



Invitation to subscribe for shares

Preferential share issue for
an optimised and accelerated
development of ExpreS²ion.

Due to the fact that the Company wishes to increase its development pace, partly by investments in several key areas of its operations, and partly through increasing the working capital to enable future investments in new business opportunities for ExpreS²ion as well as AdaptVac, the Company is now conducting a preferential share issue of approximately SEK 19.2 million. The Board assesses that an increased working capital can significantly accelerate the overall development of the Company towards becoming an independent, profitable low risk/high potential company. The preferential share issue provides the basis for a greater value creation for ExpreS²ion's shareholders.

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

The ExpreS² platform is a very beneficial method for developing new vaccines. Additionally, the capacity for development and production is scalable. The Company already has clients and partners in Europe, the United States, Australia and in several Asian countries, and the goal is a significant global expansion of the operations in the coming years. In addition to ExpreS²ion's core business activities described above, the Company initiated the Joint Venture AdaptVac ApS in 2017 together with NextGen Vaccines ApS, a company established by researchers from the University of Copenhagen. AdaptVac is the exclusive, global license holder of 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. Initially, AdaptVac will focus on two main projects; one project within oncology and one project within infectious diseases. The value of ExpreS²ion's share in AdaptVac's initial pipeline of the first announced project, calculated using rNPV (risk-adjusted net present value), is estimated to be over SEK 100 million. AdaptVac creates a new market focus for ExpreS²ion and a powerful possibility to reposition the Company from primarily being a service provider to also become a developer of vaccines.

The development of ExpreS²ion's core business has demonstrated the value of the Company's risk minimising business model based on revenue generating client and collaboration attributable development activities. The forming of and progress with AdaptVac shows, according to the Board, that ExpreS²ion is also in a position and has the capacity to identify, acquire and establish high value assets based on the Company's ExpreS² platform. An infusion of liquid funds would in the board's assessment enable the Company to more quickly reach critical mass in its core business and enable the Company to sign new agreements and establish projects regarding pharmaceutical assets and other similar opportunities. Overall, an increase of the working capital would be able to significantly accelerate the overall development of ExpreS²ion towards becoming a strong, independent and profitable entity while simultaneously enabling greater value creation for its shareholders.

SUMMARY OF THE OFFER

- **Subscription period:** February 8 to February 27, 2018.
- **Subscription price:** SEK 8.00 per share.
- **Volume of issuance:** The offer comprises a maximum of 2,400,403 shares, corresponding to approximately SEK 19.2 million.
- **Record date:** February 2, 2018. The last day of trading in the share including the right to receive subscription rights was January 31, 2018 and the first day of trading excluding the right to receive subscription rights was February 1, 2018.
- **Preferential right:** Those registered as shareholders in ExpreS²ion Biotech Holding AB on the record date February 2, 2018 have preferential right to subscribe for shares in the share issue. For each held share, one (1) subscription right is received. Four (4) subscription rights entitle to the subscription of one (1) new share. Please note that the public is also invited to subscribe for shares in the share issue.
- **Number of shares prior to the share issue:** 9,601,612 shares.
- **Trading period of subscription rights:** Trading with subscription rights will be conducted through Nasdaq Stockholm First North from February 8 until February 23, 2018.
- **Valuation:** Approximately SEK 76,8 million (pre-money).
- **Trading period of BTAs:** Trading with BTAs will be conducted on Nasdaq Stockholm First North from February 8, 2018 until the share issue is registered at the Swedish Company Authority ("Bolagsverket"). The registration is expected to be finished in the middle of March 2018.
- **Subscription commitments:** The Company has received subscription commitments of approximately SEK 10.9 million, corresponding to approximately 57 percent of the share issue's total volume.
- **Trading platform:** ExpreS²ion Biotech Holding AB's shares are listed on Nasdaq Stockholm First North.
- **ISIN-code for the share:** SE0008348262.

“We see a very strong development potential for ExpreS²ion as well as AdaptVac in the coming years, and we are convinced that the share issue we are now conducting will play an important part in taking advantage of this potential.”

Dr. Steen Klysner
CEO, ExpreS²ion Biotechnologies

PURPOSE OF THE SHARE ISSUE

Asset and value creation in AdaptVac

The establishment of AdaptVac's overall structure involved a limited investment from ExpreS²ion that was financed through a share issue in August 2017. This issuance amount covers ExpreS²ion's financial commitment in AdaptVac during the first two to three years. However, the structure also means that AdaptVac will need external capital injections and/or partners to develop individual projects. In this situation, a strengthening of ExpreS²ion's ability to support AdaptVac would improve its position and optimise the value creation in this phase of the joint venture project. Increased support from ExpreS²ion could for instance be in the form of flexible bridge loans or investments that increases ExpreS²ion's share in selected individual projects.

With AdaptVac ExpreS²ion has, according to the board, demonstrated the Company's potential to develop and produce the specific active part of vaccines and other biological substances in combination with synergistic platforms or projects. This potential is however not limited to AdaptVac – ExpreS²ion regularly comes across technology and platforms that in the board's opinion offers high value creation in conjunction with the Company's platform and competences. Earlier, the Company has not been able to take advantage of most opportunities that has arisen due to a lack of capital during the very short time frame that is usually available, which has meant lost opportunities. The amount of capital required to exploit these type of opportunities is according to the board difficult to assess, but available working capital of around MSEK 6-8 should be enough to be able to identify, acquire and establish at least one high value development project or technology platform in the Company's own right.

This is in the board's opinion a relatively modest amount of capital compared to the considerable potential for value creation that it offers. Over time this capital will successively be maintained and increased with revenues from the core business. The potential support for AdaptVac will be both short and long term, but the need for financial support already exists and the Company has started to contact potential partners since the proof of concept in the animal model for the breast cancer project was achieved during the fall of 2017. With the issuance amount the Company expects to facilitate that at least one additional project, in addition to the breast cancer project and the yet to be published project, is added to AdaptVac's pipeline. With working capital available, active evaluation and pursuance of such opportunities would commence immediately.

Core business: expansion and consolidation

ExpreS²ion's core business, including the technology platform ExpreS² and the Company's development resources, constitutes the foundation of the Company's development of the assets mentioned above as well as for a sustainable business model going forward. The following investments in the core business using the issuance amount will shorten the time required to achieve critical mass and to thereby establish a strong, independent and profitable business.

Sales and marketing

The Board has the intention to further increase the Company's marketing and sales activities and to benefit from the solid market exposure that ExpreS²ion has established, for example by hiring full time employees to the sales team to further drive and support the Company's growth.

Production capacity

To meet the current demand, and to be able to handle more and larger projects, the board assesses that additional lab employees needs to be added with the aim of doubling the capacity, which could increase yearly revenues from the current MSEK 10-12 to MSEK 20-24.

Quality and efficiency: equipment

To ensure continued delivery of quality products the Board advocates investments in new equipment. The investments could enable improved operational processes, reduced risks in process optimisation (speed and capacity), an expansion of the services offered (e.g. analysis) and improved quality (risk minimisation and certification).



A comment from the CEO, Dr. Steen Klysner

Since ExpreS²ion Biotechnologies was listed on First North in the middle of 2016, the Company has had a strong development. Through targeted sales and marketing activities, we have been able to out-license the Company's ExpreS² platform, which enables effective development of protein-based development projects and candidate drugs, to research projects run by for example Hoffman–La Roche, Imperial College London and Francis Crick Institute as well as to clinical projects developed by the University of Copenhagen, Abivax and the Jenner Institute of the University of Oxford among others.

Through these achievements we have reached a strong position within the vaccine development segment, with international clients and partners in Europe, the United States, Australia and a number of Asian countries, with projects including high-profile indications such as malaria, Ebola and Zika. Our goal is to achieve a significant global expansion of the Company's business operations during the coming years.

In addition to our collaboration projects with partners, we have also established our own development projects by the establishment of the joint venture AdaptVac together with a spinout from the University of Copenhagen. AdaptVac owns a technology with significant potential that enables the use of vaccine-like treatments within completely new areas such as cancer and allergies. Our development platform is perfectly suited to take advantage of this great potential. AdaptVac recently published promising proof of concept data (POCA) related to its first project, the breast cancer vaccine candidate AV001, based on studies in an advanced animal model for cancer. Their pipeline also includes another, not yet published, project and in addition to this, AdaptVac has access to a large number of possible candidates to choose from. Our share in AV001 alone is currently valued at over SEK 100 million, which gives an indication of the value creating opportunities now presented to us. The previously announced advances in the development of AV001 have also had positive effects on the value of ExpreS²ion, and it should be emphasised that AV001 as well as AdaptVac's other projects have not yet reached the most value creating phase in the development process.

"The development of our core activities has demonstrated the value of the Company's risk-minimising business model, which combines revenue generating client activities and partner related development activities. The establishment of AdaptVac demonstrates that ExpreS²ion also has the capability and capacity to identify and acquire highly valued assets that can be refined with our platform."

Our assessment is that ExpreS²ion, despite increased revenue streams from core activities, does currently not have the financial strength to fully utilise the significant income and business opportunities that we constantly encounter in the market. Additionally, an infusion of liquid funds would increase the pace of our process towards achieving critical mass for the Company's core activities, thus ensuring a strong value development for existing as well as future vaccine and pharmaceutical assets. In light of this, we are now conducting a preferential share issue of approximately SEK 19.2 million. In addition to the development of ExpreS²ion's core business in order to handle existing and additional expected projects, the proceeds from the issue is estimated to be sufficient to broaden the Company's own development in two areas. We expect to be able to include the not yet published candidate drug – and then at least one other project – in AdaptVac's pipeline. We also expect to be able to acquire at least one additional early development project or technology platform on the market, that we can develop ourselves. Additionally, we also have the possibility to increase our ownership in the AdaptVac projects that we will include in their pipeline, in addition to the 50 percent share in AV001. Our assessment is that all of these development projects have a very strong value potential.

In summary, a higher working capital would significantly accelerate the overall development of the Company towards becoming an independent, profitable low risk/high potential company, and it would at the same time provide the basis for a greater value creation for our shareholders. We see a very strong development potential for ExpreS²ion as well as AdaptVac in the coming years, and we are convinced that the share issue we are now conducting will play an important part in taking advantage of this potential. I hereby invite all our existing shareholders, as well as new investors, to participate in our continued journey towards new goals, business opportunities and a promising future.

Dr. 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.



Subscription form – for subscription of shares without subscription rights in ExpreS2ion Biotech Holding AB (publ)

Subscription period: 8th February – 27nd February 2018 kl. 3 p.m.
Subscription price: SEK 8.00
Allocation: Any allotment of shares will be notified via a contract note.
Payment: To be made in accordance with the instructions on the contract note.

In an assessment of ExpreS2ion Biotech Holding AB, ("ExpreS2ion") future development and operations, it is of great importance to consider all relevant risks. Each investor must make their own assessment of the impact of these risks by reading and understanding all available information published concerning this offer. The memorandum is available for download at www.sedermera.se or www.expres2ionbio.com. Payment is not to be made in conjunction with the application for subscription. Any allotment is notified via a contract note.

1. The undersigned hereby applies for subscription of the following number of shares in ExpreS2ion Biotech Holding AB at a subscription price of SEK 8.00 per share:

Number of shares

2. Fill in where the allotted and paid for shares are to be delivered, owner-registered securities account (Swedish: VP-account) or custody account (state only one alternative)

Owner-registered securities account/ Service account	Bank
0 0 0	
Custody account	Bank/Nominee

Do you have an account at Nordnet or Avanza? Please, contact your respective bank to make your subscription directly via Nordnet or Avanza.

The undersigned claims preferential right in the event that the offer is oversubscribed. In the event that the offer is oversubscribed, priority in allocation of shares subscribed for without subscription rights will be given to investors who have also subscribed for shares with subscription rights in the rights issue, in relation to the number of subscription rights being exercised. Invoke this preferential right by filling in the number of shares you have subscribed for with subscription rights in this rights issue, and indicate the bank/nominee via which such subscription was made:

Number of shares	Bank/Nominee	Owner-registered securities account/Custody account (Swedish: VP-account)

3. Have you, through Sedermera, invested six (6) times during the last twelve (12) months, or invested through Sedermera three (3) times each year for the last five (5) years?

4. Subscription over 15 000 EURO?

If the subscription is over 15 000 EURO, or if the answer on question 3 is **Yes**, the following shall be made:

- 1) A money laundering form be fulfilled which can be found on the following link: www.sedermera.se.
 - 2) A copy of your ID (Passport) be attached to the money laundering form.
- Notice, the documents shall be sent to Sedermera Fondkommission **via post**, see the address below.

5. Fill in your name and address information (PLEASE WRITE CLEARLY)

Last name/Company	Name	National ID number/Corp.ID.no.
Street address (or PO Box or equivalent)	Postal code	City
Country (if other than Sweden)	Daytime telephone/mobile phone	E-mail
		<input type="checkbox"/> Wishes to receive contract note via e-mail
Place and date	Signature (authorized company signature, or guardian, if applicable)	

6. By signing this subscription form I confirm the following:

- That I have read the memorandum (Swedish use) and understand the risks associated with investing in this particular financial instrument;
- That I have read and understand the information stated in the section "Terms and Conditions" in the memorandum;
- That I have read and accepted the information stated on the subscription form;
- I have observed that the offer is not addressed to persons resident in the USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore or other countries where participation requires additional memorandums, registration or other measures other than those required by Swedish law;
- That I am aware that the application is not covered by the right of return that follows from the Swedish Distant and Doorstep Sales Act.
- That in signing this subscription form, I authorize Sedermera Fondkommission, at the undersigned's expense, to implement the subscription of shares pursuant to the Terms and Conditions stated in the memorandum issued by the board of ExpreS2ion Biotech Holding AB in February 2018;
- That no amendments or additions may be made to the printed text in this subscription form;
- That the allocation of shares in accordance with the subscription cannot be guaranteed;
- That an incomplete or incorrect subscription form may be disregarded;
- That the subscription is binding;
- That no modifications or amendments may be made to the printed text in this application form;
- 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 am aware that no customer relationship exists between Sedermera Fondkommission and the subscriber with respect to this subscription;
- 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 data may also be used in any future mailings concerning offering documents. Personal data will be stored and processed in accordance with the Swedish Personal Data Act.

7. Send the application form by one of the following options:

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