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Oncopeptides has completed a directed share issue of approximately SEK 546 million

24 January 2019

Oncopeptides AB (publ) (“Oncopeptides” or the “Company”) (Nasdaq Stockholm: ONCO) today announces that the Company has successfully completed a directed share issue of approximately SEK 546 million.

The board of directors of Oncopeptides has, based on the issue authorization granted by the annual general meeting on 17 May 2018, and as indicated in the Company’s press release on 23 January 2019, resolved on a directed share issue of 4,750,000 new shares (the “New Shares”) at a subscription price of SEK 115 per share (the “Issue”), which means that the Company will receive gross proceeds of approximately SEK 546 million. The subscription price in the Issue has been determined through an accelerated bookbuild procedure.

The net proceeds of the Issue are intended to be used for: (i) expansion of ongoing clinical development, (ii) expansion of research and pre-clinical program to build pipeline, (iii) scale-up of the Company’s medical affairs function, focusing on the US, (iv) scale-up of the Company’s commercial function to prepare for market launch, focusing on the US, and (v) general corporate purposes.

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

The Issue will entail a dilution of approximately 9.73 percent of the number of shares and votes in the Company. Through the Issue, the number of outstanding shares and votes will increase by 4,750,000 from 44,091,921 to 48,841,921. The share capital will increase by approximately SEK 527,778 from SEK 4,899,102 to SEK 5,426,880.

It is expected that investors in the Issue will be delivered their shares on 28 January 2019. In order to facilitate the delivery of shares to investors on this date, one of the Company’s main owners, Industrifonden, has lent 4,750,000 existing shares in the Company to DNB Markets, a part of DNB Bank ASA (as settlement bank in connection with the Issue), for onward delivery to investors in the Issue.

Jefferies International Limited, Carnegie Investment Bank AB (publ) and DNB Markets, a part of DNB Bank ASA, have acted as Joint Bookrunners in the transaction. Vinge acted as legal adviser to Oncopeptides and White & Case acted as legal adviser to the Joint Bookrunners.

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, subject to customary exceptions.

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This 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 set out above, at 08.00 CET on January 24, 2019.

About Oncopeptides

Oncopeptides is a pharmaceutical company developing drugs for the treatment of cancer. The company is focusing on the development of the lead product candidate melflufen (Ygalo®), a peptide conjugated alkylator, belonging to a new class of drugs called Peptidase Enhanced Compounds. Melflufen is intended as an effective treatment of hematological cancers, and in particular multiple myeloma. The goal with the current clinical study program is to demonstrate better results from treatment with melflufen compared with established alternative drugs for patients with multiple myeloma. Melflufen will potentially provide physicians with a new treatment option for patients suffering from this serious disease.

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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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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, including Ygalo. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend",

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