

INVITATION TO SUBSCRIBE FOR SHARES

ExpreS²ion Biotech Holding AB

New Joint Venture



First target: Breast Cancer

ExpreS²ion Biotechnologies has developed a platform technology that enables cost-effective and robust production of complex proteins, which constitute the active substance in new vaccines and are fundamental in diagnostics, research and development of vaccines. Since 2010, the Company has collaborated with research institutions and biopharmaceutical companies and has through its patented ExpreS² platform produced over 250 different proteins with an efficiency and success rate surpassing competing technologies.

In June 2017, ExpreS²ion announced that the Company together with NextGen Vaccines ApS had founded the Joint Venture company AdaptVac ApS, based on the new ground-breaking Virus Like Particle (VLP) technology. The aim of the Joint Venture is to establish a world class company for development of competitive vaccines and therapeutic treatments for infectious diseases, cancer and immunological diseases. The value of ExpreS²ion's share in AdaptVac's initial pipeline, calculated as a rNPV (risk-adjusted net present value), is estimated to be in the order of 50 to 100 million SEK. To finance ExpreS²ion's investment in AdaptVac, the Company now aims to raise approximately SEK 3.9 million through a rights issue. The proceeds are also intended to finance an expansion of ExpreS²ion's core business activities within services, products, patents and other activities related to the Company's access to the VLP technology through the Joint Venture company AdaptVac ApS.

EXPRES²ION[®]
BIOTECHNOLOGIES


SEDERMERA
FONDKOMMISSION

DISCLAIMER: THIS TEASER IS A NON-CERTIFIED TRANSLATION OF THE SWEDISH VERSION, WHICH PREVAILS

ExpreS²ion Biotechnologies

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 biopharmaceuticals 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. This method is for instance used when developing human insulin, antibodies and a majority of new vaccines. There is a central technological and economical challenge in developing and producing these proteins in a robust and cost-effective manner as well as in the quality demanded by the authorities for biopharmaceuticals to be used in humans.

ExpreS²ion Biotechnologies has developed a robust and effective technology platform, which is especially suited for production of proteins intended for development of vaccines. The platform is named ExpreS² and is based on so called Drosophila S2 cells from fruit flies.

Since ExpreS²ion Biotechnologies was founded in 2010, the Company has established a strong market position, due to the high success rates that the ExpreS² platform has demonstrated with the proteins that the Company has developed. The more than 250 different proteins that have been produced with the ExpreS² platform represent a success rate of over 90 % in the challenging projects that the system has been applied to, which according to the board, is market-leading. The success rate is especially worth noting since it exclusively refers to complex proteins for development of biopharmaceuticals, that in many cases could not be produced using other platform technologies.

“The value of ExpreS²ion’s share in AdaptVac’s initial pipeline, calculated as a rNPV (risk-adjusted net present value), is estimated to be in the order of 50 to 100 million SEK. The Joint Venture generates a new market focus for ExpreS²ion and constitutes a powerful possibility to reposition the Company from primarily being a service provider to also develop vaccines.”

Dr. Steen Klynsner
CEO, ExpreS²ion Biotechnologies

Summary of the offer

- **Subscription period:** August 10 – 24, 2017
- **Subscription price:** SEK 4.50 per share
- **Volume of issuance:** The rights issue comprises a maximum of 872,873 shares, equalling to SEK 3,927,928.50
- **Record date and preferential rights:** The rights issue is conducted with preferential rights for existing shareholders in ExpreS²ion. Record date for receiving subscription rights was August 4th, 2017. For each share, one (1) subscription right will be received. Ten (10) subscription rights entitle to subscription of one (1) new share in ExpreS²ion. Please note that also the public are invited to subscribe for shares in the rights issue
- **Number of shares prior to the rights issue:** 8,728,739 shares
- **Trading period of subscription rights:** Trading with subscription rights will be conducted through Nasdaq Stockholm First North from August 10th until August 22nd, 2017
- **Company valuation in the offer (pre-money):** Approximately SEK 39.3 million
- **Trading period of BTAs:** Trading with BTAs will be conducted on Nasdaq Stockholm First North from August 10th, 2017 until the rights issue is registered at the Swedish Company Authority (“Bolagsverket”). Registration is expected to be finished in the middle of September 2017
- **Subscription commitments:** ExpreS²ion has received subscription commitments of approximately SEK 2.2 million, equalling to approximately 57 percent of the rights issue’s total volume



BUSINESS MODEL

ExpreS²ion Biotechnologies' business model is structured in a way that allows the Company not only to 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 required proteins. The Company may also charge clients for the production and delivery of proteins as finished products, using the ExpreS² platform. The Company has two main categories of customers; pharmaceutical companies and research institutions. The Company addresses both types of organisations, because the ExpreS² platform can be adapted to both basic academic research and commercial drug development.

ExpreS²ion Biotechnologies has since the establishment in 2010 worked with more than 75 different clients. The assignments with these clients, which in many cases are world-leading universities, research institutions or biopharmaceutical companies, have already generated significant income for the Company. The Company has the following main types of contracts:

- **MLA (Material License Agreement):** The customer is granted the right to use the ExpreS² platform, usually for six months, and purchases the materials needed to use the platform.
- **RLA (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 materials needed to use the platform and pay annual fees for the license.
- **CLA (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 at pre-defined phases of clinical development, and royalties of 2-5 % of net sales in the event that the drug reaches the market.

THE JOINT VENTURE ADAPTVAC APS

In addition to ExpreS²ion core business activities described above, the Company initiated the Joint Venture company AdaptVac ApS ("AdaptVac") in 2017 together with NextGen Vaccines ApS ("NextGen"), a company established by scientists from the University of Copenhagen. AdaptVac has an exclusive global license to a new "Plug-and-Play Virus Like Particle" (VLP) technology, which enables accelerated development of effective therapeutic and prophylactic vaccines within high-value market segments in oncology, infectious diseases and immunological diseases. The aim of the Joint Venture company is to establish a world class company for the development of competitive vaccines and therapeutic treatments for infectious diseases, cancer and immunological diseases. The combination of ExpreS²ion's technology and knowhow with NextGen's unique expertise within the VLP technology, will create a robust and versatile company within the field of new vaccines and immunotherapies. The value of ExpreS²ion's share in AdaptVac's initial pipeline, calculated using rNPV (risk-adjusted net present value), is estimated to be in the order of 50 to 100 million SEK. The Joint Venture generates a new market focus for ExpreS²ion and a powerful possibility to reposition the Company from primarily being a service provider to also develop vaccines.

AdaptVac will operate as a separate company with a 50:50 percent ownership of ExpreS²ion and NextGen, and equal allocation of costs and profit, following the initial investments. To begin with, AdaptVac will focus on two main projects; one project within oncology (breast cancer) and one project within infectious diseases. The projects are based on already completed studies with the licensed VLP technology, where the results indicate safety and effect in established animal models for cancer, which has resulted in a prototype for the breast cancer vaccine. The second indication is not yet disclosed due to patent issues, but the indication has a market value that is comparable with the market value of breast cancer.

As a result of the new Joint Venture, ExpreS²ion Biotechnologies also acquires the possibility of immediate increases in sales, as the Company through AdaptVac gets access to the VLP technology for customer projects, which opens the possibility for new and larger projects.

DISCLAIMER: THIS TEASER IS A NON-CERTIFIED TRANSLATION OF THE SWEDISH VERSION, WHICH PREVAILS

CEO Dr. Steen Klynsner comments

It is now a year ago that we were listed on Nasdaq Stockholm First North. It has been a both exciting and eventful year in which we have focused on consolidating and building up the Company with new agreements through targeted sales and marketing activities. Today, I can say that it has been a success as we have achieved the goals we set up at the listing regarding new agreements, partnerships and business areas within biologicals and development tools. In economic terms, this means that, by the end of the first half of 2017, we managed to increase sales by a factor four compared to the same period last year. It should be especially emphasised that this has been achieved primarily through agreements with commercial partners in contrast to research grants, which is a significant improvement for the Company's business base. Based on this consolidation of the core business, a natural next step for us is to develop the product portfolio and seek greater co-ownership and thus value in selected projects.

In 2017 an opportunity for this was created through a new and very strong technology platform built around "Virus Like Particles", known as VLPs. The platform is particularly attractive because the technology has synergies with our own technology and combines development benefits with a greatly improved efficacy of products in vaccines and immunotherapy, which also includes cancer treatments. The technology was invented and developed by a group of internationally acknowledged researchers at the University of Copenhagen, which we have collaborated with for years.

When they spun out the technology to NextGen Vaccines in mid-2017, it became natural to exploit the synergy between our ExpreS² platform and their VLP platform in a new Joint Venture company: AdaptVac ApS. The new company which is 50 percent owned by us and 50 percent by NextGen Vaccines, combines leading international research expertise and networks with ExpreS²ion's commercial development capacity and contacts. This means that AdaptVac from the start is a strong company with great commercial potential.

In relation to the potential value of the new company, the investment for ExpreS²ion, which is in the order of SEK 5 million over the next three years, is very moderate. It is well below 50 percent of the estimated total value

of over SEK 100 million of AdaptVac's first two projects, of which one is within breast cancer. This is partly due to self-financing of AdaptVac, which focuses on early partnerships combined with research grants, and partly because ExpreS²ion's investment also includes our own proprietary technology and business services to AdaptVac. Finally, this set-up also allows ExpreS²ion to increase its own sales immediately, by including VLP technology in customer projects, which may lead to new and larger assignments.

Despite the very positive development ExpreS²ion has experienced over the last 12 months, additional capital needs to be raised for the Company to ensure the development of the newly established Joint Venture company and to exploit the increased business opportunities that we expect in terms of more and bigger projects. The Board of Directors of ExpreS²ion has therefore decided to exercise its mandate to carry out a rights issue

of up to 10 percent of the Company's share capital. I am pleased to note that the rights issue is backed by a group consisting of ExpreS²ion's founders, operational management and principal shareholders, in total representing more than 50 percent of the Company's shares. In understanding of the Company's potential, this group has chosen to pre-subscribe shares corresponding to a total of 57 percent of the rights issue, which significantly supports the planned development. With a successful first year after the listing, seen in relation to delivered results and achieved goals, we are now

looking forward to moving the Company towards a stronger position in a rapidly developing industry. We have a solid board and management in place, and with our commitment to AdaptVac, we've combined our core technology with a new strong platform and obtained a pipeline targeting several of the most attractive drug areas.

I invite all existing shareholders as well as interested new investors to participate in ExpreS²ion's journey towards new goals, business and a promising future.

Dr. Steen Klynsner
CEO, ExpreS²ion Biotechnologies

"The new company which is 50 percent owned by us and 50 percent by NextGen Vaccines, combines leading international research expertise and networks with ExpreS²ion's commercial development capacity and contacts. This means that AdaptVac from the start is a strong company with great commercial potential."

Reference to the memorandum

All investments in securities are associated with risk. In ExpreS²ion's memorandum a description of potential risks associated with the company's business and its shares is presented. Before making an investment decision these risks together with the other information in the full memorandum should carefully be read. The memorandum is available on the company's and Sedermera Fondkommission's respective websites: www.expres2ionbio.com, www.sedermera.se

Terms and conditions

The offered rights issue

The Board of Directors in ExpreS²ion Biotech Holding AB ("ExpreS²ion") has on the 28th of July 2017 decided, with authority from the annual general meeting on the 31st of May 2017, to increase the share capital with a maximum of SEK 96,985.8889. The increase of share capital is carried out by issuance of a maximum of 872,873 new shares, each with a subscription price of SEK 4.50. The rights issue is conducted with preferential subscription right for existing shareholders. The general public is offered the possibility to subscribe for shares in the rights issue. Based on the subscription price in SEK, the total issue proceeds will add up to a maximum of SEK 3,927,928.50.

Preferential right and subscription rights

Persons and legal entities who were shareholders in ExpreS²ion on the record date the 4th of August 2017 have preferential right to subscribe for shares in the rights issue in the ratio 1:1, meaning that one (1) existing share gives the right to subscribe for one (1) new share.

Existing shareholders preferential right is exercised through subscription rights in which one (1) old share entitles to one (1) subscription right. Ten (10) such subscription rights entitle to subscription of one (1) new share.

Shareholders whose shares were registered in Euroclear Sweden AB ("Euroclear") on the record date receives subscription rights through the Euroclear-system.

Subscription price

The subscription price determined by the Board of Directors is SEK 4.50.

Record date

Record date at Euroclear for participation with preferential rights were the 4th of August 2017. The last trading day of shares in ExpreS²ion including preferential rights were the 2nd of August 2017. The first day of trading with shares without preferential rights were the 3rd of August 2017.

Subscription period

The subscription period is between the 10th of August 2017 and 24th of August 2017 at 3 pm. After the subscription period, subscription rights not exercised will become invalid and lose their value. Subscription rights not exercised are removed from the shareholders' respective book-entry account in Euroclear without further notice.

Trading with subscription rights

Only subscription rights issued through the Euroclear-system will be tradeable on Nasdaq Stockholm First North during the subscription period. Trading with subscription rights takes place from the 10th of August 2017 until the 22nd of August 2017 (both days included) on Nasdaq Stockholm First North. Shareholders must contact their bank or broker with the required authority to conduct trading of subscription rights.

Subscription rights acquired during the aforementioned trading period provides, during the subscription period, the same preferential right to subscribe for new shares, as allotted subscription rights based on the individual shareholder's shareholding in ExpreS²ion as per the record date. Subscription rights must be exercised no later than the 24th of August 2017 or sold no later than the 22nd of August 2017, in order to not become of no value.

Pre-printed paying slips and subscription forms

Shareholders with preferential rights

Shareholders or representatives of shareholders, who on the record date, the 4th of August 2017, were registered in the Euroclear-system, receives a pre-printed paying slip (account statement), the subscription form "Subscription with subscription rights", the subscription form "Subscription without subscription rights" and a folder containing the terms and conditions for the rights issue with referral to the investment memorandum. The information can be downloaded at Sedermera Fondkommissionens' web page (www.sedermera.se), or at the web page of ExpreS²ion (www.expres2ionbio.com). Shareholders who are included in the separate list of pledgees and others in relation to the Euroclear-system, do not receive information and will be notified separately. An account notice, which declares the delivery of subscription rights on the shareholders' book-entry account, are not distributed.

Subscription of shares with preferential right through Euroclear

Subscription of shares with preferential rights for those shareholders who on the record date were registered in the Euroclear-system shall be carried out by simultaneous payment in SEK no later than the 24th of August 2017 at 3 pm. Subscription of shares by payment of the subscription amount must be carried out either by the use of the pre-printed paying slip, or by the payment instructions on the subscription form "Subscription with subscription rights" in accordance with the following:

1) Pre-printed paying slip (account statement).

If all subscription rights allotted on the record date are exercised, only the pre-printed paying slip shall be used as documentation for subscription by way of cash payment. The subscription form "Subscription with subscription rights" shall not be used in this case.

2) Subscription form – "Subscription with subscription rights"

In the event that another amount of subscription rights than what is stated on the pre-printed paying slip, is exercised for subscription (e.g. due to subscription rights being acquired or sold), the subscription form "Subscription with subscription rights" shall be used as basis for subscription by way of cash payment. The shareholder must specify on the subscription form the amount of subscription rights being exercised, number of shares subscribed for and the amount in SEK to be paid. If payment is made any other way than by the payment instructions on the subscription form, the VP-account (an owner-registered account in Euroclear) must be indicated as payment reference. An incomplete or faulty subscription form may not be taken into consideration. The subscription form "Subscription with subscription rights" can be obtained by calling Sedermera Fondkommission on the phone number stated below. A completed subscription form must, in connection with cash payment, be sent or faxed to, and received by, Sedermera Fondkommission no later than the 24th of August 2017 at 3 pm on the contact details stated below. The subscription is binding.

Subject: ExpreS²ion
Sedermera Fondkommission
Norra Vallgatan 64
211 22 Malmö, Sweden
Fax: +46 (0) 40-615 14 11
Phone: +46 (0) 40-615 14 10
E-mail: nyemission@sedermera.se (scanned subscription form)

Subscription above 15,000 EUR with preferential right

If the subscription amounts to, or exceeds, 15,000 EUR a money laundering form shall be completed and sent to Sedermera Fondkommission in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Sedermera Fondkommission cannot distribute any BTA, even if payment has been received, before the money laundering form has been received by Sedermera Fondkommission.

Nominee-registered shareholders

Shareholders whose shares in ExpreS²ion were nominee-registered through a bank or broker will not receive pre-printed paying slips or subscription forms. However, shareholders who, on the record date, were nominee-registered in the Euroclear-system, receive a folder containing the terms and conditions for the rights issue with referral to the investment memorandum. Subscription and payment shall be carried out according to instructions from each account-holding bank or broker.

Subscription without preferential right

It is only possible to apply for subscription of shares without preferential right in SEK. Request for subscription shall be made on the subscription form "Subscription without subscription rights" which can be downloaded from Sedermera Fondkommissionens' web page (www.sedermera.se) and the web page of ExpreS²ion (www.expres2ionbio.com).

Nominee-registered shareholders, requesting subscription of shares without preferential right, must coordinate such a subscription with the account-holding bank or broker in accordance with instructions from the respective account-holding bank or broker, or if shares are registered at several different nominee-registered accounts, from each of these account-holding banks or brokers. Note that shareholders or other investors who have an account with specific rules for securities transactions, such

as an investment savings account (Swedish: Investeringsparkonto) or endowment account (Swedish: Kapitalförsäkring), must check with the account-holding bank or broker, whether, and if so, how the subscription of shares in the rights issue is possible. The subscription shall, in that case be made in accordance with instructions received from the account-holding bank or broker.

An incomplete or faulty subscription form "Subscription without subscription rights" may not be taken into consideration. It is only allowed to submit one (1) subscription form "Subscription without subscription rights". If more than one (1) subscription form is sent, only the last subscription form received will be considered as valid. The subscription form must be Sedermera Fondkommission at hand no later than the 24th of August 2017 at 3 pm. The subscription is binding.

Allocation of shares subscribed for without preferential right

In the event that not all shares in the rights issue are subscribed for with preferential right, the Board of Directors shall decide on allocation of shares within the limits of the maximum amount of the rights issue to shareholders or other investors that have subscribed for shares without preferential right.

Primarily; allocation of shares which are subscribed for without preferential right shall be done to shareholders or other investors who have also subscribed for new shares by exercising subscription rights, regardless if the subscriber was a registered shareholder on the record date or not. In case that allocation of shares cannot fully be provided in accordance to subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the quantity of subscription rights exercised for subscription of new shares in the rights issue, and to the extent this is not possible, by drawing of lots.

Subsequently; allocation of shares which are subscribed for without preferential right shall be done to other investors than the above mentioned, who have subscribed for shares without subscription rights. In case that allocation of shares cannot fully be provided in accordance to subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the amount of subscribed for shares without subscription rights in the rights issue, and to the extent this is not possible, by drawing of lots.

Notification of allotment of shares without preferential rights will be made via a contract note containing payment instructions for allotted shares. Contract notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in SEK in accordance with the payment instructions on the contract note. Payment is due within four Swedish business days from the date the contract note was distributed. Note that payment for any allotted shares will not be drawn from the specified book-entry account. If payment is not received in due time, the subscribed for shares may be assigned to another party. Should the price by such an assignment be lower than the subscription price of the rights issue, the subscriber who initially was allocated these shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares will not receive any notification.

Shareholders residing outside of Sweden

Shareholders who reside outside of Sweden (with the exception of shareholders residing in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation in the rights issue requires supplementary prospectus, further registration or other measurements than those which are required by Danish and Swedish legislation) who have preferential right in the rights issue can contact Sedermera Fondkommission for further information about subscription and payment. Due to restrictions in the legislation regarding securities in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation requires supplementary prospectus, further registration or other measurements than those which are required by Swedish legislation, subscription rights through Euroclear will not be issued to shareholders with registered addresses in any of these countries. Accordingly, no offer is made to subscribe for shares in ExpreS²ion to shareholders residing in these countries.

Shareholders and investors residing in countries outside of Sweden

Shareholders and other investors residing in countries outside of Sweden who can subscribe for shares in the rights issue are notified that subscription and payment of shares through a non-Swedish bank or broker might be associated with additional

costs or fees which will be charged the shareholder or investor by the specific bank or broker. Furthermore, delivery and account-holding of shares via a non-Swedish bank or broker may be associated with additional costs or fees, which will be charged the shareholder or investor by the specific bank or broker.

BTA's - Paid and subscribed for shares

Subscription through payment is registered in Euroclear as soon as possible after payment, normally a couple of business days after payment has been made. Subscribers who have subscribed and paid in the Euroclear-system will subsequently receive an account notice from Euroclear which confirms the delivery of BTA's to the subscribers' book-entry account. Subscribed and paid for shares are registered as BTA's in book-entry accounts in Euroclear until the rights issue has been registered at the Swedish Companies Registration Office. In case that a partial registration of the rights issue is conducted, several series of BTA's will be issued in the Euroclear-system, where the first series of BTA's will be labelled "BTA 1". The series of BTA 1 will be converted into shares as soon as a partial registration by the Swedish Companies Registration Office has taken place. A subsequent series of BTA, labelled "BTA 2", will be issued in the Euroclear-system for subscriptions which due to time-related matters could Companies Act and is governed by Swedish law.

Right to dividend

The new shares entail the right to any dividend for the first time on the first record date of dividend which occurs after the new shares are registered at the Swedish Companies Registration Office. The new shares carry the same right to dividend as existing shares. Payment of any dividend for shares registered in the Euroclear-system is managed by Euroclear, or for nominee-registered shares, in accordance with the respective account-holding bank or brokers' routines. Payment of any dividend for shares registered in the Euroclear-system will be made in SEK.

Register of shareholders

ExpreS²ion's shareholder register is handled and administrated by Euroclear.

Shareholder rights

The shareholders' right to dividend, voting right, preferential right of shares is governed by both ExpreS²ion's articles of association (available via the web page of ExpreS²ion and in the investment memorandum), as well as the Swedish Companies Act.

Trading in the ExpreS²ion share

The shares of ExpreS²ion are listed on Nasdaq Stockholm First North. The shares are traded under the symbol "EXPRS2" and have the ISIN-code SE0008348262. Only shares that are affiliated to Euroclear are, and will be, tradeable on Nasdaq Stockholm First North. New issued shares which are delivered through the Euroclear-system are tradeable in conjunction with the conversion of BTA's to shares in the Euroclear's system.

Issuing agents in the rights issue

Sedermera Fondkommission is the issuing agent of ExpreS²ion.

Other

The Board of Directors in ExpreS²ion reserves the right to extend the subscription period and the payment deadline in the rights issue. The subscription of new shares with or without preferential right are binding.

In the case an excess amount has been paid by a subscriber for the new shares, the excess amount will be repaid to the subscriber. Excess amounts less than 100 SEK will not be refunded.

Questions regarding the rights issue may be directed to:

ExpreS²ion Biotech Holding AB
Phone: +45 4256 6869
E-mail: info@expreS²ionbio.com

Sedermera Fondkommission
Phone: +46 (0)40-615 14 10
E-mail: nyemission@sedermera.se