rights in Bio-Works increasing to over 30 percent. The Main Shareholders have been granted exemption from the mandatory bid requirements by the Swedish Securities Council (*Swe: Aktiemarknadsnämnden*) in the event that their shareholdings would amount to or exceed 30 percent of the number of votes in the Company as a result of the Main Shareholders' participation in the Rights Issue and the subsequent exercise of TO2.

The exceptions are conditional upon that 1) the shareholders who will approve the Board's decision on the Rights Issue are informed of the maximum ownership of capital and votes that the Main Shareholders can obtain by subscribing for shares in excess of their preferential part and that 2) the general meeting's decision on the Rights Issue is supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the meeting, whereby shares held and represented at the meeting by the Main Shareholders shall be disregarded. The maximum ownership of the shares and votes in Bio-Works that Swedia Invest AB can receive if the guarantee commitment is fully allocated, and upon full exercise of allocated TO2, is approximately 43.1 percent (including Swedia Invest AB's existing holdings in the Company and provided that no other TO2 is exercised). The maximum ownership of the shares and votes in Bio-Works that Calyptra AB can receive if the guarantee commitment is fully allocated, and upon full exercise of allocated TO2, is approximately 37.1 percent (including Calyptra AB's existing holdings in the Company and provided that no other TO2 are exercised).

### **Intention to change listing venue**

The board of directors of Bio-Works has decided to work towards a change of listing venue from Nasdaq First North Growth Market to Spotlight Stock Market. The list change is intended to be carried out before the subscription period begins in the Rights Issue. The main reason for the change of marketplace to Spotlight Stock Market is based on the Board's conviction that Spotlight offers a more cost-optimal and flexible alternative for Bio-Works, which thereby generates better conditions for future value creation from a listing perspective. The Board also notices that the change of listing venue will result in direct savings regarding listing and issue costs for the upcoming Rights Issue and TO2.

Spotlight Stock Market is a multilateral trading facility (so-called MTF) with the same legal status as Nasdaq First North Growth Market and trading takes place in the same trading system (INET Nordic). The Company will continue to apply the same accounting principles. Shareholders in Bio-Works will not need to take any action in the event of a change of trading venue to Spotlight Stock Market.

The Company has initiated a list change process and intends to provide further information about the process before the Rights Issue commences.

### Prospectus

Full terms and conditions for the Rights Issue, as well as other information about the Company and information about subscription- and guarantee commitments, will be included in the prospectus that the Company is expected to publish on or around August 6, 2024. The prospectus will be available on Bio-Works', Sedermera Corporate Finance AB's and Nordic Issuing AB's respective websites ([www.bio-works.com](http://www.bio-works.com), [www.sedermera.se](http://www.sedermera.se), [www.nordic-issuing.se](http://www.nordic-issuing.se)).

### Preliminary timetable for the Rights Issue

Expected date of publication of the prospectus:	August 6 2024
Last day of trading in the share including the right to receive unit rights:	August 7 2024
First day of trading in the share excluding the right to receive unit rights:	August 8 2024
Record date for participation in the Rights Issue:	August 9 2024
Subscription period:	August 13-27 2024
Trading in unit rights:	August 13-22 2024
Announcement of final outcome of the Rights Issue:	August 28 2024

Trading in paid subscribed Units (BTU) is expected to take place from August 13, 2024, until the Swedish Companies Registration Office has registered the Rights Issue. The last day of trading in BTUs will be announced through a separate press release after the completion of the Rights Issue.

### Changes in share capital and number of shares and dilution

If the Rights Issue is fully subscribed, the share capital will increase by SEK 3,897,979, from SEK 3,897,979 to SEK 7,795,958 through a new issue of 38,979,790 shares, which means that the total number of shares will increase from 38,979,790 to 77,959,580, corresponding to a dilution effect of 50 percent of the number of shares and votes. Upon full exercise of all TO2, within the framework of issued Units, the share capital will increase by a maximum of SEK 3,897,979 and the number of shares will increase by a maximum of 38,979,790 shares, corresponding to an additional dilution effect of approximately 33 percent in relation to the share capital and the number of shares and votes.

The total dilution effect in the event of a fully subscribed Rights Issue and fully exercised TO2 amounts to a maximum of approximately 66.7 percent. Shareholders who do not participate in the Rights Issue have the opportunity to financially compensate for this dilution effect to a certain extent by selling their unit rights.

### **Approval at the Extraordinary General Meeting**

The Board of Directors' decision regarding the Rights Issue is subject to approval by an Extraordinary General Meeting, which is planned to be held on July 29, 2024. Notice of the Extraordinary General Meeting will be published in a separate press release.

### **Advance publication of quarterly report**

Due to the Rights Issue, the Company has decided to set forward the Company's quarterly report for the second quarter of 2024 to August 2, 2024. The previous date for publication was August 23, 2024.

### **Advisors**

In connection with the Rights Issue, Sedermera Corporate Finance AB is the financial advisor ([www.sedermera.se](http://www.sedermera.se)), Markets & Corporate Law Nordic AB is the legal advisor ([www.mcl.law](http://www.mcl.law)) and Nordic Issuing AB acts as the issuing agent ([www.nordic-issuing.se](http://www.nordic-issuing.se)).

### **Contact details**

For more information about the Company, please visit Bio-Works' website, [www.bio-works.com](http://www.bio-works.com), or contact Arne Hauge, CFO, e-mail: [arne.hauge@bio-works.com](mailto:arne.hauge@bio-works.com), telephone: +46 (0) 70 325 64 36.

For further information about the Rights Issue, please contact:

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Telephone: +46 40 615 14 10  
E-mail: [cf@sedermera.se](mailto:cf@sedermera.se)  
Website: [www.sedermera.se](http://www.sedermera.se)

### **About Bio-Works**

Bio-Works helps the Biotechnology industry to achieve its goals for the purification of biomolecules. We support our customers, from laboratory research to commercial production, and together we implement efficient and robust solutions for Bioprocessing. Our vision is to be a reliable and dynamic partner for a growing and evolving industry.

Bio-Works headquarters, with R&D and manufacturing, is located in Uppsala Business Park, Uppsala, Sweden. We supply our products to a global market, through a combination of direct sales and distributors in Europe, North America and Asia. The company is certified according to the ISO 9001:2015 quality management system. Bio-Works is listed on Nasdaq First North ("BIOWKS"), and FNCA Sweden AB is the Certified Adviser. For further information please contact us, [www.bio-works.com](http://www.bio-works.com).

*This press release has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in case of any discrepancy with the English version.*

*This information is such information that Bio-Works Technologies is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 2024-06-26 18:00 CEST.*

#### **IMPORTANT INFORMATION**

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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. A prospectus, corresponding to an EU Growth Prospectus regarding the Rights Issue described in this press release will be prepared and published by the Company on the Company's web page after the prospectus has been scrutinized and approved by the Swedish Financial Supervisory Authority ("SFSA") (Sw. Finansinspektionen). The SFSA only approves the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Sedermera is acting for Bio-Works in connection with the Rights Issue and no one else and will not be responsible to anyone other than Bio-Works for providing the protections afforded to its clients nor for giving advice in relation to the Rights Issue or any other matter referred to herein.

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 "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the



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### **Forward-Looking Statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law, or Spotlight Stock Market or Nasdaq First North Growth Market rule book for issuers.

### **DISCLOSURE TO INVESTORS PURSUANT TO THE ACT (2023:560) ON THE SCREENING OF FOREIGN DIRECT INVESTMENTS**

The Act (2023:560) on the Screening of Foreign Direct Investments ("FDI Act") applies to the company's operations. In the event that the subscription of new units or subscription of shares under warrants would result in an investor, after the investment, directly or indirectly, holding votes representing or exceeding any of the thresholds of 10, 20, 30, 50, 65, or 90 percent of the votes in the company, the investor is required to notify their investment to the Inspectorate for Strategic Products in accordance with the FDI Act.

**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 shares in Bio-Works have been subject to a product approval process, which has determined that such 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 in Bio-Works may decline and investors could lose all or part of their investment; the shares in Bio-works offer no guaranteed income and no capital protection; and an investment in the shares in Bio-works 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 Rights Issue. 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 in Bio-Works.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Bio-Works and determining appropriate distribution channels

*This information is information that Bio-Works Technologies 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 2024-06-26 18:00 CEST.*

**Attachments**

**[Bio-Works Technologies resolves on fully secured rights issue of approximately SEK 39 million and announces intention to change listing venue to Spotlight Stock Market](#)**