



Stockholm, Sweden

Press release June 27, 2019

Oncopeptides intends to make a directed share issue

Oncopeptides AB (publ) (“Oncopeptides” or the “Company”) (Nasdaq Stockholm: ONCO) today announces its intention to execute a directed share issue to institutional investors (the “Issue”). The Company has retained Carnegie Investment Bank AB (publ), Cowen and Company LLC, DNB Markets, a part of DNB Bank ASA, Jefferies International Limited and Kempen & Co N.V. to act as Joint Bookrunners (the “Joint Bookrunners”) in connection with the Issue.

The subscription price and the total number of new shares in the Issue (the “Issue Shares”) will be determined through an accelerated bookbuild process (the “Bookbuilding”). It is intended that the number of newly issued shares will amount to approximately 10 percent of the total number of shares in the Company.

Bookbuilding will start immediately following this announcement. Pricing and allocation of the new shares is expected to take place before beginning of trading on Nasdaq Stockholm at 09:00 CEST on 28 June 2019. The exact timing of closing of Bookbuilding, pricing and allocation is at the discretion of the Company and the Joint Bookrunners. The Company will announce the outcome of the Issue after closing of Bookbuilding in a subsequent press release.

The net proceeds of the Issue are intended to be used for: (i) scale-up of the Company’s commercial and medical relations functions to prepare for and initiate US market launch of melflufen in light of the planned application for FDA Accelerated Approval, (ii) expansion of ongoing clinical development including new studies and potential indication expansions, and (iii) general corporate purposes.

The Company believes that using the flexibility provided by a non-pre-emptive placing is the most appropriate for the Company at this time, allowing it to raise capital in a timely and cost-effective manner and to diversify the shareholder base.

The Issue is, among other things, subject to a resolution by the board of directors of Oncopeptides, pursuant to the issue authorization given by the annual general meeting on 21 May 2019 to issue new shares, following the close of Bookbuilding.

In connection with the Issue, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period of 90 calendar days after the settlement date. In addition, in connection with the Issue, Industrifonden, HealthCap VI LP, the board of directors of Oncopeptides and management of Oncopeptides have agreed not to sell any shares in Oncopeptides during the lock-up period of 90 days, subject to customary exceptions. However, if stock options in the Company’s Employee Option Program 2012/2019¹,

¹ Please refer to the Q1 2019 Interim Report for more information.

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which is due to expire on 2 November 2019, are exercised, Jakob Lindberg (CEO), Eva Nordström (Head of Clinical Development), Johan Harmenberg (CMO), Fredrik Lehmann (Head of Research and CMC) as well as the Company will need to sell shares to cover their individual tax liabilities and associated social security contributions that will arise as a result of the stock options being exercised. The shares that each of the individuals and the Company will need to sell to cover their tax liabilities and the associated social security contributions (an expected aggregate of c. 924,000 shares) will be subject to a lock-up period of 60 calendar days after the settlement date.

For further information, please contact:

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The information in the press release is information that Oncopeptides 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 above, on June 27, 2019 at 17:31 (CEST).

About Oncopeptides

Oncopeptides is a pharmaceutical company focused on the development of targeted therapies for difficult-to-treat hematological cancers. The company is focusing on the development of the lead product candidate melflufen, a novel lipophilic peptide conjugated alkylator, belonging to a new class of drugs called Peptidase Enhanced Cytotoxics (PENc). Melflufen is in development as a new treatment for the hematological cancer multiple myeloma, including the Phase 2 pivotal trial HORIZON currently underway and a global confirmatory Phase 3 trial (OCEAN) continuing enrollment. Oncopeptides' headquarters is located in Stockholm, Sweden, and the company is listed in the Mid Cap segment on Nasdaq Stockholm with the ticker ONCO.

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Any investment decision in connection with the Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Joint Bookrunners. 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.

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jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations.

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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 Issue Shares have been subject to a product approval process, which has determined that the Issue 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 Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares 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 Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

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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 Issue Shares.

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

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, including with respect to prospects for pharmaceutical treatments and studies. 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 nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation 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.