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Stockholm, Sweden

March 21, 2018

## **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 Swedish and international institutional investors (the "Issue"). The Company has retained ABG Sundal Collier AB, Carnegie Investment Bank AB (publ), DNB Markets, a part of DNB Bank ASA, and Jefferies International Limited 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 procedure (the "**Bookbuilding**"), but the number of new shares will not exceed 3,980,000 (i.e. approximately 10 per cent of the currently issued and outstanding number of shares in the Company).

The 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 CET on March 22, 2018. The timing of the closing of the Bookbuilding, pricing and allocations are at the discretion of the Company and the Joint Bookrunners. The Company will announce the outcome of the Issue after closing of the 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 medical affairs function, focusing on the US, (ii) broadening the indication base through the initiation of two additional studies, (iii) scale-up of the Company's commercial function to prepare for market launch, focusing on the US, (iv) preparatory work for a successful NDA, including a renal impairment study to complete label, and (v) expansion of research and pre-clinical program to build additional pipeline.

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 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 18 May 2017 to issue new shares, following the close of the 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, 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 persons set out above, at 17.31 CET on March 21.

**About Oncopeptides**

Oncopeptides is a research and development stage pharmaceutical company developing drugs for the treatment of cancer. The Company focus on the development of the lead product candidate Ygalo®, an innovative, Peptidase Enhanced Cytotoxics (PEnCs). Ygalo® is intended for an effective treatment of hematological cancers, and in particular multiple myeloma. The current clinical study program is intended to demonstrate better results from treatment with Ygalo® compared to established alternative drugs for patients with late-stage multiple myeloma. Ygalo® could 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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This press release is not a prospectus for the purposes of Directive 2003/71/EC (the "Prospectus Directive"). Oncopeptides has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

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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



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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.

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, including Ygalo. 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



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