



Lipum has resolved on a directed share issue of approximately SEK 39 million at a subscription price of SEK 14.99 per share

Press release: Umeå, September 22, 2022. The Board of Directors of Lipum AB (publ) (“Lipum” or the “Company”) has resolved on a directed issue of 2,601,732 shares at a subscription price of SEK 14.99 per share to Flerie Invest AB and certain other existing and new investors with pronounced long-term interests in the Company (the “Directed Share Issue”). Through the Directed Share Issue, Lipum raises approximately SEK 39 million before deduction of transaction costs. The resolution by the Board of Directors to carry out the Directed Share Issue is subject to approval by an Extraordinary General Meeting, planned to be held on October 12, 2022.

The Directed Share Issue comprises 2,601,732 new shares issued at a subscription price of SEK 14.99 per share, which means that the Company will raise approximately SEK 39 million before deduction of transaction costs. The proceeds will be used primarily to finance the Company’s Phase I study and for extended pre-clinical studies of the biological drug candidate SOL-116.

The Company’s CEO, Einar Pontén, comments:

“Lipum is focused on a novel and unique way of treating chronic inflammatory diseases that we hope will satisfy a large and global medical need. We have successfully developed the biological drug candidate SOL-116, which is a fully humanized therapeutic antibody, and we now stand ready to exploit it through clinical as well as pre-clinical studies. Therefore, it is very important that we have now been able to secure further financing from committed and knowledgeable owners.”

The subscription price in the Directed Share Issue has been determined after negotiations with the investors. It corresponds to the volume-weighted average price (“VWAP”) of the Company’s share on Nasdaq First North Growth Market (“**First North**”) during the last 10 trading days preceding the Board of Directors’ resolution on the Directed Share Issue. Thus, the subscription price does not entail a discount compared to the quoted value of the Company’s share measured in this manner. The assessment of the Board of Directors is that the 10-day VWAP is a more accurate way of measuring the share’s quoted value than a closing price at a certain trading day or the average price during only one trading day. In the opinion of both the Board of Directors and the Company’s financial adviser, there is no reason to believe that the quoted value of the Company’s shares measured through a 10-day VWAP would not reflect the market value of the shares.

Investors participating in the Directed Share Issue, who together have committed to subscribe for all shares in the Directed Share Issue, are mainly Flerie Invest AB (who has committed to subscribe for shares corresponding to approximately SEK 25 million) and certain other existing and new investors with pronounced long-term interests in the Company, including Lars Stenlund and Torgny Stigbrand. Upon completion of the Directed Share Issue, Flerie Invest AB will become the largest shareholder in Lipum, with a holding representing approximately 28.3 percent of the shares and votes in the Company.

The reasons for deviating from the shareholders’ preferential rights are that the Board of Directors considers, following discussions with the Company’s founders, who together constitute the largest shareholder of the Company, as well as with other existing shareholders, that a preferential rights issue would not be subscribed by existing shareholders holding a large proportion of the Company’s shares,

that the additional transaction costs relating to a preferential rights issue, such as advisory fees and underwriting commission, would not be proportionate to the limited size of the transaction, that the Company is in an important development stage and has an immediate financing need and that it is in the Company's interest to strengthen and broaden its shareholder base with investors that have pronounced their long-term interests as shareholders in the Company. Furthermore, the Board of Directors considers it to be of importance that the subscription price in the Directed Share Issue corresponds to the VWAP of the Company's share on First North during the last 10 trading days preceding the Board of Directors' resolution on the Directed Share Issue. Thus, the Directed Share Issue is carried out without discount compared to the quoted value of the Company's share measured in this manner. In an overall assessment, the Board of Directors' view is that the reasons for deviating from the shareholders' preferential rights clearly outweigh the reasons that justify the principal rule of preferential right for existing shareholders.

Dilution

Through the Directed Share Issue, the Company's share capital will increase by SEK 650,433, from SEK 1,263,123 to SEK 1,913,556, through the issuance of 2,601,732 shares, which means that the total number of shares will increase from 5,052,492 to 7,654,224 shares. The Directed Share Issue will result in a dilution of approximately 34.0 percent based on the total number of shares and votes in the Company after the Directed Share Issue.

Extraordinary General Meeting

The Directed Share Issue is subject to approval by an Extraordinary General Meeting, which is planned to be held on October 12, 2022. The notice convening the Extraordinary General Meeting is published today through a separate press release and will be available, together with the other documents required under the Swedish Companies Act, at the Company's headquarters, Tvistevägen 48C, SE-907 36 Umeå, Sweden, and on the Company's website, www.lipum.se/bolagsstyrning/.

Advisers

Erik Penser Bank is financial adviser and Mannheimer Swartling Advokatbyrå is legal adviser to Lipum in connection with the Directed Share Issue.

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This information is information that Lipum AB 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 21:00 CEST, on September 22, 2022.

About Lipum

Lipum AB (publ) is a biopharmaceutical company specialized in discovery and development of a novel treatment for chronic inflammatory diseases. The lead candidate SOL-116 is a humanized antibody designed to provide efficacious therapy by blocking a previously overlooked target molecule of the immune system (BSSL). SOL-116 is in late preclinical stage supported by solid data for rheumatoid arthritis, and Lipum also explores other inflammatory diseases with a high unmet medical need. The company is based in Umeå, an excellent life science cluster in Sweden. Lipum's unique approach has attracted international attention, including a major European Commission Horizon 2020 grant. The Company's share (LIPUM) is traded on Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission.