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INVITATION TO SUBSCRIBE FOR SHARES

ExpreS²ion Biotech Holding AB



ExpreS²ion Biotech Holding AB, with corporate identity 559033-3729, has through the wholly owned Danish subsidiary ExpreS²ion Biotechnologies ApS created a platform technology, which enable cost-effective and robust production of complex proteins for the development of vaccines and diagnostics against e.g. malaria and Zika-virus. Since 2010, the subsidiary has collaborated with research institutions and biopharmaceutical companies and has through its patented ExpreS² platform produced over 200 different proteins with an efficiency and success rate that surpasses competing technologies.

The company is now implementing an Initial Public Offering (IPO) of approximately 18 MSEK for the planned listing on the Nasdaq Stockholm First North. According to the Board's assessment, the proceeds will enable a large impact in the market, with the vision that the company becomes a significant global player within manufacture of complex proteins for research, development and production of vaccines.

EXPRES²ION[®]
BIOTECHNOLOGIES


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ExpreS²ion Biotechnologies in brief

ExpreS²ion Biotechnologies has developed the technology platform ExpreS², which is especially suited for production of proteins intended for development of vaccines.

A key part in the development of modern vaccines is the complex proteins that form the basis of the active substance. These proteins are produced by technology platforms based on genetic modification of cells. ExpreS² is a fully developed, commercialised and patented technology platform for the development of this type of complex proteins. The platform has been validated in several client projects and it has a number of features that according to the Board's assessment distinguishes it from competing technologies:

- In some occasions, it has been the only known method to produce specific proteins.
- Cost and time consumption are significantly lower than for alternative methods, which is an important competitive advantage with respect to time-to-market and the remaining patent life, a. o. In addition, it also makes the platform especially valuable for development of diagnostics and vaccines for infectious diseases and rapidly growing pandemics.
- The method provides a substantially higher yield, i.e. the amount of protein per production batch, compared to other systems.
- The method provides very homogeneous production batches, which is a requirement in drug development.

THE BUSINESS MODEL

ExpreS²ion Biotechnologies' business model is structured in a way that allows the company to not only market licenses to use the ExpreS² platform as a whole, but also parts of it, thus allowing the customer to participate in or be entirely responsible for the development of the needed proteins. The Company may also charge clients for the production of proteins and deliver the protein as a finished product using the ExpreS² platform. The company has the following principal types of contracts that govern how the ExpreS² platform is marketed to customers who want non-exclusive rights to the platform, and how revenues can be generated:

- **Material License Agreement:** The customer is granted the right to use the ExpreS² platform, usually for six months, and purchases the material needed to use the platform.
- **Research License Agreement:** The customer is granted the right to conduct basic research based on the cells contained in the ExpreS² platform. The customer purchases both the material needed to use the platform and pays annual fees for the license.

- **Commercial License Agreement:** The customer is granted the right to conduct clinical development of vaccines and other biopharmaceuticals using the ExpreS² platform and to commercialise these. In addition to purchasing the materials needed to use the platform, the customer also pays annual fees for licenses, milestone payments based on achieving certain phases of clinical development, and royalties of 2-5% of net sales in the event that the drug reaches the market.

THE POTENTIAL MARKET

The total global market for vaccines is growing and is estimated to reach a total value of approximately 58 billion USD in 2019 from a current value at around 30 billion USD. The property of the ExpreS² platform as a base for research and development of a host of complex recombinant proteins creates an unlimited scope of diseases within which the platform may be utilised. The market potential for the ExpreS² platform is thus difficult to assess, but the Board of Directors estimates it to be very large. The platform has been validated in customer projects at e.g. Novartis Pharma, F. Hoffmann-La Roche and Oxford University and therefore generates revenue to the Company. The Company already has 50 different customers worldwide.

IPO BEFORE A PLANNED LISTING ON FIRST NORTH

ExpreS²ion Biotech Holding AB is planning an IPO of approximately 18 MSEK in total. The proceeds raised in the IPO is intended primarily to finance increased marketing efforts and allow for an expansion of the company's operations and to maintain a high pace in the company's development work, and thus make the company profitable in the long term. This work includes four main activities:

- Expansion of the Company's marketing- and sales activities and increasing the client-base of companies and research institutions in key markets in Europe, USA, South Korea and Japan.
- Make specific targeted actions in areas with particularly high concentrations of pharmaceutical companies and research institutions – the so-called Biopharma Clusters.
- Increase the number of partners and projects in which the company is involved.
- Strengthen the company's ownership in selected key projects and initiate own projects.

Summary of the Offer

- **Subscription period:** 8 to 22 June, 2016.
- **Shares subscription:** A minimum of 800 shares, corresponding to 4 720 SEK.
- **Subscription price:** 5.90 SEK per share. No commission is charged.
- **Issue volume:** total offering 3 050 000 shares. A full subscription will generate a total of 18 MSEK in proceeds before issue costs to the company. The lower limit of the new share issue and thus the planned listing is about 9.5 MSEK.
- **Listing on Nasdaq Stockholm First North:** The shares are scheduled to be listed on Nasdaq Stockholm First North. First day of trading is expected to be July 27, 2016.
- **Number of shares before the rights issue:** 5 678 739 shares.
- **Valuation (pre-money):** Approximately 33.5 MSEK.
- **Subscription commitments:** The Company has received subscription commitments in total of approximately 7.5 MSEK, representing approximately 42% of the issue volume.

CEO Steen Klysner has the word

The basis for much of the research and development of biopharmaceuticals and vaccines is the ability to produce complex proteins that constitute the active ingredient in most vaccines, and to ensure that these are of pharmaceutical grade. Hence, there is a very great value in being the one who efficiently and safely develops, produces and delivers complex proteins to players in the pharmaceutical industry.

Since early 2010, we at ExpreS²ion Biotechnologies have had just that role. We work with a patented platform technology, ExpreS², based on S2 insect cells. Using this platform, we can produce very complex and specific proteins in a very short time frame, and at a cost that is also significantly lower than with competing methods. Since foundation of the Company, we have produced over 200 particularly complex proteins with a success rate, which means to successfully produce the desired protein, of over 90%. This is, in our judgment, industry leading. Our technology is both validated and successful, and we are therefore well on the way towards our overall goal for the ExpreS² platform to be a recognised, accepted and established method for protein production for conduction of research and development of vaccines.

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In order to optimise our market potential, we have designed the ExpreS² platform and our business model in a way that enables us to develop proteins on behalf of customers, or alternatively to out-license the technology to let the customer develop proteins on their own or in collaboration with us. In any case, an initial revenue is generated for the use of the ExpreS² platform, but above all, a potential for future revenues exist in the form of royalties and milestone payments due to the stake that ExpreS²ion Biotechnologies obtains in products developed using the Company's technology. When a product developed using the ExpreS² platform reaches market approval, the company expects to receive royalties equivalent to around 2-5% of net sales.

We have a highly skilled team of world-leading experts in platform technology for protein production, a well-conceived business and revenue model, and a growing customer base with e.g. biopharmaceutical companies such as F. Hoffmann-La Roche, Janssen and Novartis Pharma, and leading research institutions in the USA and the UK. We are facing an exciting future with strong growth, and with those words I welcome you to become part of ExpreS²ion Biotechnologies.

Steen Klysner

CEO, ExpreS²ion Biotechnologies

Reference to the memorandum

All investments in securities are associated with risk. The ExpreS²ion Biotech Holding's memorandum contains a description of the potential risks associated with the Company's business and its securities. Before making an investment decision, these risks together with the other information in the complete memorandum should be carefully read. The memorandum is available for download on the Company's (www.expres2ionbio.com) and Sedermera Fondkommission's (www.sedermera.se) respective websites. The Swedish version of the memorandum prevails.

Application form for acquisition of shares in ExpreS²ion Biotech Holding AB

The offer:

Subscription period: 8 – 22 June 2016
Subscription price: SEK 5.90 per share.
Payment: Transaction notes are expected to be sent out as quickly as possible after the subscription period ends and payment will occur no later than four banking days thereafter.

To be sent to:

Sedermera Fondkommission
 Issuance Services
 Importgatan 4
 SE-262 73 Ängelholm Sweden

Alternatively to:

Fax: +46 (0) 431 - 47 17 21
E-mail: nyemission@sedermera.se
(Scanned application form)

NOTE! The settlement does not deduct from the securities account / deposit account

For additional information contact Sedermera Fondkommission
 Telephone: + 46 (0) 431-47 17 00

The following application form should be used to register interest in acquiring shares in ExpreS²ion Biotech Holding AB, org.nr 559033-3729. For full information about the offer itself, see the memorandum issued by the board of ExpreS²ion Biotech Holding AB in June 2016.

The application form must be received by Sedermera Fondkommission no later than 15.00 on 22 June 2016. Only one application form per subscriber will be considered. If more than one application form is submitted, the last to arrive will apply. Incomplete or incorrectly completed application forms may be disregarded. The application is binding.

Notification of any allocation will take the form of a transaction note and payment must be made in accordance with the directions on this. Transaction notes are expected to be sent out as quickly as possible after the subscription period ends and payment will occur no later than four banking days thereafter. Those who are not allocated any shares will not receive any notification.

According to the terms of the memorandum, issued by the Board of Directors of ExpreS²ion Biotech Holding AB in June 2016, the undersigned hereby subscribes to:

Number of shares:

shares in ExpreS²ion Biotech Holding AB at a subscription price of SEK 5.90 per share. Minimum subscription is 800 shares (corresponding SEK 4 720).

Securities account or custody account to which allotted shares are to be delivered (select one only):

Securities account / Service account	0	0	0						
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Custody number:

Bank/Manager:

Is it your intention to subscribe to shares through a service account connected with endowment assurance or an investment savings account (ISK)? Please contact your administrator for more information about the subscription procedure.

Name and address information:

Surname/Company		First name	Personal ID number/Organisation number
Street address, PO Box or equivalent			
Postcode	Town/City	E-mail	
Daytime telephone/mobile telephone		Transaction note by E-mail	
Place and date		Signature (of person authorised to sign for company or guardian if appropriate)	

In signing this application form I confirm the following:

- That I have read the memorandum and understand the risks that are associated with investing in the financial instrument at issue;
- That I have read and understand what is stated under the Terms and Conditions in the memorandum;
- That I have read and accepted the information stated on the application form;
- That I am aware that no customer relationship exists between Sedermera Fondkommission and the subscriber with respect to this subscription;
- That I am aware that Sedermera Fondkommission will not make any assessment of whether the subscription to the instrument in question is suitable for me or the person on whose behalf I am subscribing;
- That I have observed that the offer is not directed towards persons who are resident in the USA, Canada, New Zealand, South Africa, Japan, Australia or other countries where participation assumes further prospectuses, registration or other measures than those that follow from Swedish law;
- That I am aware that the application is not covered by the right of return that follows from the Swedish Distant and Home Sales Act;
- That in signing this application form I authorise Sedermera Fondkommission, at the undersigned's expense, to execute the subscription to shares in accordance with the conditions that appear in the memorandum issued by the board of ExpreS²ion Biotech Holding AB in June 2016.
- That no amendments or additions may be made to the printed text in this application form;
- That the allocation of shares in accordance with the completed application form cannot be guaranteed;
- That personal data supplied in connection with the assignment will be stored and processed by Sedermera Fondkommission for the purpose of administering this Assignment. The information may also be used in connection with the future despatch of offer documents. Personal data will be stored and processed in accordance with the Swedish Personal Data Act.