

Xbrane has completed a directed share issue and thereby raises approximately SEK 146 million

INSIDE INFORMATION: The Board of Directors of Xbrane Biopharma AB (publ) ("Xbrane" or the "Company") has, in accordance with the announcement made in a press release on 19 May 2020, successfully completed a directed issue of 3,853,799 shares corresponding to approximately SEK 146 million (the "Directed Share Issue") before costs related to the transaction. The subscription price in the Directed Share Issue has been determined to 38 SEK per share through an accelerated book building procedure performed by Vator Securities AB. A number of institutional investors participated, such as TIN Fonder and Swedbank Robur Ny Teknik, as well as existing shareholders, among them, Swedbank Robur Medica and STADA Arzneimittel.

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Summary of the Directed Share Issue

The Board of Directors of Xbrane has, pursuant to authorization granted by the annual general meeting on 14 May 2020, and as indicated in the Company's press release on 19 May 2020, resolved on a directed share issue.

- The Directed Share Issue encompasses a total of 3,853,799 shares corresponding to the full authorization granted by the annual general meeting on 14 May 2020. The Directed Share Issue was heavily oversubscribed.
- The subscription price in the Directed Share Issue was set at 38 SEK per share, and was determined through an accelerated book building procedure led by Vator Securities AB.
- Through the Directed Share Issue the Company will receive proceeds of approximately SEK 146 million before transaction related costs.
- The subscription price in the Directed Share Issue is equivalent to a discount of approximately 5 percent in relation to the volume weighted average share price during the last 30 days on Nasdaq Stockholm on 19 May 2020.
- The Directed Share Issue entails a dilution effect of approximately 20 percent of the number of shares in the Company after completion of the Directed Share Issue. Through the Directed Share Issue, the number of shares outstanding and votes will increase by 3,853,799 from 15,415,199 to 19,268,998. The share capital increase by approximately SEK 863,968 from approximately SEK 3,455,873 to approximately SEK 4,319,840.
- The Directed Share Issue was directed to selected Swedish and international institutional investors, among others, TIN Fonder, Swedbank Robur Ny Teknik, Swedbank Robur Medica and STADA Arzneimittel and Serendipity Group.

The Board of Directors' assessment, based on the accelerated book building process executed by Vator Securities AB, is that the Directed Share Issue was carried out on customary terms in accordance with market conditions. The reason for the deviation from the shareholder's preferential rights was to allow the Company to raise capital in a time and cost-effective manner and with favourable conditions raise capital for the Company's continued expansion, as well as to diversify the shareholder base. The proceeds are intended to, *inter alia*, be used to finance the Marketing Authorization Application for Xlucane and accelerate the development of the company's biosimilar candidates on Cimzia® (Xcimzane) and Opdivo® (Xdivane).

In connection with the Directed Share Issue, the board of directors and the management^[1] have agreed with Vator Securities, with customary exceptions, not to issue additional shares for a period of 180 calendar days after today's date.

Prospectus

As the Directed Share Issue in whole resulted in that more than 20 percent of the total number of shares will be admitted to trading on Nasdaq Stockholm during the last twelve month period, the Company is obliged to prepare a prospectus. A portion of the shares in the Directed Share Issue will therefore be registered with the Swedish Companies Registration Office and Euroclear Sweden AB in connection with publication of the prospectus, which is estimated to occur during week 22.

Martin Åmark, CEO of Xbrane, says *"We are happy to announce the Directed Share Issue that brings new shareholders to Xbrane, such as, TIN Fonder and Swedbank Robur Ny Teknik, and we are grateful for the support from existing shareholders, such as, STADA, Swedbank Robur Medica and Serendipity Group. The interest for Xbrane is due to the rapid progress towards a launch of our leading biosimilar candidate Xlucane together with our carefully selected partners STADA and Bausch + Lomb. The capital from this share issue enables us to, apart from completing the phase III study with Xlucane and apply for marketing authorization, accelerate the development of our portfolio of biosimilar candidates"*.

Advisers

Vator Securities AB was Global Coordinator and Sole Bookrunner to the Company and Baker McKenzie is legal adviser to the Company in connection with the Directed Share Issue.

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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 new shares. Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Xbrane and the Xbrane's shares. Such information has not been independently verified by Vator Securities AB. 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. Vator Securities AB is acting for the Xbrane in connection with the transaction and no one else and will not be responsible to anyone other than the Xbrane for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This announcement does not constitute a recommendation concerning any investor's option with respect to the Directed Share Issue. Each investor or prospective investor should conduct his, her or its own investigation, analysis and evaluation of the business and data described in this announcement and publicly available information. The price and value of securities can go down as well as up. Past performance is not a guide to future performance.

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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. Xbrane 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.

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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 future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company 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.

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 Xbrane 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 Xbrane may decline and investors could lose all or part of their investment; the shares in Xbrane offer no guaranteed income and no capital protection; and an investment in the shares in Xbrane 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.

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 Xbrane.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the shares in Xbrane and determining appropriate distribution channels.

[1] Anders Tullgren, Eva Nilsagård, Mats Thorén, Giorgio Chirivi, Peter Edman, Karin Wingstrand, Martin Åmark, Siavash Bashiri, Susanna Helgesen, Dina Jurman, David Vikström, Anders Wallström and Maria Edebrink.

About Us

Xbrane Biopharma AB develops biological drugs based on a platform technology that provides significantly lower production costs compared to competing systems. Xbrane's leading product Xlucane, a Lucentis® biosimilar candidate, addresses the €10.4b ophthalmic VEGFa inhibitor market. Xlucane is in phase III and marketing authorization is expected mid-2022. Xbrane has additionally four biosimilars in its pipeline targeting €8.7b in originator sales. Xbrane's head office is in Solna, just outside Stockholm. Xbrane is listed on Nasdaq Stockholm under the ticker XBRANE. For more information, visit www.xbrane.com.

This information is information that Xbrane Biopharma 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 2020-05-20 08:30 CEST.

Attachments

[Xbrane has completed a directed share issue and thereby raises approximately SEK 146 million](#)

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