

Hansa Medical

- PRESS RELEASE -
20 October 2016

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Hansa Medical proposes a directed share issue

- The board of directors of Hansa Medical AB (publ) (“Hansa Medical” or the “Company”) proposes a directed share issue of approximately SEK 185 million.
- The subscription price for the issue is proposed to be SEK 70 per share.
- The issue is directed to selected international specialist investors including HBM Healthcare Investments, Sectoral Asset Management, Sphera Funds Management and Aescap, as well as Swedish institutional and strategic investors including Carnegie Asset Management, AFA Insurance, KK-stiftelsen, Thomas Olausson and Unionen.
- Shareholders representing approximately 45 per cent of the shares and votes of Hansa Medical have undertaken to vote in favour of the issue at the extraordinary general meeting.
- The board of directors has today announced a notice for an extraordinary general meeting to resolve on the share issue (for full details, see separate press release with notice for an extraordinary meeting).

Background and reasons

In order to secure continued value creation for the Company of its projects, the board of directors proposes a directed issue of new shares. The issue proceeds will primarily be invested in the development of the drug candidate IdeS up to an application for market authorization of IdeS in kidney transplantation. The issue also enables the Company to secure a broadened investor base with an increase in international and Swedish institutional investors, which supplements the Company’s current strong shareholder base. All in all, the issue enables Hansa Medical to continue to grow into a pharmaceutical company with proprietary products on the market.

“The proposed directed issue is expected to secure the funds necessary to develop our lead candidate IdeS up to the filing for marketing authorization of IdeS in treatment of kidney transplantation”, says Göran Arvidson, CEO of Hansa Medical.

“Our cash position, including existing cash and cash equivalents, will also allow us to investigate the safety and efficacy of IdeS through several Phase II clinical trials in a number of prioritized indications. These include the serious autoimmune diseases thrombotic thrombocytopenic purpura (TTP), anti-GBM disease and Guillain-Barré syndrome (GBS), as well as the transplant indications antibody-mediated rejection (AMR) post kidney transplantation and blood group incompatible (ABOi) kidney transplantation. Our long term vision is to establish IdeS as a therapy for rapid and effective antibody inactivation in a wide range of diseases with significant unmet medical need.”

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The issue

The board of directors has resolved to propose the extraordinary general meeting to resolve on a directed share issue of not more than 2,642,857 shares. The subscription price for the issue corresponds to SEK 70 per share, which, in total, will provide the Company with approximately SEK 185 million before issue costs. The subscription price for the issue has been determined through a so-called private placement procedure. The directed issue will be fully subscribed by a number of selected international specialist investors including HBM Healthcare Investments, Sectoral Asset Management, Sphera Funds Management and Aescap, as well as Swedish institutional and strategic investors including Carnegie Asset Management, AFA Insurance, KK-stiftelsen, Thomas Olausson and Unionen, in accordance with separate agreements.

Shareholders representing approximately 45 per cent of the shares and votes in Hansa Medical, including Nexttobe AB, Gladiator and Farstorps Gård AB, have undertaken to vote in favour of the issue at the extraordinary general meeting.

The reasons for the deviation from the shareholders' pre-emption rights are that the Company shall, in a timely manner, be able to secure the Company's capital need for the operations, as well as to broaden the ownership structure of the Company with strategic and institutional investors, which is also supported by the Company's largest shareholders, who are not participating in the issue. Through the issue, the share capital will increase with SEK 2,642,857 to SEK 35,054,860, which entails a dilution effect of approximately 8 per cent of both the number of shares and votes.

The extraordinary general meeting will be held on 21 November 2016 at the Company's offices on Scheelevägen 22 in Lund.

Advisors

Hansa Medical has, in connection with the transaction, engaged Zonda Partners as advisor, Carnegie Investment Bank as financial advisor and Advokatfirman Vinge as legal advisor.

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This information is such information that Hansa Medical AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8:30 am CEST on 20 October 2016.

Important information

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This press release is not a prospectus for the purposes of Directive 2003/71/EC as amended through Directive 2010/73/EU. Hansa Medical has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus or other offering document has been or will be prepared in connection with the directed share issue.

About IdeS

IdeS, a unique molecule with a novel mechanism, is an enzyme that specifically cleaves human IgG

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antibodies. IdeS has been evaluated in a Phase I study in healthy subjects and in a Phase II study in sensitized patients awaiting kidney transplantation demonstrating that IdeS is highly effective in reducing anti-HLA antibodies to levels acceptable for transplantation with a favorable safety profile. The efficacy and safety of IdeS in transplantation are currently investigated in three on-going Phase II studies in sensitized kidney patients in Sweden and the US. In addition to transplantation, IdeS has potential applications in a variety of rare autoimmune diseases and currently, the efficacy and safety of IdeS is investigated in a Phase II study in acquired Thrombotic Thrombocytopenic Purpura.

About Hansa Medical AB (publ)

Hansa Medical is a biopharmaceutical company focusing on novel immunomodulatory enzymes. The lead project IdeS is an antibody-degrading enzyme in clinical development, with potential use in transplantation, rare autoimmune diseases and oncology. Additional projects focus on development of new antibody modulating enzymes, as well as HBP, a diagnostic biomarker for prediction of severe sepsis at emergency departments that is already introduced on the market. The company is based in Lund, Sweden. Hansa Medical's share (ticker: HMED) is listed on Nasdaq Stockholm.