

Xbrane intends to carry out a directed share issue through an accelerated book building process

INSIDE INFORMATION: Xbrane Biopharma AB (publ) ("Xbrane" or the "Company") intends to carry out a directed share issue of up to 3.85 million shares through an accelerated book building procedure (the "Directed Share Issue"). The proceeds from the Directed Share Issue intends to finance the Marketing Authorization Application for Xlucane and accelerate the development of the company's biosimilar candidates on Cimzia® (Xcimzane) and Opdivo® (Xdivane). Xbrane has engaged Vator Securities AB to explore the possibilities to conduct the Directed Share Issue.

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The Directed Share Issue

Xbrane has, pursuant to authorization granted by the annual general meeting on May 14, 2020, engaged Vator Securities AB to investigate the possibilities to conduct a directed share issue of up to approximately 3.85 million shares directed to Swedish and international investors of institutional character through an accelerated book building procedure. The book building process will begin immediately after publication of this release. The Directed Share Issue is contingent on a resolution by the Board of Directors, which, alongside pricing and allocation is expected to occur prior to the beginning of trading on Nasdaq Stockholm at 09.00 CET on May 20, 2020. The Board of Directors may decide to extend or shorten the application period and can at any moment decide to terminate the book building process and thus refrain from conducting the Directed Share Issue.

The proceeds from the Directed Share Issue will, *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).

The reason for the deviation from the shareholders' preferential rights is to perform a capital raise in a time and cost-effective manner and to raise capital at favourable conditions for the Company's continued expansion, as well as to diversify the shareholder base with Swedish and international investors.

Advisers

Vator Securities AB is financial adviser 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 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.

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 launch 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 2020-05-19 17:31 CEST.

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Attachments

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