

Biotage strengthens its position as a global chromatography leader with the transformative acquisition of Astrea Bioseparations

Strong strategic fit extending chromatography franchise into the attractive bioprocessing market serving biologics and advanced therapeutic customers

Uppsala, Sweden – 15 February 2023 – Biotage AB (publ) ("**Biotage**") has entered into an agreement to acquire Astrea Bioseparations ("**Astrea**"), a high-growth chromatography solutions provider from Gamma Biosciences ("**Gamma**"), a life sciences tools platform created by KKR. The acquisition also includes the shares held by certain minority investors in the Astrea group (together, the "**Sellers**", and together with the acquisition of Astrea, the "**Transaction**"). The Transaction is conditional upon shareholder approval at a general meeting of Biotage and subject to customary closing conditions, as set out below.

- The enterprise value for Astrea is approximately MUSD 190, subject to any closing adjustments and potential milestone-based payments. As part of the Transaction, Gamma will make a capital injection of approximately MUSD 25 in Astrea, which will add to Astrea's equity value and result in a total transaction value of MUSD 215 (excluding any closing adjustments and potential milestone-based payments which are paid in cash) and will be used by Biotage to pay off debt in Astrea of approximately MUSD 14 related to Astrea's recent acquisition of Delta Precision Ltd, as well as for further investments in the acquired business. The purchase price (excluding closing adjustments) will be paid in new ordinary shares in Biotage. Any closing adjustments will be settled in cash. In addition, there are milestone-based payments of a maximum of approximately MUSD 45, which will also be settled over three years to be paid in cash based upon achievement of certain revenue and gross profit goals.
- As consideration for the Transaction, Biotage will issue 13,954,103 ordinary shares to the Sellers. The number of ordinary shares has been determined based on an agreed share price of SEK 160 per share, based on negotiations between the board of directors of Biotage and the Sellers on arm's length.
- The Transaction is conditional upon, *inter alia*, the annual general meeting 2023 of Biotage resolving on the following items:
 - an authorization for the board of directors to resolve on the share consideration to the Sellers through an issue-in-kind, and
 - the election of two new board members of Biotage, Kieran Murphy and Kugan Sathiyandarajah, in accordance with the upcoming proposal from the nomination committee.[1]

The notice to the annual general meeting 2023 will be announced separately at a later stage in March 2023, in due time prior to the annual general meeting to be held

on 27 April 2023. The Transaction is further subject to customary closing conditions, including approvals from the UK Secretary of State for Business, Energy and Industrial Strategy.

- Biotage has received commitments/intentions from the shareholders SEB Fonder, Swedbank Robur Fonder, ODIN Fonder, Didner & Gerge Fonder and TIN Fonder as well as shareholding board members and management of Biotage, representing in total approximately 24.4 percent of the shares and votes^[2] in Biotage as per the date hereof, to vote in favor of the proposals related to the Transaction at the annual general meeting for the number of shares held as of the record date.
- Considering a total transaction value of MUSD 215, including the capital injection of approximately MUSD 25 in Astrea through Gamma and excluding any closing adjustments and potential milestone-based payments which are paid in cash, the total number of new Biotage ordinary shares to be issued to the Sellers amounts to 13,954,103 new Biotage ordinary shares^[3], corresponding to a dilution of approximately 17.5 percent of the current number of shares and votes^[4] in Biotage.
- KKR-controlled Gamma is expected to, following completion of the Transaction, become the largest shareholder in Biotage, with an ownership of in total 13,590,648 ordinary shares in Biotage, corresponding to approximately 17.0 percent of the shares and votes^[5] in Biotage.
- Gamma will enter into a lock-up undertaking in favour of Biotage, with customary exceptions, not to sell its holding for a period of the shorter of (a) two years from the date of the completion of the Transaction and (b) as long as Gamma has two representatives appointed as board members of Biotage.^[6] Further, in connection with the Transaction, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period up until completion of the Transaction.

Rationale for the Transaction

Astrea supports drug developers and manufacturers to bring high-purity biopharmaceuticals and advanced therapeutics to the market globally. Astrea supplies chromatography resins, adsorbents and columns as well as nanofiber-based purification technologies for biomanufacturing. Astrea has over 150 employees worldwide with production sites in Cambridge, UK, Isle of Man, Boston, USA, and Joliette, Canada.

Strategically, the acquisition extends Biotage's chromatography franchise into the higher-growth and larger bioprocessing segment, while also increasing exposure to biologics and advanced therapeutic customers. Importantly, Astrea strengthens Biotage's financial profile through its attractive organic growth rate, higher gross margins and significant exposure to recurring consumables-based revenues. In addition, the acquisition brings a rich, near-term pipeline of new product launches across chromatography resins, nanofiber-based membranes and columns.

In 2022, Astrea almost doubled revenues, ending the year at MGBP 23.2 net sales (growth of 90.4%) and an operating result (EBITDA) of MGBP 3.0 (improvement of 248.8%). The recently acquired business Delta Precision Ltd ended the year at MGBP 2.7 net sales and an operating result (EBITDA) of MGBP 1.0.[7] Biotage expects net sales of the Astrea group to grow to around MGBP 80 in 2025 with an EBITDA of around MGBP 30.5 in 2025.

Tomas Blomquist, CEO and President at Biotage, said: *"We are proud to welcome the Astrea Bioseparations team to Biotage. The acquisition represents an excellent strategic fit for Biotage, and it will add to us a high-growth company with a talented global team with decades of experience. It also scales our Biologics and Advanced Therapeutics business significantly, keeping us well-positioned for the future."*

Torben Jörgensen, Chairman of the Board at Biotage, added: *"Our goal has been to grow our offering in the biologics and novel therapeutics space, as this is where we see major advancements taking place. With Astrea becoming part of Biotage, we have taken a huge leap in fulfilling that vision."*

Kieran Murphy, Chairman of the Board of Gamma, said: *"I think this is a terrific combination. I'm proud of what we have achieved at Astrea, and I am excited about the huge potential of the integrated business, building on the established reputation of Biotage as a leading player in chromatography and purification. I look forward to working with the board and management to help achieve Biotage's long-term vision."*

Kugan Sathiyandarajah, Managing Director at KKR, Head of KKR's Health Care Strategic Growth business in Europe, and one of the founders of Gamma, said: *"We have been following Biotage for a number of years as part of our thematic focus on bioprocessing, and we are confident that Astrea has found a good home. We look forward to working with Biotage's board and management as the largest shareholder, and are committed to creating a leading global chromatography platform."*

Financing of the Transaction and proposals to the annual general meeting

Biotage intends to fund the Transaction through existing cash and a share issue-in-kind.

The board of directors of Biotage intends to propose to the annual general meeting to be held on 27 April 2023 to resolve to authorize the board of directors to resolve on a share issue-in-kind to the Sellers. Furthermore, the nomination committee of Biotage supports and will, based on the nomination committee's work and process, propose to the annual general meeting to elect two new board members, Kieran Murphy and Kugan Sathiyandarajah, conditional upon the completion of the Transaction.

As a result of the number of ordinary shares to be issued as consideration in the Transaction, a prospectus will need to be approved and registered with the Swedish Financial Supervisory Authority. The prospectus will be approved and published prior to the completion of the Transaction.

The Transaction is expected to be completed during the second quarter of 2023.

Biotage full year results

Biotage also today announces its full year results for the year ended 31 December 2022, more information can be found at www.biotage.com from 08:00 CET.

Advisers

Vinge and Herbert Smith Freehills acted as legal counsels to Biotage in relation to the Transaction.

About Biotage

Biotage is a Global Impact Tech Company committed to solving society's problems by offering solutions and products to customers in drug discovery and development and diagnostics, analytical testing and water and environmental testing.

Our customers span a broad range of market segments including pharmaceutical, biotech, diagnostic, contract research and contract manufacturers as well as clinical, forensic and academic laboratories in addition to organizations focused on food safety, clean water and environmental sustainability.

Biotage is headquartered in Uppsala in Sweden and employs over 500 people worldwide and our products are sold in more than 80 countries. Biotage's share (BIOT) is listed in the Large Cap segment on the Nasdaq Stockholm. www.biotage.com

About Astrea Bioseparations

Astrea Bioseparations is a leading provider of process chromatography solutions including columns, resins, and nanofiber purification technology for life sciences and other adjacent industries. With products used in the manufacture of >20 FDA approved treatments and a strong pipeline oriented towards purification of novel modalities, Astrea is trusted by scientists around the world to deliver rapid, reproducible results. Astrea Bio is headquartered in Cambridge, UK with manufacturing facilities at the Isle of Man, Gloucestershire, UK, Joliette, Quebec and Massachusetts, USA.

About Gamma Biosciences

Gamma Biosciences is a life sciences platform created by KKR whose operating companies provide products and services to support the development and manufacturing of advanced biologic therapies. Our operating companies are committed to advancing the science and art of bioprocessing by delivering market-ready innovation and expertise to support customers, mainly biopharmaceutical developers and contract development and manufacturing companies, safely and efficiently bring therapies to patients.

About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's

insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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This is information that Biotage is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 2023-02-15 07:45 CET.

Important information

This announcement is not and does not form a part of any offer to sell, or a request to submit an offer to buy or acquire, shares or other securities of Biotage.

Copies of this announcement are not being made and may not be distributed or sent in or into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be exercised, offered, sold, resold, delivered or otherwise transferred, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the requirements of the Securities Act and in compliance with any applicable securities legislation in any state or other jurisdiction of the United States. Biotage does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Biotage has not authorized any offer to the public of shares or other securities in any member state of the EEA.

Forward-looking statements

Matters discussed in this announcement 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", "deems", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. This applies in particular to statements relating to future results, financial position, cash flow, plans and expectations of Biotage's operations and management, future growth and profitability, general economic and regulatory environment and other factors affecting Biotage, many of which are based on further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or applicable law (including but not limited to accounting principles, accounting methods and tax policies), which may or may not be of importance to Biotage's results or its ability to operate. Although Biotage 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 its 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.

Potential investors should therefore not attach undue confidence to the forward-looking information herein, and potential investors are urged to read the part of the prospectus that will be published and that will include a more detailed description of factors that may affect Biotage's operations and the market in which Biotage operates.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and could be subject to change without notice. Neither Biotage 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.

[1] The nomination committee of Biotage, comprising of Joachim Spetz (Chairman of the nomination committee), appointed by Swedbank Robur Fonder, Hans Christian Bratterud, appointed by Odin Fonder, Christoffer Geijer, appointed by SEB Investment Management, and Torben Jørgensen (acting member of the nomination committee), Chairman of the board of directors of Biotage, has confirmed, based on the nomination committee's work and process, that they support the election of the two new board members and that they will include the election of the two new board members in their proposal to the annual general meeting.

[2] Excluding 729,817 Class C shares in Biotage held in treasury by Biotage.

[3] Based on USD/SEK exchange rate of 10.38445.

[4] Excluding 729,817 Class C shares in Biotage held in treasury by Biotage.

[5] Excluding 729,817 Class C shares in Biotage held in treasury by Biotage and based on the number of shares after the completion of the Transaction.

[6] With respect to (b), such shorter time period is only applicable if (i) Gamma has voted for re-election or new election, as applicable, of the representatives and (ii) none of the representatives have resigned by way of own decision.

[7] The financial information relating to Astrea and Delta Precision Ltd is unaudited and prepared in accordance with UK GAAP.

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15 February 2023 07:45:00 CET



Attachments

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