

Linc publishes prospectus and announces price range for its initial public offering on Nasdaq Stockholm

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On 7 May 2021 Linc AB (publ) ("**Linc**" or the "**Company**"), a leading Nordic life science investor, announced its intention to list its shares on Nasdaq Stockholm (the "**Listing**") and to carry out a new issue of shares corresponding to approximately SEK 1,200 million (the "**Offering**"). Today, Linc publishes the prospectus and announces the price range for the Offering and Listing of its shares on Nasdaq Stockholm. The application period for the Offering is expected to commence on 20 May and the first day of trading is expected to be 28 May 2021. Danica Pension Livsforsikringsaktieselskab, Enter Fonder, Funds managed or advised by Capital World Investors, Handelsbanken Fonder, Kapitalforeningen Investering & Tryghed, Nordea Investment Management and Swedbank Robur have, subject to certain customary conditions, committed to acquire shares in the Offering corresponding to an aggregate value of approximately SEK 827 million.

The Offering in brief

- The final price per share in the Offering (the "**Offering Price**") is expected to be determined within a range of SEK 56 – 73 per share (the "**Price Range**") and at a premium in relation to Linc's net asset value as per 26 May 2021 that is not less than 5 per cent and not more than 10 per cent. The Offering Price will not exceed SEK 73 per share and is expected to be announced through a press release on or about 27 May 2021.
- The Price Range corresponds to a total market value of all listed shares of the Company of approximately SEK 2,240 – 2,920 million before the Offering.
- The Offering comprises 16,438,356 – 21,428,571 newly issued shares, corresponding to approximately 29.1 – 34.9 per cent of the total number of shares and 29.1 – 34.9 per cent of the votes in Linc after the completion of the Offering.
- The newly issued shares are expected to provide the Company with proceeds of approximately SEK 1,200 million before deduction of costs related to the Offering.
- In order to cover any over-allotments in the Offering, Linc's principal shareholder and Chairman of the Board Bengt Julander (the "**Principal Shareholder**") has undertaken to sell existing shares to a value of approximately SEK 150 million before deduction of costs related to the Offering, which corresponds to 2,054,794 – 2,678,571 existing shares and a maximum of 12.5 per cent of the number of shares covered by the Offering (the "**Overallotment Option**").

- Provided that the Overallotment Option is fully exercised, the Offering comprises 16,438,356 – 21,428,571 newly issued shares and 2,054,794 – 2,678,571 existing shares, which corresponds to approximately 29.1 – 34.9 per cent and 3.6 – 4.4 per cent of the total number of shares and votes in Linc after the completion of the Offering.
- Danica Pension Livsforsikringsaktieselskab, Enter Fonder, Funds managed or advised by by Capital World Investors, Handelsbanken Fonder, Kapitalforeningen Investering & Tryghed, Nordea Investment Management and Swedbank Robur, subject to certain conditions (including that the price is set so that the premium in relation to Linc's net asset value in connection with the Listing does not exceed 10 per cent), committed to acquire shares in the Offering corresponding to an aggregate value of approximately SEK 827 million and 61.3 per cent of the Offering, provided that the Offering is fully subscribed and that the Overallotment Option is exercised in full.
- The shares will be offered to institutional investors in Sweden and internationally (apart from the USA), as well as to the public in Sweden.
- The application period for the general public in Sweden is expected to be 20 – 27 May 2021.
- The application period for institutional investors is expected to be 20 – 27 May 2021.
- The first day of trading on Nasdaq Stockholm is expected to be 28 May 2021 and the shares will be traded under the trading symbol "LINC".
- A prospectus (in Swedish with an English translation), containing the Offering's complete terms and conditions will be published today, 19 May 2021, on Linc's website (linc.se), SEB's website (sebgroupp.com/prospectuses) and ABG Sundal Collier's website (abgsc.se). The prospectus will also be available on Avanza's website (avanza.se) during the application period.

Karl Tobieson, CEO, comments:

"I have had the privilege to develop MedCap in collaboration with Linc for the past 14 years, before I took over the role as CEO of Linc, and I have seen the benefits of working together with a long-term, knowledgeable and entrepreneurial owner with a broad network within the Nordic life science industry. Through broadening the shareholder base and strengthening our financial position, we can provide many more entrepreneurs and young teams with valuable access to Linc's structured, long-term and supportive ownership approach for value creation. We have experienced great interest in Linc and had many positive interactions and dialogues with potential investors. It is with great joy, enthusiasm and humility that we now embark on the next stage in Linc's development, strengthened by our strong track record."

Bengt Julander, Chairman, Founder and main owner, comments:

"Linc's focus on investing in product-oriented companies within the Nordic life science industry has been the same ever since the start 30 years ago. Since then, we have learned an enormous amount and have had the privilege of building Linc together with entrepreneurs, scientists, inventors and business leaders to where we are today. Due to the great interest in Linc and the positive feedback received from investors we are pleased to welcome new shareholders in the upcoming listing of Linc. Through the listing of the Company's shares on Nasdaq Stockholm and the associated capital raising we look forward to welcoming additional shareholders to become part of our continued journey."

About Linc and the background to the Offering and the listing

Linc has been active since the early 90's and is an investor in product-oriented companies in the Nordic life science industry. The Company is mainly focused on investing in and developing small and medium-sized life science companies with global potential in the medical technology and pharmaceutical industries. Investments are made in both private and public companies, as well as in both development stage businesses and companies with established business operations.

During the period 2010–2020, Linc has generated an average total annual shareholder return of approximately 26 per cent and the Company's net asset value amounted to approximately SEK 2.5 billion as of 31 March 2021. At the same point in time, Linc's portfolio consisted of ten listed life science companies^[1] corresponding to 95 per cent of the net asset value and ten unlisted life science companies^[2] that accounted for the remaining five per cent of the net asset value. Calliditas Therapeutics, Sedana Medical and MedCap constitute Linc's three largest individual holdings based on their share of net asset value.

Bengt Julander is, directly and indirectly through his wholly-owned company Cronhamn Invest AB, the sole owner of Linc with 100 per cent of the capital and votes.

The main purpose of the Listing is to create better conditions for continued growth, to broaden Linc's shareholder base and to provide increased access to capital markets. Linc's board of directors and management consider the Listing as a logical and important step to facilitate the Company's and its portfolio companies' future growth and development. The Company also believes that the Listing will lead to increased awareness of Linc and thereby strengthen Linc's profile and brand.

Investment philosophy and principles

Linc's goal is to be an active owner supporting well-managed Nordic life science companies in their development by contributing capital, expertise, experience and networks within each company's area of operation. According to the Company, the ownership in Linc's portfolio companies is exercised actively, professionally and with a sense of entrepreneurship. Linc ensures a meaningful influence by oftentimes being one of the major investors, and at the same time the Company values participation from management, employees and other long-term co-investors. In summary, Linc has the following focus for its investments:

- Investments are made in the size interval SEK 25 – 250 million
- Investments are made in both public and private companies
- Investments in pharmaceutical companies are made at early stages, while investments in medical technology companies are made in a somewhat later phase
- Investments are made with a flexible investment horizon without any constraints
- Investments are made with a focus on self-generated business flow
- Investments are primarily made in companies with headquarters in the Nordic region

Prospectus and application

The prospectus was approved and registered today by the Swedish Financial Supervisory Authority and published on Linc's website (linc.se). The prospectus has also been published on SEB's website for prospectuses (sebgroupp.com/prospectuses), ABG Sundal Collier's website (abgsc.se), and Avanza's website (avanza.se). Applications can be made on the online platforms of SEB and Avanza.

Preliminary timetable

- Application period for the general public in Sweden: 20 – 27 May
- Application period for institutional investors: 20 – 27 May
- First day of trading of Linc's shares: 28 May
- Settlement date: 1 June

Stabilization measures

Skandinaviska Enskilda Banken AB (publ) ("**SEB**") may, in its role as stabilization manager, in connection with the Offering, conduct transactions in order to maintain the market price for the shares at a level above that which might otherwise prevail in the open market. Such stabilization transactions may be carried out on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. However, SEB has no obligation to undertake any stabilization measures and there is no assurance that stabilization measures will be undertaken. Under no circumstances will transactions be conducted at a price higher than the one set in the Offering.

The Overallotment Option may be utilized to over-allot shares in order to facilitate any stabilization transaction. The stabilization transactions, if conducted, may be discontinued at any time without prior notice but must be discontinued no later than within the aforementioned 30-day period. SEB must, no later than by the end of the seventh trading day after stabilization transactions have been undertaken, in accordance with article 5(4) of the Market Abuse Regulation (EU) 596/2014 and the Commission Delegated Regulation (EU) 2016/1052, disclose that stabilization measures have been undertaken. Within one week of the end of the stabilization period, SEB will disclose whether or not stabilization measures were undertaken, the date on which stabilization started, the date on which stabilization was last carried out as well as the price range within which stabilization was carried out for each of the dates when stabilization measures were conducted.

Advisors

SEB is acting as Global Coordinator and Joint Bookrunner in connection with the Offering and ABG Sundal Collier ("**ABGSC**") is acting as Joint Bookrunner. The law firm Hammarskiöld & Co AB is acting as legal advisor to Linc AB and White & Case Advokat AB is acting as legal advisor to SEB and ABGSC. SEB and Avanza Bank AB (publ) are acting as Retail Distributors in connection with the Offering.

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The securities described herein have also not been and will not be registered under the applicable securities laws of Australia, Canada or Japan and, subject to certain exemptions, may not be offered or sold in or into or for the account or benefit of any person having a registered address in, or located or resident in Australia, Canada or Japan. There will be no public offering of the securities described herein in Australia, Canada or Japan.

Any offering of the securities referred to in this press release will be made by means of a prospectus. 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 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (and, with respect to the United Kingdom, such regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) (the "Prospectus Regulation"). Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In any EEA member state other than Sweden, and in the United Kingdom, this press release is only addressed to and is only directed at qualified investors in that member state or the United Kingdom within the meaning of the Prospectus Regulation (as applicable), i.e., only to investors who can receive the offer without an approved prospectus in such EEA member state or in the United Kingdom.

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Matters discussed in this press release may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intend," "estimate," "will," "may," "continue", "should", "could" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond the Company's control. 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 information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

[1] AdderaCare, Arcoma, Calliditas Therapeutics, FluoGuide, InDex Pharmaceuticals, MedCap, Medivir, OncoZenge, Sedana Medical, Stille

[2] Animal Probiotics, Cinclus Pharma, Epicyt Pharma, Gesynta Pharma, nWise Ägare, Part Production Sweden, Societ, Sixera Pharma, SweVet, Synartro

Attachments

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