

Magle Chemoswed publishes a prospectus and applies for listing on Nasdaq First North

Magle Chemoswed Holding AB ("Magle Chemoswed" or the "Company") and the Company's shareholder have decided to carry out an ownership distribution of Magle Chemoswed's shares (the "Offer"). The Board of Directors of Magle Chemoswed has in conjunction with this applied for listing of the Company's shares on Nasdaq First North Growth Market ("Nasdaq First North").

Magle Chemoswed is an international contract development manufacturing organization ("CDMO"). The Company provides development and manufacturing services to healthcare companies as well as innovating and supplying new products based on the Company proprietary technology platform.

In 2016, Magle Life Sciences AB, a research and development organization, acquired the contract manufacturing company Chemoswed AB. In 2017, the two merged into Magle Chemoswed, resulting in a high level of specialized vertical integration across the value chain from development to commercial supply.

The Company owns its facilities in Malmö, Sweden and operates under Good Manufacturing Practice ("GMP") and ISO13485:2016 quality systems for the development and manufacturing of pharmaceuticals and medical devices. As of March 31, 2020, the Company had 70 employees and in 2019 net sales amounted to approximately SEK 128 million.

The Board of Magle Chemoswed has decided to apply for listing of the shares of Magle Chemoswed on Nasdaq First North. Provided that the application is approved, the first day of trading is expected on June 30, 2020. A condition for the listing is, among other things, that the distribution requirement is met through the Offer.

The offer in brief

- The offer addresses the general public in Sweden and institutional investors and consists of 2,500,000 existing shares in Magle Chemoswed, corresponding to 25 percent of the total number of shares and votes in the Company. At full subscription, the offer amounts to SEK 50 million.
- The selling shareholders are Magle AB, a company indirectly wholly owned by Hans Henrik Lidgard, who owns all shares in the Company prior to the Offer.
- The price in the Offer has been set at 20 SEK per share.
- Prior to the Offer, Fosielund Holding AB, Tibia Konsult AB and Birka Stock AB have undertaken, at the same price as for other investors, to acquire shares in the Offer at a value of SEK 28 million. In addition, board members and a limited number of investors have undertaken to acquire shares corresponding to a total of SEK 10.75 million at the same price and under the same conditions as other investors in the Offer. In total, the Offer is thus covered by commitments amounting to SEK 38.75 million.
- The application period will last from June 5 – June 17, 2020.
- A prospectus with full terms and conditions for the Offer is published today, June 2, 2020.

- The preliminary first day of trading on Nasdaq First North is June 30, 2020.

Background and motives for listing on Nasdaq First North

The listing on Nasdaq First North is expected to increase awareness of the Company and its operations, which is expected to strengthen Magle Chemoswed's profile and strengthen the Company's attractiveness as an employer. Furthermore, a listing is expected to strengthen the Company's position in relation to the major international customers with whom the Company establishes contacts.

CEO, Justin Pierce, comment

"This IPO represents an exciting next step for Magle Chemoswed and is driven by the aim to create value for our stakeholders and long-term success. We will build on our achievements over the last 3 years and continue to deliver on our strong technology platform pipeline and our CDMO service offerings. I have every confidence in the Magle Chemoswed team continuing to generate growth and returns for our stakeholders."

Chairman of the Board and owner, Hans Henrik Lidgard, comments

In recent years, Magle Chemoswed has developed in an impressive way, which has brought about major changes for everyone involved. The company can today showcase a comprehensive CDMO production and an interesting pipeline of its own products in modernized premises in Malmö. The company is well equipped to take on the challenges of the future.

Prospectus and application form

For purposes of the Offer, the Board has prepared a prospectus, which has been approved and registered by the Swedish Financial Supervisory Authority (Finansinspektionen) and is hereby published. The prospectus and the application form can be obtained from Västra Hamnen Corporate Finance or from Magle Chemoswed. The prospectus and application form are also available on Magle Chemoswed's website (www.maglechemoswed.com/investor) and Västra Hamnen Corporate Finance website (www.vhcorp.se) or through Västra Hamnen Corporate Finance via tel. +46 (0) 40 200 250.

Advisors and issuing agent

Västra Hamnen Corporate Finance is the financial advisor to Magle Chemoswed in connection with the Offer. Advokatfirman Vinge is legal counsel. Aqurat Fondkommission acts as issuing agent. Nordnet acts as selling agent in the Offer.

Västra Hamnen Corporate Finance is the Company's certified advisor on Nasdaq First North and can be reached at ca@vhcorp.se or +46 (0) 40 200 250.

For more information, please contact

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Magle Chemoswed has not taken and will not take any measures to allow a public offering in any other jurisdiction than Sweden. The Offer is not directed, directly or indirectly, to persons whose participation requires additional prospectus, registration or other measures than those required under Swedish law. The prospectus, the application form or other documents relating to the Offer may not be distributed in or to a country where distribution or the Offer would require any such measures to be taken, or that otherwise would violate applicable laws or regulations in such country.

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This press release is not a prospectus for the purposes of the (EU) Regulation 2017/1129 (the Prospectus Regulation) and has not been approved by any national competent authority in any jurisdiction.

This press release contains certain forward-looking statements on market information that reflect the Company's current view of future events as well as financial and operational development. Words such as "intended", "assessed", "expected", "can", "planned", "estimated" and other expressions that imply indications or predictions regarding future developments or trends and which are not based on historical facts constitute forward-looking statements. Forward-looking statements is inherently associated with both known and unknown risks and uncertainties, as it is dependent on future events and circumstances. Forward-looking statements do not constitute a guarantee for future results or development, and actual results may differ materially from what is

stated in forward-looking statements. This information, the opinions and the forward-looking statements contained in this press release are valid only at this date and are subject to change without notice thereof.

About Us

We are Magle Chemoswed, a Malmö-based contract development and manufacturing organization (CDMO) that serves companies in the pharmaceutical and medical device industry on a contract basis. We provide comprehensive services from product development through product manufacturing and we pride ourselves in coming up with solutions to complex healthcare challenges. Together with our customers, we take innovations from idea to product. Learn more on www.maglechemoswed.com.

Attachments

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