

BIOVICA RESOLVES ON A FULLY GUARANTEED RIGHTS ISSUE OF APPROXIMATELY SEK 148 MILLION

THIS PRESS RELEASE MAY NOT BE MADE PUBLIC, PUBLISHED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEELAND, SINGAPORE, SOUTH AFRICA, SOUTH KOREA, SWITZERLAND, OR ANY OTHER JURISDICTION IN WHICH SUCH ACTIONS, WHOLLY OR IN PART, WOULD BE UNLAWFUL OR DEMAND ADDITIONAL REGISTRATION OR OTHER MEASURES. PLEASE REFER TO “IMPORTANT INFORMATION” IN THE END OF THIS PRESS RELEASE.

INSIDE INFORMATION: Stockholm, Sweden, October 18, 2022 – The Board of Directors of Biovica International AB (publ) (“Biovica” or the “Company”) (Nasdaq First North Premier Growth Market: BIOVIC B) has resolved to conduct a fully guaranteed new issue of a maximum of 17,153,022 class B shares with preferential rights for the Company’s existing shareholders (the “Rights Issue”). The subscription price in the Rights Issue has been determined by the Board of Directors of the Company and has been set to SEK 8.65 per class B share and will, if fully subscribed, contribute with proceeds of approximately SEK 148 million before deduction of costs attributable to the Rights Issue. The Rights Issue is fully guaranteed by subscription commitments from certain existing shareholders and guarantee commitments from existing shareholders and external investors. The purpose of the Rights Issue is to finance the initial launch of DiviTum®TKa in the US and Europe following the FDA 510(k) approval received in July 2022 for the treatment monitoring of metastatic breast cancer patients. The Rights Issue is subject to approval by an extraordinary general meeting, to be held on November 7, 2022 (the “EGM”). Notice to the EGM will be announced through a separate press release.

Summary

- The purpose of the Rights Issue is to finance the initial launch of DiviTum®TKa in the US and Europe following the FDA 510(k) approval received in July 2022 for the treatment monitoring of metastatic breast cancer patients.
- Shareholders in Biovica have preferential rights to subscribe for six (6) new class B shares per ten (10) existing class A or class B shares on the record date, i.e. a subscription ratio of 6:10.
- The subscription price has been set to SEK 8.65 per class B share which corresponds to a discount of approximately 35.1 percent to the theoretical ex-rights price (TERP), based on the closing price of the Biovica class B share on Nasdaq First North Premier Growth Market on October 17, 2022.
- The Rights Issue comprises of a maximum of 17,153,022 class B shares.
- Existing shareholders, as well as members of management and the Board of Directors, have undertaken to subscribe for class B shares representing approximately 13.1 percent of the Rights Issue corresponding to approximately SEK 19.5 million.
- A new investor has undertaken to subscribe for shares representing approximately 1.3 percent of the Rights Issue which corresponds to approximately SEK 2 million, through assuming subscription rights from an existing shareholder, without consideration.
- A number of investors have undertaken to guarantee approximately 85.5 percent of the Rights Issue, corresponding to approximately SEK 126.9 million at an underwriting commission of ten (10) percent of the guaranteed amount in cash. Consequently, the Rights Issue is fully guaranteed.
- The Board of Directors’ resolution on the Rights Issue is subject to approval by the EGM, to be held on November 7, 2022.

- Existing shareholders, representing approximately 38.1 percent of the total votes in the Company, have undertaken to vote in favor of the approval of the Rights Issue at the EGM.

Biovica's CEO Anders Rylander comments: *"With the recently achieved 510(k) FDA clearance and the fully guaranteed rights issue, Biovica will be in a great position to launch DiviTum®TKa for the benefit of breast cancer patients in USA before the end of this year. This is a great milestone for Biovica, which will create value for both patients, health care providers and shareholders."*

Biovica is a biotech company, which develops and commercializes blood-based diagnostic tests with biomarkers that improve monitoring and evaluation of modern cancer treatments. The Company's first asset, DiviTum®TKa, has successfully demonstrated its ability to evaluate therapy effectiveness in several clinical trials, and received FDA 510(k) approval in July 2022 for the treatment monitoring of metastatic breast cancer patients. In light of the FDA approval, the Company is focusing on the finalization of their commercialization readiness in the US, including the CLIA Lab certification and the build-up of an in-house sales-force. In addition, the Company is also preparing for commercialization in Europe as well as scale-up of production processes to meet expected volumes.

The expected net proceeds from the Rights Issue are intended to be used towards the following key activities:

- Focused launch in the US (approximately 80 percent), to establish:
 - A sales force of 4-5 representatives
 - Market Access, Managed Market and Revenue Cycle functions
 - Laboratory staff for CLIA lab
 - Marketing material and activities required for launch and sales uptake
- Commercialization in Europe and developing research collaborations (approximately 10 percent), to establish:
 - Distributor collaborations on initial European markets
- Scale-up of production processes to meet expected volumes and establish customer support processes and functions (approximately 10 percent).

Terms of the Rights Issue

Those who are registered shareholders in Biovica on the record date in the Rights Issue, will receive one (1) subscription right for every one (1) class A or class B share held. The subscription rights grant the holder the preferential right to subscribe for new class B shares, whereby ten (10) subscription rights entitle the shareholder to subscribe for six (6) new class B shares. In addition, investors are offered the possibility to subscribe for shares without subscription rights.

The subscription price is SEK 8.65 per new class B share which corresponds to a discount of approximately 35.1 percent to the theoretical ex-rights price (TERP), based on the closing price in the Biovica share on Nasdaq First North Premier Growth Market on October 17, 2022. Assuming that the Rights Issue is fully subscribed, the share capital will be increased by a maximum of approximately SEK 1,143,535 from approximately SEK 1,905,891 to approximately SEK 3,049,426, by new issue of a maximum of 17,153,022 new class B shares, resulting in the total number of shares increasing from 28,588,372 shares to 45,741,394 shares. Assuming that the Rights Issue is fully subscribed, Biovica will receive proceeds of approximately SEK 148 million, before deduction of costs attributable to the Rights Issue.

In the event that not all shares are subscribed for by exercise of subscription rights, the Board of Directors shall, within the maximum amount of the Rights Issue, resolve on allotment of shares without subscription rights. Allotment will then take place in the following order of priority:

- *Firstly* to persons who have applied for subscription without subscription rights and who have subscribed for shares with subscription rights, regardless of whether or not the subscriber was a shareholder on the record date, and in case of oversubscription, allocation shall be made in relation to the total number of shares allotted through exercise of subscription rights, and to the extent that this is not possible, by drawing of lots.

- *Secondly*, allocation shall be made to other persons who have applied for subscription without subscription rights, and in the case of oversubscription, *pro rata* to the new number of shares subscribed for in the application form, and to the extent that this is not possible, by drawing of lots.
- *Finally*, allotment of the remaining shares shall be made to the investors who have provided guarantees and in accordance with the conditions of their respective guarantee.

Shareholders who choose not to participate in the Rights Issue will, assuming that the Rights Issue is fully subscribed, have their shareholdings diluted by approximately 37.5 percent, but are able to financially compensate for this dilution by selling their subscription rights.

The complete terms for the Rights Issue and information regarding Biovica will be presented in the prospectus that will be prepared in connection with the Rights Issue.

Subscription undertakings and guarantee commitments

Existing shareholders as well as members of management and the Board of Directors, have undertaken to subscribe for class B shares representing approximately 13.1 percent of the Rights Issue and corresponding to approximately SEK 19.5 million.

A new investor has undertaken to subscribe for shares representing approximately 1.3 percent of the Rights Issue and corresponding to approximately SEK 2 million, through assuming subscription rights of select existing shareholders without consideration.

A consortium of investors has undertaken to guarantee approximately 85.5 percent of the Rights Issue, corresponding to approximately SEK 126.9 million at an underwriting commission of ten (10) percent of the guaranteed amount in cash. Consequently, the Rights Issue is fully guaranteed.

The Board of Directors' resolution on the Rights Issue is subject to approval by the EGM, to be held on November 7, 2022. Existing shareholders, representing approximately 38.1 percent of the total votes in the Company, have undertaken to vote in favor of the Rights Issue at the EGM.

Preliminary time table of the Rights Issue

The below timetable for the Rights Issue is preliminary and may be adjusted.

November 11, 2022	Last day of trading including the right to receive subscription rights
November 14, 2022	First day of trading without the right to receive subscription rights
November 15, 2022	Record date for participation in the Rights Issue with preferential rights
November 18, 2022	Publication of the prospectus
November 21 – November 30, 2022	Trading in subscription rights
November 21 – December 5, 2022	Subscription period
December 7, 2022	Announcement of the outcome of the Rights Issue

Advisors

Kempen & Co and Pareto Securities have been appointed Joint Bookrunners. Baker & McKenzie Advokatbyrå KB is acting as legal adviser to the Company. White & Case is acting as legal adviser to the Joint Bookrunners in connection with the Rights Issue.

Important information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Biovica in any jurisdiction, neither from Biovica nor from someone else.

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 prior to the commencing of the subscription period.

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 relating to the Rights Issue 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. Kempen & Co and Pareto Securities is acting for Biovica in connection with the Rights Issue and no one else and will not be responsible to anyone other than Biovica 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. Kempen & Co and Pareto Securities is not liable to anyone else for providing the protection provided to their customers or for providing advice in connection with the Rights Issue or anything else mentioned 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 registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public Rights Issue of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the USA, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law.

Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations. In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**relevant persons**”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

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 not required by law or Nasdaq First North Premier Growth Market rule book for issuers.

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

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

The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Contact

Anders Rylander, CEO

Phone: +46-18-444 48 35

E-mail: anders.rylander@biovica.com

Biovica – Treatment decisions with greater confidence

Biovica develops and commercializes blood-based biomarker assays to evaluate efficacy of cancer treatments. Biovica's assay DiviTum® measure cell proliferation by detecting a biomarker in the blood stream. The assay has successfully demonstrated its capabilities to early evaluate therapy effectiveness in several clinical trials. The first application for DiviTum is monitoring of treatment for patients with metastatic breast cancer. Biovica's vision is that all cancer patients will get an optimal treatment from day one. Biovica collaborates with world-leading cancer institutes and pharmaceutical companies. DiviTum is CE-marked and registered with the Swedish Medical Products Agency. Biovica's shares are traded on the Nasdaq First North Growth Market (BIOVIC B). FNCA Sweden AB is the company's Certified Adviser. For more information please visit: www.biovica.com.

This information is information that Biovica International 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 2022-10-18 08:42 CEST.

Attachments

[BIOVICA RESOLVES ON A FULLY GUARANTEED RIGHTS ISSUE OF APPROXIMATELY SEK 148 MILLION](#)