

Press release  
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## **BioInvent issues private placement to US-based healthcare investor Omega Funds in parallel to offering a fully guaranteed rights issue**

**The Board of Directors of BioInvent International AB (BINV) ("BioInvent" or the "Company") has resolved on a directed share issue (private placement) and a fully guaranteed rights issue totaling MSEK 234. The financing enables continued value creation in the Company's prioritized development projects in the coming years. The rights issue is subject to approval by an Extraordinary General Meeting on 18 March 2016. Notice to the General Meeting is published in a separate press release.**

### **Summary**

- The board of directors in BioInvent has resolved to implement a capitalization of MSEK 234, consisting of a rights issue of MSEK 191 and a directed issue of MSEK 43.
- The directed issue includes 22,051,282 shares issued at a price of SEK 1.95 per share. The directed issue is subscribed by Omega Fund IV, a global healthcare focused fund advised by Omega Fund Management LLC ("Omega Funds").
- In the terms of the rights issue, three (3) new shares are issued for every five (5) existing shares in the Company resulting in a maximum of 97,751,376 shares being issued at the price of SEK 1.95 per share.
- The rights issue is subject to approval by an Extraordinary General Meeting on 18 March 2016, notice to the General Meeting is published in a separate press release.
- The rights issue is fully secured through guarantee undertakings from a number of well renowned investors for the total amount of the rights issue.
- Record day for the rights issue is on 22 March 2016.
- The subscription period in the rights issue is between 29 March and 12 April 2016.
- Due to the equity issues, the 2016 Annual General Meeting in BioInvent will be postponed to 12 May 2016.

### **Comments from BioInvent and Omega Funds**

"I am pleased to announce a directed share issue to Omega Funds who will become one of the largest investors in BioInvent. In conjunction with this private placement, we also offer a rights issue to its existing shareholders that is fully guaranteed by renowned and sophisticated investors. The funds raised should enable BioInvent to reach significant value inflection points in its key programs over a period of at least two years.

BioInvent has a unique clinical oncology portfolio aimed at patient populations with significant unmet medical needs. We will initiate three new clinical trials in 2016, all benefiting from significant funding from non-dilutive sources. We will now be able to secure the financial resources to fully exploit the commercial potential of our key programs", says BioInvent's CEO, Michael Oredsson.

"Omega Funds has been an active investor in several disruptive oncology modalities including CAR T-cells, small molecules, and in both the first bi-specific antibody and oncolytic virus ever approved

by the FDA. We've been impressed by the scientific work of the BioInvent team and are proud to provide them with resources that should allow them to fully exploit the breadth of their promising pipeline and discovery engine. We are also eager to help BioInvent increase its clinical and business base in North America", says Dr. Otello Stampacchia, Managing Director of Omega Funds.

### **Background and reason**

BioInvent has an attractive clinical portfolio in the orphan oncology area; niche categories with significant unmet medical needs. This focus combines a shorter and more cost-effective way to market, while providing an opportunity for reimbursement and rapid uptake of our products. The company's pre-clinical research in immuno-oncology is of high quality and has gained significant interest from the pharmaceutical industry for collaboration.

In 2015, through collaboration with leading international research groups, charities and patient organizations, BioInvent secured most of the financial and operational resources needed to implement our three clinical programs for BI-1206, BI-505 and TB-403 in Phase I and II with a total of approximately 200 patients. As a result, we have ensured funding for these trials while retaining our ownership and interest in them.

All three studies planned to start in 2016, are designed as open, which offers the possibility to monitor results continuously. This increases the opportunities for transparency with the stock market and flexibility in negotiations with future partners in order to maximize shareholder value. BioInvent's antibody BI-1206 will undergo a Phase I/II trial in patients with non-Hodgkin's lymphoma and CLL, in conjunction with and parallel to standard treatment. Further development will be focused on subgroups with high, unmet medical needs and short time to market. Two of BioInvent's programs, BI-505 for multiple myeloma and TB-403 in childhood cancer are both orphan drug projects. The trials for these programs are designed to potentially form the basis for registration files, provided that the clinical endpoints are met.

In addition to proprietary development projects, BioInvent offers its know how, technology platforms and antibody production capability to pharmaceutical companies that, on commercial terms, uses these in their pharmaceutical development.

The capital from the equity issues is mainly intended to finance BioInvent's costs related to clinical trials, supporting pre-clinical work aiming to optimize the value of the clinical projects and continued development of the Company's prioritized pre-clinical projects. In addition, a strengthened financial position enables increased strategic flexibility and improved ability to negotiate with potential partners.

### **The rights issue**

The board of BioInvent has resolved, subject to approval from the Extraordinary General Meeting, to implement a preferential rights issue of up to 97,751,376 new shares in the total amount of MSEK 191, prior to transaction costs. Investors that hold shares in BioInvent on the record day will receive one (1) subscription right per share and five (5) subscription rights will entitle to subscription for three (3) new shares in the Company at a subscription price of SEK 1.95 per share.

If not all of the shares are subscribed for by exercise of subscription rights, the Board of Directors shall resolve on allotment of shares subscribed for without the exercise of subscription rights up to the maximum amount of the share issue. In such case, shares will be allotted firstly to those who also have subscribed for shares by the exercise of subscription rights, irrespective of whether or not they were shareholders on the record date, pro rata in relation to the number of subscription rights exercised for the subscription of shares, secondly to others who have notified the Company of their interest in subscribing for shares without the exercise of subscription rights, pro rata in relation to such declared interest, and lastly to those who have provided guarantees for the subscription of shares, pro rata in relation to the guarantee provided.

The record date for participation in the rights issue is 22 March 2016 and the subscription period runs as from 29 March up to and including 12 April 2016, with a right for the Board of Directors to extend the subscription period. Trading in subscription rights is expected to take place as from 29 March up to and including 8 April 2016.

## **Guarantee undertakings**

The Company has entered into guarantee undertakings with a number of sophisticated and renowned investors for the total amount of the rights issue. The investors guaranteeing the rights issue include private investors, foundations and institution like investors such as LMK, Bengt Sjöberg, Kamprad foundation, Crafoord foundation, Peter Edwall and Laurent Leksell.

## **Rights issue preliminary timelines**

18 March	Extraordinary General Meeting
18 March	Last day of trading inclusive subscription rights
21 March	First day of trading exclusive subscription rights
22 March	Record date for participation in the rights issue, i.e. shareholders who are registered in the Company's share register as of this day will receive subscription rights for participation in the rights issue
23 March	Estimated date for publication of the prospectus
29 March – 8 April	Trading in subscription rights
29 March – 12 April	Subscription period
Around 18 April	Announcement of the preliminary outcome of the rights issue

## **The directed share issue (private placement)**

The Board of Directors of BioInvent has resolved, based on the authorization from the 2015 Annual General Meeting, to carry out a directed new share issue of approx. MSEK 43 that, with derogation from the shareholders' pre-emptive rights, will be subscribed by Omega Fund IV. Omega Fund IV has subscribed for 22,051,282 shares at a subscription price of SEK 1.95 per share. The directed issue is subject to the rights issue being completed no later than 16 May 2016. Hence, the rights issue is fully secured through guarantee undertakings. Omega Fund IV is currently a minor shareholder in BioInvent.

The reason for the derogation from the shareholders' pre-emptive right is to add new capital to the company and a long-term large owner of strategic importance to the Company and to increase the Company's opportunities to create additional value for all shareholders.

The shares in the directed issue are expected to start trading on Nasdaq Stockholm at the same time as trading starts in the shares in the rights issue. The shares in the directed issue subscribed for by Omega Fund IV will not entitle to participation in the rights issue.

## **Extraordinary General Meeting and postponement of the 2016 Annual General Meeting**

The shareholders of BioInvent are invited to attend an Extraordinary General Meeting on Friday 18 March 2016 at 10 a.m. in Lund. Full notice will be published in a separate press release.

To ensure that the equity issues will be completed before BioInvent's 2016 Annual General Meeting, the Board has resolved to postpone the Company's Annual General Meeting from 26 April to 12 May 2016.

## **Financial and legal advisers**

Asperia AB and Erik Penser Bankaktiebolag are acting as financial advisers and Mannheimer Swartling Advokatbyrå AB is acting as legal advisor to BioInvent.

**To the editors:****About BioInvent**

BioInvent International AB develops immune oncology drugs. With one of the world's largest antibody libraries, and a unique, proprietary discovery method, BioInvent can identify the optimal cellular targets and antibodies for the treatment of various tumor types. BioInvent has also considerable experience in and a facility for process development and production of antibodies for clinical studies. This makes it possible to develop proprietary drug projects, but also to supply leading international pharmaceutical companies with effective tools for their drug development. BioInvent currently has three proprietary projects in or close to clinical development and partnership agreements with seven global pharmaceutical and biotech companies. More information is available at [www.bioinvent.com](http://www.bioinvent.com).

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