EXPRES²ION®
BIOTECHNOLOGIES

EXPRES²ION BIOTECH HOLDING AB (PUBL)
INVITATION TO SUBSCRIBE FOR UNITS
RIGHTS ISSUE 2020

As a shareholder in ExpreS²ion Biotech Holding AB (publ) you will receive Unit rights in the Offering. Please note that the Unit rights are expected to have an economic value.

In order not to lose the value of the Unit rights, the holder must either:

- Exercise the Unit rights received and subscribe for Units no later than 19 October 2020; or
- Sell the Unit rights not exercised no later than 15 October 2020.

Please note that (i) shareholders can only exercise Unit rights and subscribe for Units in accordance with applicable securities legislation and (ii) shareholders with nominee-registered holdings (i.e. in securities depository, in a bank or a securities firm) must subscribe for Units through their respective nominees.

Restrictions on distribution of the prospectus and subscription of Units in certain jurisdictions
Not for distribution, publication or release in or to the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea or Switzerland. The prospectus may not be sent to persons in these countries or any other jurisdiction to which it is not permitted to deliver Unit rights, BTUs or Units, except in accordance with applicable law. Unless expressly stated otherwise in the Prospectus, Unit rights, BTUs or Units may not be offered, sold, transferred or delivered, directly or indirectly, in or to any of these countries.

Validity of the prospectus
The Swedish version of this prospectus was approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) on September 29, 2020. The prospectus is valid for a period of 12 months from this date, provided that ExpreS²ion Biotech Holding AB (publ) complies with the obligation, in accordance with the (EU) 2017/1129 Prospectus Regulation, if applicable, to provide supplements to the prospectus in the occurrence of significant new factors, material mistakes or material inaccuracies, which may affect the assessment of the securities in the company. The obligation to prepare a supplement to the prospectus is valid from the time of approval date of the prospectus until the end of the subscription period. The Company is under no obligation to prepare supplements to the prospectus after the end of the subscription period.

Translution Capital®

ARCTIC SECURITIES

IMPORTANT INFORMATION TO INVESTORS

This prospectus (the "**Prospectus**") has been prepared in connection with the Board of Directors of ExpreS²ion Biotech Holding AB (publ) decision on 25 August 2020, which was approved by the Extraordinary General Meeting on 23 September 2020, to carry out a new issue of a maximum of 10,910,594 new shares with preferential rights for existing shareholders and a maximum of 5,455,297 TO4 series warrants and a maximum of 5,455,297 TO5 series warrants (the "**Offering**"). The Offering is directed to existing shareholders and the public in Sweden and Denmark. The new shares and the warrants in the Offering are in the Prospectus collectively referred to as "**Units**" and paid subscribed Units (Sw. Betalda Tecknade Units) are referred to as "**BTU**". One (1) existing share in the Company on the record date gives the right to subscribe for one (1) Unit right. Three (3) Unit rights entitle the holder to subscribe for one (1) Unit. One (1) Unit consists of two (2) new shares in the Company together with one (1) warrant of series TO4 and one (1) warrant of series TO5.

"**ExpreS²ion**", "**ExpreS²ion Biotech**" or "**Company**" refers to the group, including its subsidiaries, in which ExpreS²ion Biotech Holding AB (publ), a Swedish public limited company with reg. no. 559033-3729, is the parent company. References to the "**Nasdaq First North Growth Market**" refer, in accordance with Directive (EU) 2014/65 of the European Parliament and of the Council ("**MiFID II**"), to the multilateral trading platform and the growth market for small and medium-sized enterprises operated by Nasdaq Stockholm AB, where the Company's shares are admitted to trading. Translution Capital ApS, Copenhagen "**Translution Capital**" and Arctic Securities AS branch Sweden "**Arctic Securities**" are financial advisors to the Company in connection with the Offering. "**Euroclear**" refers to Euroclear Sweden AB.

The prospectus has been prepared as an EU Growth Prospectus in accordance with article 15 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The prospectus has been approved by the Swedish Financial Supervisory Authority (Sw.Finansinspektionen) (the "**SFSA**"), which is the Swedish national competent authority according to the Prospectus Regulation, in accordance with Article 20 of the Prospectus Regulation. The SFSA approves the Prospectus only to the extent that it meets the requirements for completeness, comprehensibility and consistency specified in the Prospectus Regulation. The approval should not be seen as any kind of support for ExpreS²ion or support for the quality of the securities referred to in the Prospectus and does not imply that the SFSA guarantees that the factual information in the Prospectus is correct or complete. Each investor is invited to make his or her own assessment of whether it is appropriate to invest in the Offering. Swedish law applies to the Prospectus. Any dispute arising in connection with the Prospectus or related legal matters shall be settled by a Swedish court exclusively, whereby the Stockholm District Court shall constitute the first instance.

The Prospectus has been prepared in Swedish and English. Only the Swedish version of the Prospectus has been subject to the SFSA's scrutiny and approval. In the event of a discrepancy between the different language versions, the Swedish language version shall prevail. The Company has furthermore requested the SFSA that notification of the Prospectus approval also be submitted to Denmark to the Danish national competent authority Finanstilsynet. Such request is handled by the SFSA within one working day of the approval of the Prospectus.

Within the European Economic Area ("**EEA**"), no offer is made to the public of Units in Member States other than Sweden and Denmark. In other Member States within the EEA where the Prospectus Regulation applies, an offer of Units may only be submitted in accordance with exceptions in the Prospectus Regulation and any implementation measures.

No Unit rights, BTU or Units may be offered, subscribed, sold or transferred, directly or indirectly, in or to the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction where such distribution requires additional prospectus, registration or other measures in addition to those that follow from Swedish law or otherwise contravene applicable rules in such jurisdiction or cannot take place without the application of exemptions from such measure. Subscription and acquisition of securities in violation of the above restrictions may be invalid. Persons who receive copies of the Prospectus, or wish to invest in ExpreS²ion, must inquire about and comply with the said restrictions. Measures in violation of the restrictions may constitute a violation of applicable securities legislation. ExpreS²ion reserves the right to, at its sole discretion, invalidate any subscription in the Offering if ExpreS²ion or its advisers consider that such subscription may involve a violation or a violation of laws, rules or regulations in any jurisdiction. No Units or other securities issued by ExpreS²ion have been registered or will be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction in the United States, including the District of Columbia.

Forward-looking statements

The Prospectus contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events, and such statements and opinions pertaining to the future that, for example, contain wordings such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of" or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions in the Prospectus concerning future financial returns, plans and expectations with respect to the business and management of the Company, future growth and profitability, and the general economic and regulatory environment, and other matters affecting the Company.

Forward-looking statements are based on current estimates and assumptions made according to the best of the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including the Company's cash flow, financial position and operating profit, to differ from the information presented in such statements, to fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements. Accordingly, prospective investors should not place undue reliance on the forward-looking statements contained herein, and are strongly advised to read the entire Prospectus. Neither the Company nor Arctic Securities can give any assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Prospectus may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies referred to in the Prospectus may prove to be inaccurate. Actual results, performance or events may differ materially from those presented in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets in which the Company operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in levels of competition and changes in laws and regulations.

After the date of the Prospectus, neither the Company nor Arctic Securities assumes any obligation, except as required by law or Nasdaq First North Growth Market's Rule Book for Issuers, to update any forward-looking statements or to conform these forward-looking statements to actual events or developments.

Industry and market information

The Prospectus contains industry and market information attributable to the Company's operations and the market in which the Company operates. Unless otherwise stated, such information is based on the Company's analysis of several different sources.

Industry publications or reports usually state that information reproduced therein has been obtained from sources deemed reliable, but that the accuracy and completeness of such information cannot be guaranteed. ExpreS²ion has not verified the information, and therefore cannot guarantee the accuracy, of the industry and market information reproduced in the Prospectus which has been taken from or derived from industry publications or reports. Such information is based on market research, which by its nature is based on selection and subjective assessments, including assessments of the type of products and transactions that should be included in the relevant market, both by those conducting the research and those consulted.

The Prospectus also contains estimates of market data and information derived therefrom which cannot be obtained from publications of market research institutions or any other independent sources. Such information has been produced by ExpreS²ion based on third party sources and the Company's own internal estimates. In many cases, there is no publicly available information and such market data from, for example, industry organizations, authorities or other organizations and institutions. ExpreS²ion believes that its estimates of market data and information derived therefrom are useful to give investors a better understanding of both the industry in which the Company operates and the Company's position in the industry.

Information from third parties has been reproduced correctly and, as far as ExpreS²ion is aware and can ascertain from such information, no facts have been omitted that would make the reproduced information incorrect or misleading.

The Prospectus is available from ExpreS²ion's head office and website (www.expres2ionbio.com), Arctic Securities website (www.arctic.com/secse), the website of the SFSA (https://fi.se/sv/vara-register/prospektregistret/) and the European Securities and Markets Authority's website (www.esma.europa.eu).

Presentation of financial information

The Company's audited annual reports for the financial years 2019 and 2018, as well as the unaudited interim report for the period 1 January - 30 June 2020, which have been prepared in accordance with the Swedish Annual Accounts Act (1995: 1554) and the Swedish Accounting Standards Board's General Recommendations, BFNAR 2012: 1 (K3). The Company's financial reports have been incorporated by reference and form a part of the Prospectus. Unless otherwise expressly stated, no other information in the Prospectus has been audited or reviewed by the Company's auditor. Financial information in the Prospectus which relates to the Company and which is not included in the audited information or which has not been reviewed by the Company's auditor, originates from the Company's internal accounting and reporting system. Some financial and other information presented in the Prospectus has been rounded off to make the information more accessible to the reader. Consequently, the figures in some columns do not correspond exactly to the stated total. All financial amounts in the Prospectus are stated in Swedish kronor ("**SEK**"), Danish Kronor ("**DKK**"), Euro ("**EUR**") or US dollars ("**USD**") unless otherwise stated.

Nasdaq Stockholm First North Growth Market

ExpreS²ion Biotech Holding AB is listed on Nasdaq First North Growth Market in Stockholm. Nasdaq First North Growth Market is a growth market for small and medium-sized companies run by various stock exchanges within the Nasdaq Group. Companies on Nasdaq First North Growth Market are not subject to the same rules as companies listed on a regulated main market, but to less extensive rules and regulations preferably adapted for smaller growth companies. An investment in a company traded on Nasdaq First North Growth Market may therefore imply more risk than an investment in a company listed on a regulated main market. All companies whose shares are traded on Nasdaq First North Growth Market have a Certified Adviser to monitor compliance with rules and regulations. Svensk Kapitalmarknadsgranskning AB is ExpreS²ion Biotech's Certified Adviser.

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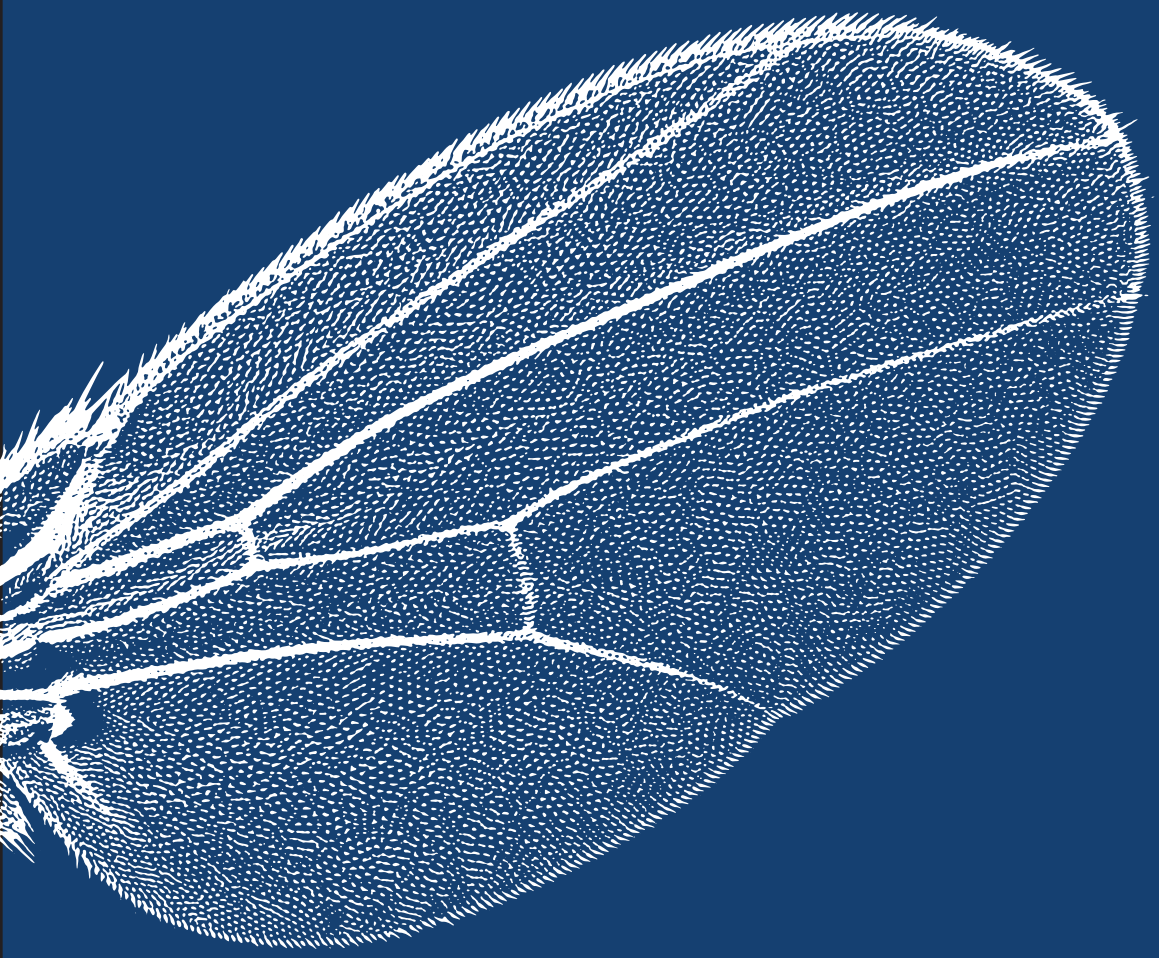

DOCUMENTS INCORPORATED BY REFERENCE

Investors should take note of all the information incorporated in the Prospectus by reference and the information, to which reference is made, should be read as part of the Prospectus. The information given below as part of the following documents shall be deemed to be incorporated into the Prospectus by reference. Copies of the Prospectus and the documents incorporated by reference can be obtained from ExpreS²ion Biotech electronically through the Company's website, www.expres2ionbio.com, or received by the Company in paper format at the Company's head office with address: c/o Mindpark, Rönnowsgatan 8c, 25 225 Helsingborg, Sweden. The parts of the documents that are not incorporated by reference are either not relevant to the investors or the corresponding information is reproduced elsewhere in the Prospectus.

Please note that the information on ExpreS²ion's website, or other websites to which reference is made, is not included in the Prospectus unless this information is incorporated into the Prospectus by reference. The information on the ExpreS²ion website, or other websites referred to in the Prospectus, has not been reviewed and approved by the Swedish Financial Supervisory Authority.

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Interim report Jan 1-June 30, 2020 can be found on the following link:

http://investor.expres2ionbio.com/wp-content/uploads/2020/09/200820_ExpreS2ion_Q2_ENG.pdf

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Annual report 2019 can be found on the following link:

http://investor.expres2ionbio.com/wp-content/uploads/2020/09/200504-ExpreS2ion-AB-Annual-report-ENG-FINAL.pdf

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SUMMARY

INTRODUCTION

1.1	**Share type and ISIN code**	The Offering concerns Units consisting of shares and warrants in ExpreS²ion Biotech Holding AB (organisation number 559033-3729). The existing shares are issued under the ISIN code SE0008348262 and the warrant of series TO4 under the ISIN code SE0014958328 and warrants of series TO5 under the ISIN code SE0014958336.
1.2	**Company information**	**ExpreS²ion Biotech Holding AB (publ) reg. no. 559033-3729** *Head office and visiting address:* c/o Mindpark, Rönnowsgatan 8c, 25 225 Helsingborg, Sweden *Telephone:* +45 2222 1019 *Website:* www.expres2ionbio.com *Company identification code (LEI):* 549300FJK50P1ORYJC45
1.3	**Competent authority**	The Prospectus has been scrutinized and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (www.fi.se/en/) as the national competent authority under the Prospectus Regulation. The visiting address of Finansinspektionen is Brunsgatan 3, 111 38 Stockholm. The Postal address is Box 7821, 103 97 Stockholm. The telephone number is +(46) 8 408 980 00.
1.4	**Approval of the Prospectus**	The Prospectus was approved by the Swedish Financial Supervisory Authority on September 29, 2020.
1.5	**Introduction and warnings**	This summary should be read as an introduction to the EU Growth prospectus. Any decision to invest in the securities should be based on consideration of the EU Growth prospectus in its entirety. An investor trading in the securities could lose all or part of the invested capital. Where a claim relating to the information contained in the EU Growth prospectus is brought before a court, the plaintiff shareholder might, under national legislation of the Member State, have to bear the costs of translating the EU Growth prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent when read together with the other parts of the EU Growth prospectus or where it does not provide, when read together with the other parts of the EU Growth prospectus, key information in order to aid shareholders and investors when considering whether to invest in such securities.

KEY INFORMATION ABOUT EXPRES²ION BIOTECH HOLDING AB (PUBL)

2.1	**About the Company**	ExpreS²ion Biotech is a Swedish public limited company incorporated under the laws of Sweden and the Swedish Companies Act (2005:551) (Sw. *Aktiebolagslagen*). ExpreS²ion Biotech carries out biopharmaceutical research and development at its facilities in Hørsholm, Denmark. The Board of Directors consists of Martin Roland Jensen (Chairman), Allan Rosetzsky, Gitte Pedersen and Jakob Knudsen. ExpreS²ion Biotech's executive management consists of Bent Ulrich Frandsen (CEO). ExpreS²ion has developed a unique technology platform, ExpreS2, for fast and efficient non-clinical development and production of complex proteins for new vaccines and diagnostics. ExpreS2 is regulatorily validated for clinical supply. The platform includes functionally modified glycosylation variants for enhanced immunogenicity and pharmacokinetics. Since its inception in 2010, the Company has produced more than 300 proteins and 40 virus-like particles (VLPs) in collaboration with leading research institutions and companies, including but not limited to the University of Copenhagen, the University of Oxford, Statens Serum Institut, Novartis and Roche. In 2017, the Company established AdaptVac ApS (AdaptVac) as a joint venture between NextGen Vaccines ApS (NextGen), a spin-out company from the University of Copenhagen's Institute of Immunology and Molecular Biology. AdaptVac holds an exclusive global license to the capsid Virus Like Particle (cVLP) technology, which enables accelerated development of effective therapeutic and prophylactic vaccines in the oncology, autoimmune- and infectious diseases segments, among others. AdaptVac operates as a separate company with ownership shared between ExpreS²ion and NextGen. The joint venture's initial focus has been the development of a novel breast cancer vaccine – for which proof-of-concept in advanced animal models (POCA) was achieved in 2017 - and more recently, the development of a COVID-19 cVLP vaccine.

2.1 About the Company (cont.)

Major shareholders

The table below lists all shareholders who held more than 5 percent of the capital and voting shares in ExpreS²ion Biotech Holding AB as of June 30, 2020. The Company is not directly or indirectly controlled by any shareholder.

Name	Number of shares held	Share of votes and capital (%)
ExpreS²ion Holding ApS[a]	1,744,370	10.7
Allan Rosetzsky	1,411,909	8.6
Försäkringsbolaget Avanza Pension	800,248	4.9
Summary Shareholders > 5%	**3,956,527**	**24.2**
Remaining shareholder (below 5%)	*12,409,364*	*75.8*
Total	**16,365,891**	**100.0**

a) Chairman of the board Martin Roland Jensen holds 32.2 percent of the voting and capital shares in ExpreS²ion Holding ApS. Charlotte Dyring, a co-founder of the Company, owns 39.2 percent of the voting and capital shares in ExpreS2ion Holding ApS. CSO Wian de Jongh owns 28.6 percent of the voting and capital shares in ExpreS2ion Holding ApS.

2.2 Key financial information

The selected financial information for ExpreS²ion Biotech, at a group level for the financial years ending December 31, 2019 and 2018, respectively (audited), as well as the six-month interim period ending June 30, 2020 and 2019, respectively (not audited) is summarised below. The consolidated accounts comprise the parent company ExpreS²ion Biotech and the subsidiaries in which the parent company directly or indirectly holds more than 50 percent of the votes or otherwise has a controlling influence. The consolidated accounts have been prepared in accordance with the acquisition method, which means that equity in the subsidiaries at the acquisition date is eliminated in its entirety. Thus, in the group's equity, only the part of the subsidiaries' equity that has been added after the acquisition is included. ExpreS²ion Biotech Holding AB is the parent company of a group that also includes the wholly-owned Danish operations subsidiary ExpreS²ion Biotechnologies ApS. ExpreS²ion Biotech Holding AB owns no shares in other companies. The wholly-owned subsidiary ExpreS²ion Biotechnologies ApS currently owns 50 percent of AdaptVac ApS which is treated in the accounts as an associated company to the group. ExpreS²ion Biotech's financial statements are prepared according to The Swedish Annual Accounts Act (Sw. *Årsredovisningslagen*) and Swedish Accounting Standards Board's general standard BFNAR 2012:1 (K3). The accounts are prepared in Swedish krona and the amounts are given in SEK thousand unless stated otherwise.

Key profit/loss items

	Unaudited		*Audited*	
P&L (SEK thousand)	**H1-2020**	**H1-2019**	**FY-2019**	**FY-2018**
Net sales	6,845	7,060	13,829	8,868
Operating profit/loss	-10,147	- 8,271	- 18,119	- 18,256
Profit/loss for the period	**-9,473**	**- 7,417**	**- 16,703**	**- 16,822**

Key balance sheet items

	Unaudited		*Audited*	
Balance Sheet (SEK thousand)	**30 June 2020**	**30 June 2019**	**31 December 2019**	**31 December 2018**
Total Assets	28,291	21,258	18,707	20,954
Total equity	4,198	8,324	- 1,079	8,301

Key cash flow items

	Unaudited		*Audited*	
Cash Flow (SEK thousand)	**H1-2020**	**H1-2019**	**FY-2019**	**FY-2018**
Cash flow from operating activities	-3,800	- 8,715	- 12,691	- 12,879
Cash flow from investing activities	-534	- 509	- 679	- 813
Cash flow from financing activities	11,967	7,975	12,575	18,586
Cash flow for the period	7,633	- 1,249	- 795	4,894

2.2 Key financial information (cont.)

Key ratios

	Unaudited		*Audited*	
	H1-2020	**H1-2019**	**FY-2019**	**FY-2018**
Net income per share[a] (SEK)	-0.64	-0.58	-1.23	-1.40
Equity per share[a] (SEK)	0.27	0.61	- 0.08	0.69
Equity/assets ratio[a] (%)	14.8	39.2	-5.8	39.6
Average number of shares	15,817,281	13,584,237	13,202,015	11,541,664

a) Defined by the Company's applicable accounting principles and therefore not considered an alternative performance measure according to ESMA's guidelines.

2.3 Key risks affecting ExpreS²ion

Uncertain development
ExpreS²ion's product candidates will need to undergo pre-clinical and clinical trials that are time consuming and expensive, the outcomes of which are unpredictable, and for which there is a high risk of failure.

Dependency on partners
For certain clinical development programs, ExpreS²ion is currently or will in the future be depending on collaboration partners to develop and conduct clinical trials with, obtain regulatory approvals for, and market and sell ExpreS²ion's product candidates.

Competition
ExpreS²ion faces competition from companies, including several international vaccine companies, with considerably more resources and experience than ExpreS²ion, which may result in others discovering, developing, receiving approval for or commercializing products before or more successfully than ExpreS²ion.

Availability of funding
ExpreS²ion may need to raise additional funding, which may not be available on acceptable terms, or at all, and failure to obtain such funding when needed may force ExpreS²ion to delay, limit or terminate its product development efforts or other operations.

KEY INFORMATION ABOUT THE SECURITIES

3.1 Rights attached to the shares

All shares of ExpreS²ion Biotech are the same share class, carry one vote at the general meetings and are fully paid and freely transferable and denominated in SEK. The rights associated with shares issued by ExpreS²ion Biotech, including those that follow from the articles of association, can only be changed in accordance with the procedures set out in the Swedish Companies Act (2005:551).

Share capital
Prior to the Offering, the share capital in ExpreS²ion Biotech amounted to approximately SEK 1,818,432 divided into 16,365,891 shares of SEK 0.1111 nominal value each.

Voting rights
There is one (1) class of shares in ExpreS²ion Biotech. Each share carries one vote at a general meeting, and each shareholder is entitled to a number of votes corresponding to the holder's number of shares in the Company.

Preferential rights to new shares etc.
If the Company issues new shares, warrants or convertibles in relation to cash issue or set-off issue, the shareholders have, as a general rule under the Swedish Companies Act (2005:551), a preferential right to subscribe for such securities in relation to the number shares held before the issue.

Rights to dividends and surplus in the event of liquidation
All shares carry equal rights in ExpreS²ion Biotech's profits and to any surplus on liquidation. Resolutions on dividends are made by the Annual General Meeting and are paid through Euroclear's provision. Right to the dividend is entitled to each person that on the record date for the dividend is registered as a shareholder in the share register held by Euroclear. All shares are of the same seniority in ExpreS²ion Biotech's capital structure in the event of insolvency and entitle to a part of the surplus in proportion to the number of shares held by the shareholder.

Dividend policy
As of the date of the Prospectus, ExpreS²ion Biotech does not have a dividend policy in place and the Company has not distributed any dividend to its shareholders during the period included in the historical financial information. ExpreS²ion Biotech is currently in an expansion phase, and any profit is planned to be re-invested in the continued Company development, and therefore no dividend is expected to be paid in the next few years.

3.2	**Trading of the shares on Nasdaq First North Growth Market**	The shares of ExpreS²ion Biotech are trading on Nasdaq First North Growth Market, which is a multilateral trading facility and growth market for small and medium sized companies that does not have the same legal status as a regulated market. The new shares and warrants in the Offering will be traded at Nasdaq First North Growth Market.
3.3	**Key risks that are specific to the securities**	*High volatility* ExpreS²ion Biotech has been subject to higher share trading volumes and increased share price volatility since ExpreS²ion Biotech announced its intention to develop a vaccine against COVID-19. It is likely that this volatility will persist, and that market expectations, rumours or company news will at times significantly impact the price of ExpreS²ion Biotech's shares. *Trading in unit rights and new shares is unpredictable* In addition, the price of the unit rights and the new shares may be highly volatile during the rights trading period and the subscription period, respectively. Until the merger of the ISIN codes has been completed, the liquidity and market price of the new shares under the interim ISIN code may be substantially different from the liquidity and market price of the existing shares under the existing ISIN code.

KEY INFORMATION ABOUT THE OFFERING

4.1	**Key terms and time plan of the Offering**	*Preferential rights to subscribe* Shareholders registered in the Company's shareholder register on the record date of October 1, 2020 have pre-emptive rights to subscribe for Units in the Offering. One (1) existing share held on the record date of October 1, 2020, entitles to one (1) unit right. Three (3) unit rights entitles to subscription of one (1) Unit consisting of two (2) new shares, one (1) warrant free of charge of series TO4 and one (1) warrant free of charge of series TO5. In addition, investors are offered the opportunity to subscribe for Units without the support of unit rights. *Subscription price* Subscription price is SEK 24 per Unit, corresponding to SEK 12 per share. Brokerage fees do not apply. *Record date* The record date at Euroclear to determine who will receive unit rights in the Offering will be October 1, 2020. The last day for trading in the Company's share including the right to receive unit rights will be September 29, 2020. The first day for trading in the Company's share excluding the right to receive unit rights will be September 30, 2020. *Unit rights* The right to subscribe for Units is exercised with unit rights. For each share in the Company held on the record date, one (1) unit right is obtained. Three (3) unit rights entitles to subscribe for one (1) new Unit consisting of two (2) new shares, one (1) warrants of series TO4 free of charge and one (1) warrants of series TO5 free of charge. *Trading with unit rights* Trading with unit rights will take place on Nasdaq First North Growth Market during the period October 5 – October 15, 2020. A bank or other nominee handles the mediation of purchase or sale of unit rights. Anyone who wishes to acquire or sell unit rights should therefore contact their bank or other nominee. By trading unit rights, commission is normally paid. *Subscription period* Notification of subscription of Units through exercise of unit rights shall be made through simultaneous cash payment during the period October 5 – October 19 2020. After the subscription period, unexercised unit rights will be annulled and without value. Unexercised unit rights will, without notification from Euroclear, be deregistered from the holders VP account. To prevent loss of value of the unit rights must be exercised to subscribe for Units by October 19, 2020 or sold by October 15, 2020 at the latest. The Board of Directors of the Company is entitled to extend the time during which the application for subscription and payment can be made. A possible extension of the subscription period and payment period shall be made public through a press release at the latest by October 19, 2020. *Subscription without unit rights* Notification for subscription of Units without support of unit rights shall be made during the same period as the notification of subscription of Units supported by unit rights, that is during the period October 5 – October 19, 2020. If all of the Units are not subscribed for with Unit rights, the board will decide on allotment of Units subscribed for without Unit rights. Allotment will then be made firstly to persons who have applied for subscription without unit rights and who have subscribed for Units with Unit rights, regardless of whether

4.1 Key terms and time plan of the Offering (cont.)

or not the subscriber was a shareholder on the record date, and in case of oversubscription, allocation shall be made in relation to the total number of Units allotted through exercise of Unit rights, and to the extent that this is not possible, by drawing of lots. Secondly, allocation shall be made to other persons who have applied for subscription without Unit rights, and in the case of oversubscription, pro rata to the number of Units subscribed for in the application form, and to the extent that this is not possible, by drawing of lots. Finally, allotment of the remaining Units shall be made to the investors who have provided guarantees and in accordance with the conditions of their respective guarantee.

Trading in BTU
Trading in BTU's will take place on Nasdaq First North Growth Market from October 5, 2020 until the Offering is registered with Swedish Companies Registration Office, which is expected in week 46, 2020.

Announcement of the results in the Offering
The outcome of the Offering will be published by press release and is expected around October 26, 2020.

4.2 Reasons for the Offering and use of proceeds

The proceeds from the Offering allow the Company to effectuate the new strategy described in the Q1-2020 report, under which the Company combines its successful service business with the creation of an in-house pipeline of biopharmaceutical drug and vaccine candidates to maximise shareholder returns.

The board of directors is of the opinion that the Company does not have sufficient working capital to finance the day to day business activity for the upcoming twelve months. The proceeds are expected to enable the Company to reach a number of key value inflection points and to provide, in conjunction with revenue from the Company's service business and continued payments under public grants already awarded, the necessary funding up to and including H1 2022 and will be applied to the Company's strategic objectives under the following headlines in prioritized order:

- Advance COVID-19 vaccine into human trials in Q4 2020 in collaboration with the Company's academic and commercial partners (approx. 4 percent)[1]
- Exercise the option to in-license the HER2 breast cancer vaccine from AdaptVac and advance it into human trials in 2022 (approx. 58 percent)
- Advance next generation influenza vaccine developed in the INDIGO consortium (approx. 12 percent)
- Advance certain malaria vaccines in preclinical and clinical development (approx. 2 percent)
- Strengthen the Company's upscaling, regulatory and clinical capabilities and supporting AdaptVac (approx. 24 percent)

The warrants offered as part of the Offering are exercisable in the period from 12 April 2021 to 26 April 2021 and 6 September 2021 to 20 September 2021. Should the market price of the Company's shares at this time be below the lower band of the warrant exercise price of SEK 6 the warrants are unlikely to be exercised and no additional proceeds will be realised from this part of the Offering.

If the exercise of warrants leads to no Company proceeds or proceeds substantially lower than expected, the Company will reduce its spending, including on the currently planned research and development activities in influenza and malaria described above, as well as delay or even cancel the hiring of additional personnel to ensure that its cash resources still enable the Company to finance its activities up to and including H1 2022 as previously described. If so, the key objective will be to ensure that the Company's plans for the COVID-19 vaccine program and the HER-2 breast cancer program are not affected.

Conflict of interest
There are no conflicts of interest or potential conflicts of interests between the directors and senior executives and ExpreS²ion Biotech. Furthermore, there are no conflicts of interests or potential conflicts of interest where private interests of the directors or senior executives would conflict with the interests of ExpreS²ion Biotech. However, a number of senior executives have an economic interest in ExpreS²ion Biotech, either directly or indirectly, through share ownership.

1) All future development and commercialisation costs are carried by Bavarian Nordic.

RESPONSIBLE PARTIES, INFORMATION FROM THIRD PARTIES AND COMPETENT AUTHORITY

RESPONSIBLE PARTIES

The Board of Directors of ExpreS²ion is responsible for the content of the Prospectus. To the best of the Board of Directors' knowledge, the information provided in the Prospectus complies with the factual circumstances and no information has been omitted from the Prospectus that could affect its content.

ExpreS²ion Biotech's composition of Board of Directors as of the date of the Prospectus is set out below.

Name	Position
Martin Roland Jensen	Chairman of the Board
Allan Rosetzsky	Member of the Board
Jakob Knudsen	Member of the Board
Gitte Pedersen	Member of the Board

APPROVAL FROM THE SFSA

The Swedish version of the Prospectus has been approved by the SFSA which is the Swedish national competent authority in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**") .

The SFSA approves the Prospectus only to the extent that it meets the requirements for completeness, comprehensibility and consistency specified in the Prospectus Regulation. The approval should not be seen as any kind of support for ExpreS²ion or support for the quality of the securities referred to in the Prospectus and does not imply that the SFSA guarantees that the factual information in the Prospectus is correct or complete. Each investor is invited to make his or her own assessment of whether it is appropriate to invest in the Offering. The Prospectus has been prepared as an EU Growth Prospectus in accordance with article 15 of the Prospectus Regulation.

INFORMATION FROM THIRD PARTIES

The Company assures that information from third parties in the Prospectus has been reproduced correctly and that, as far as the Company is aware and can ascertain from information published by the third party concerned, no facts have been omitted that would make the reproduced information incorrect or misleading. Statements in the Prospectus are based on the joint assessment of the Board of Directors and senior management, unless otherwise are explicitly stated. The third-party sources that ExpreS²ion has used in the preparation of the Prospectus appear in the list of sources below.

Some parts of the Prospectus refer to information on websites. The information on these websites does not form part of the Prospectus, unless the information has been incorporated by reference, and has not been reviewed or approved by the SFSA.

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BACKGROUND AND RATIONALE

BACKGROUND

ExpreS²ion was conceived as a service company ten years ago focused on using state-of-the-art protein engineering skills and technology to help its clients solve their most difficult protein expression problems. Over the years the service business has established the Company in a broad international industrial and scientific network, and today ExpreS²ion's assistance is sought by universities and companies from all over the world.

However, the Company believes that the appointment of Bent U. Frandsen as new CEO and the subsequent decision to initiate an accelerated program to develop a vaccine against COVID-19 has created the foundation for a strategic change. The Company believes it has amassed the scientific tools, experience and international networks required to develop its own pipeline of vaccines and immunotherapy drugs. In just three months, the Company and its partners moved the COVID-19 vaccine from concept to a Good Manufacturing Practice-certified contract manufacturer-partnership with AGC Biologics and global license agreement with Bavarian Nordic. The vaccine has shown impressive proof of concept data in animal models and is expected to enter clinical trial before the end of 2020. The Company believes that the speed at which this vaccine was developed demonstrates the Company's capabilities as well as the power of the combination of the ExpreS2 and cVLP technology platforms.

Concurrent with the launch of the COVID-19 vaccine program in February 2020, the Company took out an exclusive option to in-license the HER2 cVLP therapeutic breast cancer vaccine AV001 from the partly owned company AdaptVac. The Company believes the preclinical results coming out of AV001 are very promising. Monoclonal antibody products are available today for the treatment of metastatic breast cancer, but an unmet need remains for an active immunotherapy product against this terrible disease. Many patients experience adverse side effects and/or diminishing effects from the monoclonals whereas the published preclinical data shows that AV001 retained strong anti-tumour effects even after Herceptin (approx. USD 7 billion in annual sales[1]) had stopped working. The Company plans to develop AV001 up to and including clinical phase I/II trials before seeking an out-licensing partner.

The proceeds from the Offering allows the Company to effectuate the new strategy described in the Q1 report on May 20, 2020 under which the Company will combine its successful service business with the creation of an in-house pipeline of biopharmaceutical drug and vaccine candidates to maximize shareholder returns, as further detailed below.

USE OF PROCEEDS

The total proceeds from the Offering including full exercise of warrants are expected to amount to a maximum of approx. SEK 216 million before deduction of costs related to the Offering. ExpreS²ion's existing working capital as of the date of the Prospectus is not enough to effectuate the new strategy in the coming twelve-month period. The proceeds from the Offering are expected to enable ExpreS²ion to reach a number of key value inflection points and to provide, in conjunction with revenue from the Company's service business and continued payments under public grants already awarded, the necessary funding up to and including H1 2022.

Upon full subscription in the Offering including full exercise of warrants of SEK 85 million before transaction costs, the net proceeds of the Offering of approximately SEK 187 million will be applied – in prioritized order - to the Company's strategic objectives under the following headlines:

- **Advance COVID-19 vaccine into human trials in Q4 2020 in collaboration with the Company's academic and commercial partners (approximately 4 percent).**
  Under the recently agreed out-licensing agreement Bavarian Nordic will assume all further costs associated with the clinical development and commercialisation of the COVID-19 vaccine developed by AdaptVac and ExpreS²ion. However, the Company will still be incurring certain costs as a member of the EU sponsored PREVENT-nCoV consortium and will continue to support the COVID-19 program in various ways. The vaccine is expected to enter the first clinical Phase I/IIa trial before the end of 2020, with headline results from this trial announced towards the end of Q1, 2021. The trial will test the vaccine's safety as well as surrogate markers of efficacy (immune response). The vaccine is expected to enter phase III trials in H1 2021, subject to funding, and be ready for market launch in H2 2021, subject to regulatory approval.

- **Exercise the option to in-license the HER2 breast cancer vaccine AV001 from AdaptVac and advance it into human trials in 2022 (approximately 58 percent)**
  Under the terms of the Company's agreement with AdaptVac the Company may execute the in-licensing option on or prior to February 26, 2021. The proceeds will be applied to the in-licensing as well as the predominantly external costs associated with advancing AV001 towards human trials. The Company expects that the GMP process as well as the formulation and analytical methods for the vaccine will be developed by H1 2021. Preclinical tox studies will be concluded by H2 2021, with the application to start human clinical trials (CTA) then submitted to the regulatory authorities in H1 2022. The first clinical trial of AV001 will be a phase I/IIa trial with safety as the primary endpoint and various surrogate markers of efficacy as secondary endpoints. ExpreS²ion plans to initiate out-licensing discussions following this trial.

- **Advance next generation influenza vaccine (approximately 12 percent)**
  ExpreS²ion is a partner in INDIGO, an international consortium led by the University of Amsterdam that is developing two novel influenza vaccine concepts, one of which relies on the ExpreS2 technology. The Company expects to advance and further support the clinical and commercial development of one or more influenza vaccine candidates during 2021.

- **Advance certain malaria vaccines in preclinical and clinical development (approx. 2 percent)**

  Five clinical stage malaria vaccines rely on the Company's ExpreS2 technology as of the date of the Prospectus. The Company is a member of a number of publicly funded research consortia, including with the Jenner Institute at the University of Oxford and the University of Copenhagen. The Company will advance and further support the clinical and commercial development of certain malaria vaccine candidates. Phase IIa results from the Rh5.1 vaccine are expected to be published before the end of 2020. An additional phase Ia trial in a malaria endemic region in Africa will be launched during 2021 with an alternative adjuvant.

1) Roche, annual report 2018.

- **Strengthen the Company's capabilities, pipeline and technology platform (approximately 24 percent)**
  As ExpreS²ion moves up the biopharmaceutical value chain its resources within clinical trial design, regulatory affairs, formulation, upscaling and project management will gradually be strengthened. The Company will augment certain administrative and IT functions to meet the increased demand for quality assurance, documentation, reporting and data gathering associated with clinical trials. The Company will also explore co-development opportunities and/or technology asset acquisitions in support of its current pipeline and support further research and development activities in ExpreS²ion and AdaptVac. This includes exploring whether additional cancer vaccines and/or immunotherapy drugs aimed at chronic diseases such as allergy for which promising early results exist should be advanced into preclinical development.

The warrants offered as part of the Offering may be exercised during the period 12 April 2021 to 26 April 2021 and 6 September 2021 to 20 September 2021. Should the market price of the Company's shares at this time be below the lower band of the warrant exercise price of SEK 6 the warrants are unlikely to be exercised and no additional proceeds will be realised from this part of the Offering. If the exercise of warrants leads to no Company proceeds or proceeds substantially lower than expected, the Company will reduce its spending, including on the currently planned research and development activities in influenza and malaria described above, as well as delay or even cancel the hiring of additional personnel to ensure that its cash resources still enable the Company to finance its activities up to and including H1 2022 as previously described. If so, the key objective will be to ensure that the Company's plans for the COVID-19 vaccine program and the HER-2 breast cancer program are not affected.

ADVISORS AND CONFLICTS OF INTEREST

Arctic Securities and Translution Capital are financial advisors to ExpreS²ion Biotech in connection with the Offering. Arctic Securities is ExpreS²ion Biotech's issuing agent whereas Baker McKenzie is ExpreS²ion Biotech's legal advisor in connection with the Offering. The advisors have received and may in the future receive compensation for their roles as advisors to ExpreS²ion Biotech. None of the advisors hold shares in ExpreS²ion Biotech or have any plans to holds such shares in the future.

ExpreS²ion Biotech is not aware of any conflicts of interest in connection with the Offering.

MARKET AND BUSINESS OVERVIEW

VISION AND MISSION OF THE COMPANY

ExpreS²ion is a biopharmaceutical company that aims to become a leader in the immunotherapy and infectious diseases field. The Company strives to deliver new therapeutic, preventive and diagnostic products that meet some of the gravest medical needs, whether in developed or developing countries. The Company will do this through scientific excellence, a continued focus on academic and industrial collaborations and a profound loyalty to the Company's core skills in protein expression and vaccine development.

BUSINESS MODEL

The Company's business model is to develop, produce and deliver therapeutic or diagnostic proteins, as well as to generate revenue by out-licensing the ExpreS2 platform to research institutes and pharmaceutical companies who themselves or in cooperation with the Company develop biopharmaceutical drugs and vaccines. This model generate short term revenue for the Company and carries potential future royalties, license fees, and milestone payments through pharmaceutical products developed using the Company's technology.

Under its new strategy the service model above will be complemented by the Company increasingly building its own pipeline of preclinical and later clinical biopharmaceutical drug and vaccine candidates. Under this new model, the Company will carry out its own initial research, preclinical and early clinical development work prior to outlicensing. The recent agreement with Bavarian Nordic, under which Bavarian Nordic assumes all future development costs for the COVID-19 vaccine program and pay certain milestones and royalties, is the first example of this new strategy. The Company expects that its next potential drug candidate, the therapeutic vaccine against breast cancer AV001 will similarly be outlicensed to a larger pharmaceutical company following a successful phase I/II study.

The Company believes that the combination of a continued successful service model combined with the creation of an inhouse pipeline of biopharmaceutical drug and vaccine candidates puts the Company in a good position to balance risk and return and create value for its shareholders.

Public funding

With over 100 currently active or former academic and industrial service and license contracts, the Company has built a large network in the international research community since its inception in 2010. Furthermore, the Company estimates that it is currently a part of international research consortia which together has been granted more than EUR 40 million of non-dilutive public funding. The grants below are those that are still active and will continue to contribute to the coverage of the Company's research and development cost in the coming years.

March 2020 – the INDIGO consortium

ExpreS²ion is a member of the international next-generation influenza vaccine consortium INDIGO, led by the University of Amsterdam, which was awarded a EUR 10 million Horizon 2020 EU grant in March 2020. ExpreS²ion's role in the collaboration is to express the proteins required for the vaccine and its participation is directly awarded EUR 0.6 million.

March 2020 – the PREVENT consortium

AdaptVac leads the PREVENT consortium consisting of ExpreS²ion, AdaptVac, Leiden University, the University of Tübingen, the University of Copenhagen and Wageningen University. In March 2020 the consortium was awarded a EUR 2.7 million Horizon 2020 grant to help fund a joint COVID-19 vaccine development program. ExpreS²ion receives EUR 0.9 million directly, whereas AdaptVac receives EUR 0.8 million.

February 2020 - Eurostars

A consortium led by partly owned company AdaptVac was awarded a EUR 0.6 million Eurostars grant to establish safety and immunogenicity of the HER2 breast cancer vaccine in different *in vivo* models, further develop the production process and prepare for clinical development. In addition to AdaptVac, the consortium partners are the University of Copenhagen and two Dutch Contract Research Organisations.

December 2019 – the OptiMalVax consortium

In December 2019, the Company was awarded SEK 2.7 million as part of the Horizon 2020-funded OptiMalVax grant consortium. The consortium is led by the Jenner Institute at the University of Oxford. ExpreS²ion's role in the collaboration is to establish monoclonal *Drosophila S2* cell banks for two new malaria vaccine candidates.

September 2019 - InnoBooster

AdaptVac was awarded a DKK 0.8 million InnoBooster grant by Innovation Fund Denmark in September 2019 to further develop the HER2 vaccine for certain veterinary applications.

February 2019 – Grand Solutions

AdaptVac is part of a consortium that was awarded a DKK 11 million Grand Solutions grant by Innovation Fund Denmark in February 2019. The project aims to reduce post-weaning diarrhea (PWD), a major cause of antibiotic use in the swine industry. DKK 2.6 million are earmarked in support of a four-year cVLP vaccine research program at AdaptVac.

MARKETS

The market for protein expression as a service

The Company sells licenses to use the ExpreS2 platform as a whole or in part, thus allowing its clients to participate in or be entirely responsible for the development of the required proteins. The Company also sells ExpreS2 test kits and reagents for application as research tools or diagnostics. The Company may also enter into agreement where the client accept a quotation and is charged for the development, production and delivery of research grade proteins, using the ExpreS2 platform.

The Company services both pharmaceutical companies and research institutions, and the Company believes the ExpreS2 platform is equally suited for academic research, analytics and commercial drug development, both in vaccines and other biopharma fields. The Company's clients are not limited to any geographic area and are located all over the world. Since its foundation in 2010, the Company has worked with more than 100 clients and partners. The agreements with these clients, which in many cases are world-leading universities, research institutions and pharmaceutical companies, have generated significant revenues for the Company over the years. Service agreements on the ExpreS2 platform fall in one of three broad categories:

- Material Transfer Agreement (**MTA**): The client is granted the right to use the ExpreS2 platform, usually for six months, and purchases the materials needed to use the platform itself.
- Research License Agreement (**RLA**): The client is granted the right to conduct basic research based on the cells contained in the ExpreS2 platform. The client purchases both the materials needed to use the platform and pay an annual fee for the license.
- Commercial License Agreement (**CLA**): The client is granted the right to conduct clinical development of vaccines and other biopharmaceuticals using the ExpreS2 platform and to commercialise the resulting product. In addition to purchasing the materials needed to use the platform, the client pays milestone payments based on predefined phases of the clinical development, and royalties of low single digit percentage of net sales if the pharmaceutical product reaches the market.

The Company currently has more than ten major clients. For instance, the Company has out-licensed the ExpreS2 platform for research to Hoffman-La Roche, Imperial College London and Francis Crick Institute among others, and out-licensed the platform for clinical development to the University of Copenhagen and the Jenner Institute of the University of Oxford, among others. Five of the Company's current MTAs relate to the transfer of Company-made SARS-CoV-2 material for various COVID-19 diagnostic and research support purposes.

The market for the Company's biopharmaceutical drugs and vaccines

Breast cancer

Breast cancer is a widespread oncology indication affecting more than 1.3 million people worldwide annually and resulting in more than 450,000 deaths[1]. Passive immunotherapy (monoclonal antibodies) has been approved as a therapy for non-metastatic HER2-positive breast cancer. Currently, patients with stage I to stage III breast cancer receive a trastuzumab-based regimen often including a combination of trastuzumab with chemotherapy, followed by a total of 1 year of adjuvant trastuzumab. Pertuzumab (Perjeta) has been approved for stage II and stage III breast cancer in combination with trastuzumab and chemotherapy. Trastuzumab and pertuzumab had sales of USD 7.1 billion and 2.8 billion in 2018, respectively[2].

COVID-19

It is still difficult to estimate the market for an effective corona vaccine. The unknowns include but are not limited to the development of the pandemic itself, the number of vaccines eventually approved, government reimbursement strategies, vaccine manufacturing costs and others. On August 14, 2020, the European Commission entered into the first advanced purchase order for up to 400 million doses of a viral vector vaccine currently under development by AstraZeneca and Oxford University. The Company expects more of these types of announcements over the coming months. The price agreed per vaccine dose will depend on the technology employed and may vary from a few euros per dose to 20 euros or more. Hundreds of millions, if not billions of people will have to be vaccinated. The commercial reward to those companies involved in a successful vaccine could therefore be significant.

Traditional vaccine approaches based on live or attenuated virus are considered too risky for mass immunization programs including the elderly and immuno-compromised, exactly the people that are most at risk in this pandemic. Newer mRNA and DNA approaches on the other hand tend not to be sufficiently immunogenic. This is also the case for peptide vaccines. With these approaches there is a risk that the protection, if any, is only short lived. Adding adjuvants to these vaccines increase their immunogenicity but also increases the risk of adverse side effects. Based on extensive animal testing over the last few years, as well as the COVID-19 vaccine Proof-of-Concept in animals (POCA) data announced by the University of Copenhagen and the Company on June 9, 2020, ExpreS²ion believes that the cVLP technology currently provides a superior combination of high immunogenicity and high safety when compared to other vaccine approaches. The Company believes that the therapeutic- and safety profile of its COVID-19 cVLP vaccine will be such that well over 500 million doses of the vaccine would be needed over a period of four to five years. This number could increase if the virus becomes endemic.

Influenza

According to the World Health Organization (WHO), influenza remains a global health threat that impacts all countries[3]: every year, there are an estimated 1 billion cases of which 3-5 million become severe, leading to 290,000 – 650,000 influenza-related respiratory deaths[4]. Serious illness occurs not only in susceptible populations such as paediatrics and older adults, but also in the general population largely because of unique strains of influenza for which most humans have not developed protective antibodies. Allied Market Research estimated the global influenza vaccine market size to be USD 4.0 billion in 2018, reaching USD 6.2 billion by 2026[5]. The influenza virus is endemic and returns in yearly outbreaks across the world. Due to the high mutation rate of the

1) Tao Z, et al. 2015.
2) Roche, Annual report 2018.
3) World Health Organization, Global influenza strategy 2019-2030, 2019.
4) Iuliano AD, et al. 2018.
5) Allied Market Research, 2019.

virus, a particular influenza vaccine usually confers protection for no more than a few years. Each year, the WHO predicts which strains of the virus are most likely to be circulating in the next year, allowing pharmaceutical companies to develop vaccines that will provide the best immunity against these strains. Nevertheless, the current vaccine effectivity is only around 40 percent implying that 60 percent of vaccinated people are not sufficiently protected, resulting in low confidence and therefore further contributing to limited uptake/immunization[6].

Malaria

WHO estimates there were 228 million cases of malaria in 2018. Malaria continues to claim the lives of more than 405,000 people each year, largely in Africa. Children under the age of five are especially vulnerable; and WHO estimates that every two minutes a child dies from this preventable disease. In 2018, an estimated USD 2.7 billion was invested globally in malaria control and elimination efforts by governments of malaria endemic countries and international partners[7].

Market trends

The general and longer-term outlook for the biopharmaceutical industry is impacted by a number of global trends, including demographic developments, environmental changes, increased treatment penetration especially in newly established markets, pricing issues, competition and regulatory requirements.

Demographic development

One of the strongest long-term demographic trends is the growing and not least aging population that increases the demand for medicine and health services. Apart from the overall increased number of people that needs healthcare, a general increase in global wealth creating an increase in demand from individuals that can afford proper healthcare services as well as from countries that increases the level of healthcare coverage is also seen. In addition, increased global travel activity increases demand for certain vaccines.

Environmental changes

There is increasing evidence that climate changes could result in an expansion of endemic diseases into new and more populated areas, e.g. mosquito- or tick-borne diseases spreading as a result of global warming, resulting in new and more habitats for the animals. Also, deforestation is forcing animals to find new habitats, potentially moving closer or even into populated areas with an increased risk of spreading certain animal-borne diseases to humans[8].

Increased treatment penetration

Rising global economic welfare has led to elevated demands regarding quality of medical care. This has led to increasing popularity of western style healthcare products and services that have received approval from the FDA and/or EMA.

RESEARCH AND DEVELOPMENT ACTIVITIES

The ExpreS2 protein expression technology platform

Complex proteins constitute the active substance in many modern biopharmaceutical drugs. These proteins are produced by genetically modifying cells to become able to produce (or express) exactly the protein the researcher is looking for. Different cell types can be used. Today, most proteins are produced from bacterial, yeast, insect or mammalian cells. While many of these protein expression techniques have been routinely used for decades across a broad range of applications, a number of basic problems still remain. Expression platforms based on bacteria and yeast are cost effective but normally cannot produce the complex proteins required for pharmaceutical development. Here, insect or mammalian cells are often required. However, existing systems in this category tend to be time-consuming which delays the development process. Other well-established platforms do not deliver sufficiently large quantities of quality protein in each manufacturing batch or are unstable, leading to costly failed manufacturing batches. Finally, there are some proteins that simply cannot be expressed with any of the production systems currently considered standard.

ExpreS²ion was founded on the realisation that to produce the complex proteins needed for the biological drugs and vaccines of the future, in a safer and more efficient manner, a new protein expression system would be needed. Therefore, the Company's founders over several years developed the ExpreS2 technology platform which is especially suited for production of the proteins required for the development and production of vaccines. The platform is based on particularly suitable insect cells, so called *Drosophila Melanogaster* (fruitfly) S2 cells combined with patented expression vectors (the genetic tool researchers employ to commandeer the cell's internal protein production machinery) and especially adapted culture agents and reagents which are needed to make the cells thrive and grow. Among the platform's many advantages are:

- Significantly less costly and time-consuming than alternative methods, which is an important competitive advantage, considering time-to-market and patent expiry. It also makes the platform particularly valuable for the development of diagnostics and vaccines in epidemic or pandemic situations where speed is of the essence.
- Generates higher yields, i.e. amount of protein per manufacturing batch, compared to competing systems.
- Provides homogeneous manufacturing batches, a requirement in pharmaceutical development. The platform includes the Company's patented expression vectors which were developed, among other things, to make it possible for the cells to generate higher yields.
- Since 2019 the Company's offering to the biopharma sector includes glyco-engineered S2 cell lines under the GlycoX-S2™ brand. This allows for functional modification, e.g. by enhancing immunogenicity or improving pharmacokinetics.

As at the date of this Prospectus, more than 300 different proteins have been produced with the ExpreS2 platform, with a success rate exceeding 90 percent. The Company is not aware of any other protein expression system that has shown this kind of range and success rate. The Company considers the success rate particularly impressive because a large part of its contract work relates to complex proteins for the development of biopharmaceutical products that cannot be made using other expression technologies.

The GlycoX-S2™ platform

While in many cases the ambition is to manufacture proteins that resemble the native protein as closely as possible, it is often

6) Flannery B, et al. 2019.
7) World Health Organization, World malaria report 2019, 2019.
8) Caminade C, et al. 2019.

advantageous, particularly for vaccine and immunotherapy purposes, to be able to functionally engineer or "tailor make" the protein to provide stronger more targeted immune responses. However, if such modifications are made to the protein, the process must be able to scale for use in later clinical trials and ultimately large-scale manufacturing of a product. This is crucial not least for a vaccine which would be manufactured in hundreds of millions if not billions of doses.

The Company is in the process of developing a number of engineered cell lines under its new GlycoX-S2™ platform. The first product was launched in October 2019. The HighMan-S2™ cell line has been engineered to provide a particular type of glycosylation of the proteins expressed by these cells. Glycosylation means that chemical sugar groups – glycans – attaches themselves to the protein. Many pathogens, such as the viral protein spikes of the COVID-19 virus, are glycosylated. Indeed, it is believed that pathogens have evolved to use glycosylation of surface proteins as a shield against recognition. The presence of glycans is one of the overall patterns recognised by the immune system. Being able to control and tailor make this glycosylation could therefore add important benefits when developing an effective vaccine.

The HighMan-S2™ cell line adds a particular sugar known as mannose to the surface of the proteins it expresses. Mannose is known to be present on many pathogens, including viral pathogens. The HighMan-S2™ cell line and accompanying vectors and reagents offer a simple, homogeneous and reproducible solution, which the Company is in the process of patenting. The Company expects that the HighMan-S2™ cell line as well as other products under development in the GlycoX-S2™ portfolio will further add to the Company's strategic edge in the protein expression field.

The AdaptVac joint venture

The Company established AdaptVac in 2017 as a joint venture with NextGen Vaccines, a company spun out from the University of Copenhagen's Institute of Immunology and Molecular Biology. AdaptVac is the exclusive, global license holder of the capsid Virus Like Particle (cVLP) universal display technology, which enables accelerated development of effective therapeutic and prophylactic vaccines within high-value market segments in oncology, auto-immune- and infectious diseases. AdaptVac operates as a separate entity with allocation and costs according to the parties' ownership stakes. AdaptVac's initial focus has been the development of a novel breast cancer vaccine – for which proof-of-concept in advanced animal models (POCA) was achieved in 2017 - and more recently, the development of a COVID-19 cVLP vaccine. Going forward, the Company may from time to time agree on additional collaboration opportunities with AdaptVac, such as in the chronic diseases field, and it may from time to time participate as a consortium partner with AdaptVac in public funding applications. If and when such future research based collaborations reach a commercial stage, the parties will enter into formal agreements.

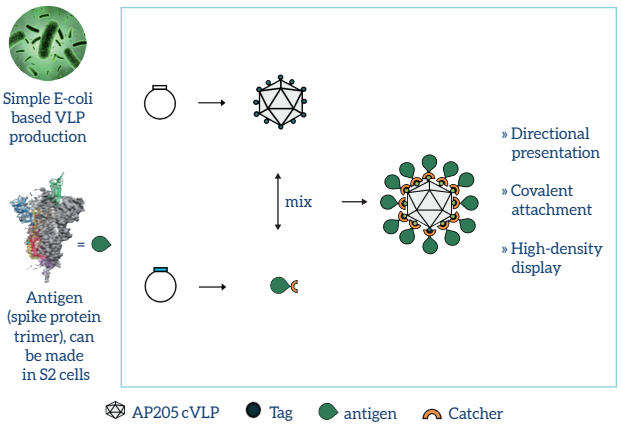
The cVLP technology platform

Virus-like particles (VLPs) are molecules that closely resemble viruses but are non-infectious because they contain no viral genetic material. They can be naturally occurring or synthesized through the individual expression of viral structural proteins, which can then self-assemble into the virus-like structure.

VLPs contain repetitive, high density displays of viral surface proteins that present conformational viral epitopes that can elicit strong T cell and B cell immune responses. Since VLPs cannot replicate, they provide a safer alternative to vaccines based on attenuated viruses or vaccines using non-replicating viral vectors. For instance, VLPs were used to develop FDA-approved vaccines for Hepatitis B and human papillomavirus (Cervarix and Gardasil). More recently, VLPs were used to develop a pre-clinical vaccine against chikungunya virus. To make an effective vaccine, proteins, peptides, nucleic acids, or small molecules are attached to the VLP surface. The antigen is chosen for targeting a specific cell type, such as a cancer cell expressing the antigen in question, or for raising an immune response against a foreign pathogen. In some cases, the protein of interest can be genetically fused to the viral coat protein. However, this approach mostly leads to impaired VLP assembly and has limited utility if the targeting agent is not protein-based. An alternative is to assemble the VLP and then use chemical crosslinkers, or a variety of non-covalent binding methods, as well as using a binding reaction based on Tag/Catcher pairs to covalently attach the molecule to the VLP. Researchers at the University of Copenhagen's Institute of Immunology and Microbiology discovered that using isopeptide bond forming tag/catcher technology to generate antigen displaying VLPs, was ideal for generating highly efficacious vaccines. This approach was found to optimise the number, density and direction of proteins that are displayed on the surface of the VLP. The resulting technology, which became known as cVLP, was patented, and later transferred to AdaptVac through a global exclusive license.

The Company believes the cVLP technology has proven remarkable effective in generating strong, long lasting immune responses to a number of foreign pathogens and self-antigens over the last several years. The technology is employed in a number of novel vaccine candidates, including the HER2 therapeutic breast cancer vaccine AV001 mentioned elsewhere in this Prospectus. It is also the technology behind ExpreS²ion's and AdaptVac's Covid-19 vaccine.

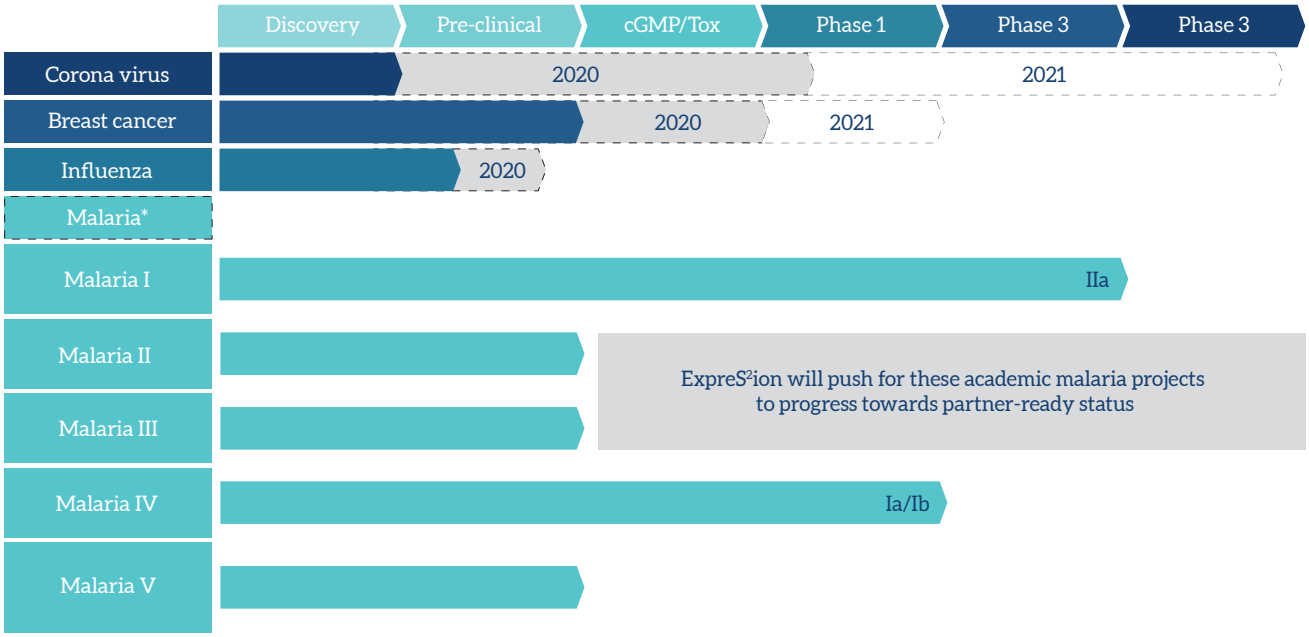
The cVLP technology



The Virus Like Particles are made in *E.Coli* in a simple and easily upscalable process. The VLP self-assemble into a tetrahedral sphere. The antigen – in this case the Spike Protein of the Covid-19 virus – is attached to the surface of the VLP using a so-called tag-and catcher system. One of the benefits of AdaptVac's cVLP system is that the target antigen becomes very densely packed, in the correct orientation, on the cVLP surface, thereby imitating the danger signals the immune system would normally be looking for and then responding to. The result is an immune response that has faster onset, is stronger and more focused, and not least, longer-lived.

Product development
The Company believes the combination of the ExpreS2 and cVLP platforms will allow it to gradually build up a pipeline of promising lead candidates in the vaccines- and immunotherapy field. A number of the Company's senior scientists and lab technicians have previous experience with both preclinical and clinical stage cancer vaccine development. The collaboration with AdaptVac adds further vaccine development expertise in support of this ambition. The current pipeline of product candidates is depicted and described below.

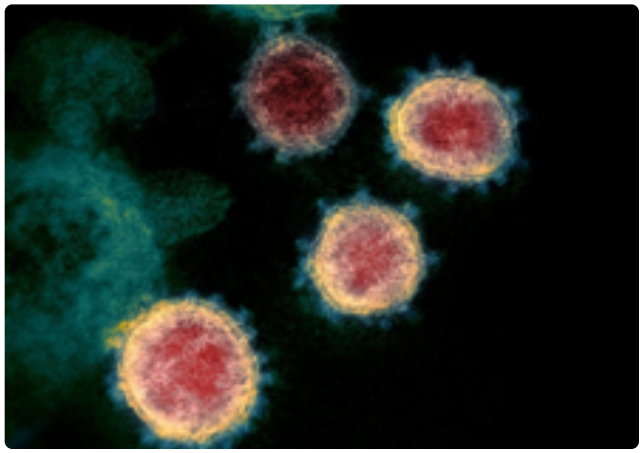
Product pipeline



*Malaria vaccine candidates subject to various industrial and academic IP positions and ownership.

A COVID-19 vaccine
Scientists know from the previous SARS and MERS epidemics that the coronavirus uses specialised spike-proteins to infect human cells, and that directing the immune response to these spike proteins provides the best chance of creating an effective vaccine.

The corona virus



The coronavirus is round like a ball and its surface is covered in protein spikes that act as "hooks" when the virus attaches itself to epithelial cells in the upper respiratory tract of the host. Under an electron microscope the spikes make the virus look as if it wears a crown, "corona" in latin and hence the name.

Since March 2020, ExpreS²ion, AdaptVac and a large group of scientists from four European Universities (the University of Copenhagen, Tübingen University, Leiden University and Wageningen University) have been working at an accelerated pace to develop a vaccine against the new virus. The Company and its consortium partners believe the combination of AdaptVac's cVLP platform and ExpreS²ions ExpreS2 protein expression technology provide them the tools required to make a vaccine that is both safe and highly immunogenic. The consortium was awarded a EUR 2.7 million EU grant in March. Under the current development plan, the Company expects the vaccine to enter Phase I/IIa clinical development before the end of 2020.

In addition to its work on a new vaccine ExpreS²ions has also made its SARS-CoV-2 antigen produced with the ExpreS2 technology available to a number of academic research and development projects, including various on-going diagnostic test programmes, with the common ambition to create a high quality diagnostic test for COVID-19 infection.

AV001 – A novel immunotherapy drug candidate against breast cancer

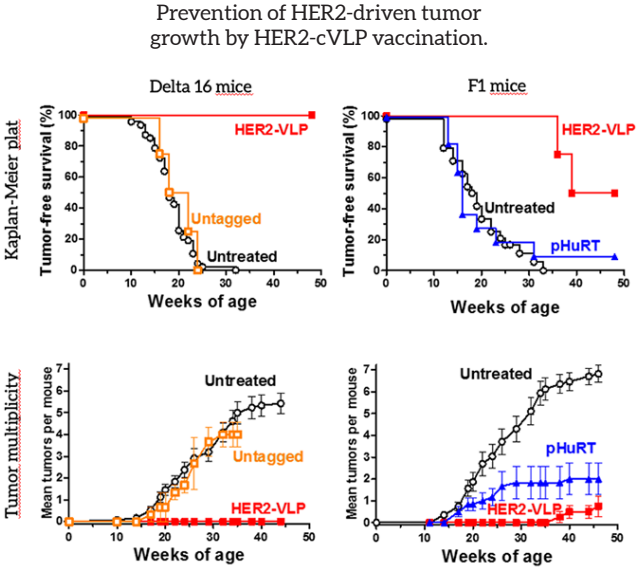
On 26 February, 2020, the Company announced that it had signed an Option to License Agreement with AdaptVac whereby ExpreS²ion may call an option to exclusively in license the preclinical immunotherapy candidate AV001 (HER2-cVLP). The option has a duration of 12 months and must therefore be exercised before February 26, 2021.

Immunotherapy represents a major breakthrough in the treatment of cancer. Anticancer immunotherapies are generally directed against tumor-associated antigens overexpressed on malignant cells, but scarcely expressed in normal tissue. The human epidermal growth factor receptor-2 (HER2), which mediates tumor growth, is overexpressed in many different cancer types, including bladder, pancreas, ovary, colon, kidney, prostate, breast and others. HER2 overexpression occurs in 20–30 percent of invasive breast cancers and is correlated with poor prognosis. Passive immunotherapy using monoclonal antibodies (trastuzumab/ Herceptin from Roche and pertuzumab/Perjeta, also from Roche) targeting epitopes in the extracellular domain of HER2, have resulted in significant improvement in progression-free and overall survival rate of HER2 positive metastatic breast cancer patients.

Unfortunately, treatment of HER2-positive breast cancer with monoclonal antibodies (mAbs) is laborious, expensive and associated with severe side effects. Specifically, the serum half-life (2–4 weeks) of the mAbs requires that new doses are administered continuously every third week. Continuous administration of high doses of mAb often results in immune reactions against the therapeutic mAb. This may lead to hypersensitivity reactions requiring premedication with cortisol or anti-histamine and treatment failure. Also, anti-HER2 mAb therapy appear to be able to cause cardiac adverse effects via mechanisms not currently understood. Finally, the majority of patients with HER2-positive breast cancer acquire resistance to treatment with trastuzumab already within the first year.

These limitations have prompted investigation into strategies for development of anti-HER2 vaccines capable of triggering the patient's own immune system to produce anti-tumor Abs. In this regard, the main hurdle has been to generate robust and durable anti-tumor immune responses. AV001 is based on AdaptVac's cVLP antigen display platform that unlike existing technologies, effectively facilitates directional covalent attachment of large vaccine antigens at high density on the surface of VLPs. The repetitive surface structures on the VLPs facilitate a stronger immune response, including complement fixation and B cell receptor clustering, which activate the innate immune system and leads to greater B cell activation.

Administration of AV001, using a low antigen dose and a clinically approved adjuvant, elicited strong immune responses against HER2 that fended off mammary carcinoma growth in multiple transgenic mouse systems and experimental setups, as shown in the figure below:



Groups of transgenic mice carrying a human Delta 16 HER2 transgene were vaccinated with HER2-cVLP or with monomeric HER2 plus untagged cVLPs (labelled in graph as Untagged). Groups of F1 mice (mice specifically bred or genetically engineered to be as similar as possible) carrying a Delta16 and a full-length HER2 transgene were vaccinated with HER2-cVLP or with a HER2-encoding plasmid, pHuRT. Intramuscular vaccinations with HER2-cVLP or pHuRT started at 5–8 weeks of age, when mice were healthy and tumor-free, and were administered every second week. The survival of mice vaccinated with HER2-cVLP was significantly longer than that of all other groups: $p<0.001$. HER2-cVLP vaccinated mice had significantly fewer tumors than untreated mice and pHURT vaccinated mice: $p<0.05$. Antibody concentrations elicited by HER2-cVLP were significantly higher than those elicited by pHuRT: $p<0.05$. Source: Palladini, A. et al. Oncoimmunology. 2018 Jan 5;7(3):e1408749.

A next generation influenza vaccine

The Company is part of the INDIGO consortium where a group of public and private R&D organizations in India, EU and US collaborate on the development of two novel influenza vaccine concepts that meet the requirements of global vaccination, aiming to achieve <10 percent instead of 60 percent non-responders, lower costs, and better accessibility. The Company contributes to the consortium with its ExpreS2 platform for antigen expression. The consortium is led by the University of Amsterdam and has partners in Belgium, France, the United States and India and aims to advance one or more vaccine candidates into phase I/IIa clinical trials in Europe and India. On 31 March, 2020 ExpreS²ion announced that the consortium had received EUR 10 million in support of the project.

Malaria

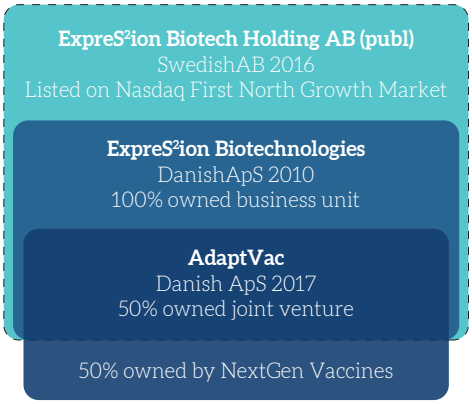
The Company is directly or indirectly through AdaptVac, involved in a number of malaria vaccine programs. Two of these projects have reached clinical development. Most advanced is the RH5.1 blood-stage malaria vaccine which is being developed by the Jenner Institute of the University of Oxford to whom the Company has out-licensed the ExpreS2 platform. The project announced positive data from a phase I/IIa study in October 2018. The other malaria project currently in clinical development is being developed in the PlacMalVac consortium. Positive phase Ia data were communicated from this program in January 2019. The OptiMalVax consortium which is funded by a EUR 20 million EU grant aims to develop next generation multi-antigen multi-stage subunit malaria vaccines and is currently in preclinical development. Among the members are the University of Oxford, Sorbonne University and James Cook University in Australia. The MultiVivax consortium is funded by a EUR 5.7 million grant and aims to advance vaccine candidates against multiple lifecycle stages of P. vivax strain with a focus on both the blood- and transmission-stages of the parasite's lifecycle. The consortium includes the University of Oxford and the University of Edinburgh. All of the malaria vaccine candidates in the Company pipeline above are subject to various industrial and academic IP positions and ownerships, which is an inevitable consequence of participating in publicly funded research, but the high quality protein antigen manufactured by ExpreS²ion is key to the success of the projects, and the source of antigen cannot be changed without invalidating the clinical data.

GENERAL INFORMATION ABOUT EXPRES²ION BIOTECH

ExpreS²ion Biotech Holding AB, is a Swedish public limited liability company registered in Skåne county, Helsingborg municipality with company registration number 559033 – 3729. ExpreS²ion Biotech was formed on 16 October 16, 2015 and was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 3 November, 2015. ExpreS²ion Biotech's company name was registered on 7 March 2016 and operates under the Swedish Companies Act (SFS 2005:551). ExpreS²ion Biotech's office address is c/o Mindpark, Rönnowsgatan 8c, 25 225 Helsingborg, Sweden. ExpreS²ion Biotech can be reached at the telephone number Telephone +45 2222 1019 and the website is www.expres2ionbio.com. Observe that the information on ExpreS²ion Biotech's website is not included in the Prospectus, unless the information is incorporated in the Prospectus by reference.

ExpreS²ion Biotech's legal entity identifier number (LEI) is 549300FJK50P1ORYJC45.

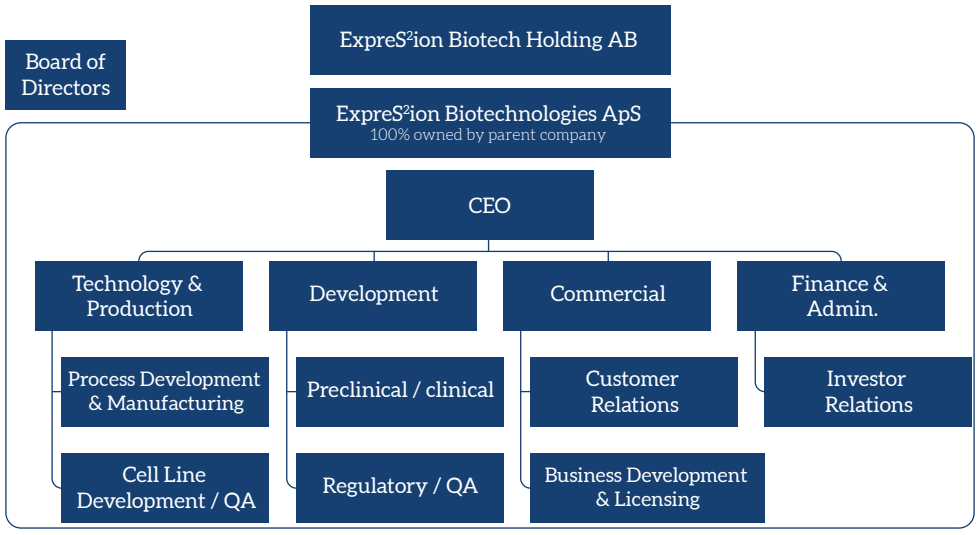
Group structure



The Company's ownership stake in AdaptVac is reduced from 50 percent to 34 percent upon exercise of the option to in-license AV001, which is described in more detail in the section *"Shareholder, Legal and other Information"* under the heading *"The option to in-license AV001"*.

ExpreS²ion Biotech Holding AB (publ) is the Swedish entity listed on Nasdaq First North Growth Market since 2016. ExpreS²ion Biotechnologies ApS is the operational entity, with offices and labs in the Scion DTU Science park just north of Copenhagen. The Company was established in 2010. AdaptVac is a joint venture established in 2017 together with a group of scientists from the Institute of Immunology and Microbiology at the University of Copenhagen. The scientists own their part of AdaptVac through a joint holding company named NextGen vaccines ApS.

Organization



The management is responsible for, among other things, strategy, business development, investments and performance monitoring. ExpreS²ion Biotech's CEO is Bent Ulrich Frandsen. For more information about the management, please refer to the section *"Board of Directors and Management"*.

Facilities

The Company conducts all operational activities, including its research and development activities from its 718 square meter state of the art laboratories and offices in the DTU Science Park in Hørsholm, north of Copenhagen.

Employees

The Company had 16 employees during the financial year 2019. 13 of these were employed in R&D (of which six holds PhDs), whereas two worked in sales and marketing and one worked in management. The Company's IT, accounting, certain business development, marketing and financial functions are outsourced.

Financing of the operation

The Company finances its operations, including its expanding research and development activities from a variety of sources, including the sales of research products and services, public grants, new share issues and loans.

Investments

Since June 30, 2020 and until the date of the Prospectus, ExpreS²ion Biotech had made no material investments, nor does ExpreS²ion Biotech have such ongoing or planned material investments.

Material changes in ExpreS²ion Biotech's financing since 30 June 2020 until the date of this Prospectus

The Extra General Meeting held on September 23, 2020 decided to carry out the proposed Offering of SEK 131 million to finance the project pipeline.

In addition to the above, no material changes in the Company's financing has occurred since 30 June 2020 until the date of this Prospectus.

STATEMENT OF WORKING CAPITAL

The Board of Directors is of the opinion that, as of the date of Prospectus, the current working capital is not sufficient for the current needs for the next twelve-month period. ExpreS²ion Biotech's liquidity forecast over expected cash flows, with the available cash and cash equivalents, indicates that the available cash flow from operating activities are expected to be depleted by December 2020 and that the deficit amounts to approximately SEK 109 million during the next twelve month period.

In order to increase the working capital, the Board of Directors has proposed to, and the Extraordinary General Meeting has resolved, to conduct the Offering of approximately SEK 131 million. In connection with the Offering, the Company has received subscription commitments of approximately SEK 26 million, corresponding to approximately 20 percent of the Offering and entered into guarantee undertakings of approximately SEK 105 million corresponding to approximately 80 percent of the Offering, in total 100 percent of the Offering.

At full subscription of the Offering, ExpreS²ion Biotech will receive SEK 131 million before deduction of costs related to the Offering. If ExpreS²ion Biotech receives SEK 109 million after issuing costs the working capital, according to the Board of Director's assessment, is sufficient to conduct the ongoing business operations at the desired pace during the next twelve-month period, calculated from the date of the Prospectus.

In case that the guarantors do not fulfil their undertakings, and/or if the respective Offering is not subscribed of such an amount that will cover ExpreS²ion Biotech's need for working capital the following twelve-month period, it is the Board of Director's intention to seek alternative external financing, such as through a directed share issue, bank loans and/or other credit facilities. If such alternative external financing is not available, ExpreS²ion Biotech will consider other solutions such as reducing ExpreS²ion Biotech's costs, dispose of assets alternatively conduct certain changes to ExpreS²ion Biotech's business plan or organization.

RISK FACTORS

An investment in securities is associated with risk. This section describes the risk factors and important circumstances that are considered material for ExpreS²ion's operations and future development. In accordance with the Prospectus Regulation, the risk factors specified in this section are only limited to such risks that are deemed to be specific to the Company and/or the Company's shares and that are deemed to be significant in order to an investor must be able to make an informed investment decision.

ExpreS²ion has assessed the materiality of the risks on the basis of the probability of the risks to be materialized and the potential extent of negative consequences that may result from the risks being realized. The risk factors are presented in a limited number of categories which include risks related to ExpreS²ion's operations, industry, legal and regulatory risks, financial risks and risks related to ExpreS²ion shares and the Offering. The risk factors presented below are based on the Company's assessment and available information as of the day of the Prospectus. The risk factors that as of the day of the Prospectus are deemed to be most significant are first presented within each category, while the risk factors are then presented without certain ranking. Financial information presented in parentheses constitutes comparative information for the corresponding period for the financial year 2018.

RISK RELATED TO EXPRES²ION BIOTECH AND ITS OPERATIONS

ExpreS²ion may never develop a biopharmaceutical product

The Company has never developed and marketed a drug or vaccine. Furthermore, no drug or vaccine currently marketed by someone else employs the Company's ExpreS2 technology or AdaptVac's cVLP technology. Any new drug or vaccine candidate developed by the Company will need to undergo a number of pre-clinical and clinical trial stages some of which that take several years to complete and cost tens if not hundreds of millions of SEK. Each stage is unpredictable and there is a high risk of failure, even after initially promising results have been seen. Vaccines have in the past been notorious for their prolonged development times. Therapeutic cancer vaccines such as the HER2 breast cancer vaccine which the Company has an option to in-license from AdaptVac have historically shown high failure rates. No active immunotherapy product against HER2 has ever demonstrated proof of concept in human phase II trials. The Company believes there is a medium-to-high risk that it may never develop and commercialize a biopharmaceutical product.

The Company is highly dependent on its current and future partners

Out-licensing to larger pharma- or vaccine companies is an integral part of the Company's new strategy. The Company will focus on research and early clinical development where it believes it has the technology, competencies and experiences to be competitive whereas larger scale international multicentre trials, registration, marketing and sales of final drugs and vaccines is clearly outside the Company's scope. As such, the Company will inevitably be dependent on third parties and this dependency is further accentuated by the Company's limited organisation and internal resources. This is the case for the COVID-19 vaccine which has been out-licensed to Bavarian Nordic and it will eventually be the case for the HER2 breast cancer vaccine. Once an out-licensing agreement has been made, the out licensing company generally loses all control of the further development and eventual marketing of the product and becomes entirely dependent on the partner's competence and continued interest. In ExpreS²ion's case, the Company is especially dependent on Bavarian Nordic's continued interest in developing the COVID-19 vaccine and its willingness and ability to provide the resources necessary for a successful development, registration and commercialisation process. The Company believes the cost of an ambitious development program for the vaccine could amount to several hundred million Swedish krona. If Bavarian Nordic fails to develop and get regulatory approval for the COVID-19 vaccine, or if they are unable effectively commercialise the vaccine, it will have a direct impact on the Company's future milestone- and royalty streams. The Company believes that the risk that Bavarian Nordic does not turn out to be an effective partner is low.

The Company aims to develop products for which the competition is intense

ExpreS²ion faces competition from companies with considerably more resources and experience than ExpreS²ion, which may result in others discovering, developing, receiving approval for or commercializing products before or more successfully than ExpreS²ion. Specifically, there are now more than 100 COVID-19 vaccines in development, approximately 10 of which entered clinical trials ahead of the Company[1]. Several of these vaccines are being developed by significantly larger companies and/or enjoy government support far exceeding that which has been bestowed to the PREVENT-consortium in which the Company and AdaptVac are members. The Company does not believe that its COVID-19 vaccine will be the first vaccine to complete the clinical development process and achieve marketing authorisation. However, the risk that the approval of competing or complementary vaccines would impact Bavarian Nordic's plan to develop the COVI-19 vaccine is low. It is likely that more than one vaccine will be needed. Furthermore, the Company is not aware of any competing vaccine that offers the same potential for long term protection against infection. If the Company is able to successfully develop a HER2 breast cancer vaccine, the Company and its potential future partner would enter a market currently dominated by global pharmaceutical companies Roche and Genentech. The breast cancer vaccine must demonstrate that it is safe and at least as clinically effective as the therapies currently available. This includes not just other immunotherapies but also conventional breast cancer drugs such as well-known hormone and chemotherapy drugs. The Company believes that the risk that the HER2 breast cancer vaccine will turn out not to be able to demonstrate superior clinical efficacy in clinical trials is medium-to-high. If so, the entire investment in the program of several tens of million Swedish krona could be lost.

Dependence on key employees

As at the date of this Prospectus, ExpreS²ion employs 16 people, the majority of which works in R&D of which six hold PhD degrees. All biotech Companies rely on attracting and retaining key employees but a Company as small as ExpreS²ion becomes even more dependent on its employees. The work in which the Company is predominantly involved (protein expression) requires a unique combination of scientific insight and hands on experience in the lab which can be difficult and time consuming to replace should the Company lose one or more of its key scientists or lab technicians.

1) World Health Organization, 2020.

The Company believes that its employee relations are good and that the risk that it will lose key employees is low. To implement its new strategy the Company will have to be able to attract at least 10 additional highly skilled scientific employees over the coming months and years, the competition for whom is intense, both in Denmark and internationally. If the Company cannot attract and retain additional talent, it will not be able to effectively implement its new strategy and the business will suffer.

RISK RELATED TO EXPRES²ION BIOTECH'S FINANCIAL SITUATION

ExpreS²ion Biotech may not be able to fund its new strategy

ExpreS²ion's new business model requires it to increasingly finance own research and early clinical development activities which is very costly. During the financial years 2018 and 2019 the Company generated revenue from its service business and government grants of SEK 8.9 million and SEK 13.8 million respectively but these revenue sources were not, and will in all likelihood in the future not be, sufficient to cover the Company's expanding activities, particularly not those related to clinical development as envisioned for the HER2 breast cancer vaccine. The Company estimates that its immediate capital requirements up to and including the second quarter of 2022 amounts to approx. SEK 200m. The Company's annual burn rate – the yearly amount of additional cash needed to operate the Company's business model – will increase over the coming years, both as a result of the anticipated progress in the Company's pipeline and as a result of an increased number of staff. The Company may have to rely on repeated capital increases until such time where it is able to out-license one or more of its programs to a third party. This will particularly be the case if the COVID-19 vaccine which has been out-licensed to Bavarian Nordic, and for which the Company may in the future receive milestone and royalty payments, fails to show efficacy and receive regulatory approval. The Company believes that the risk that ExpreS²ion will not be able to attract a dditional funding if the COVID-19 vaccine fails is medium-to-high. If new equity funding is not available, ExpreS²ion could be forced to delay or terminate its product development efforts and in the worst instance the Company could be forced to terminate its entire operations.

The Company may not be able to win new government grants

The Company has in the past been successful in applying for and receiving non-dilutive grant funding, both from the Danish government, the EU and other sources and has been able to finance a significant part of its early exploratory research through such grants. The Company is currently party to combined grants of more than EUR 40 million in a variety of international vaccine and immunotherapy research programs. These grants have allowed the Company to participate in research activities it would not otherwise have had the financial means to partake in. The Company's lead program, the COVID-19 vaccine was initially developed on a public grant, and the Company's influenza and malaria activities have likewise been almost entirely funded by such grants. During the financial years 2018 and 2019, the Company's revenue from government grants amounted to SEK 2.73 million in total corresponding to 12 percent of the total revenue in the period. In addition to funding, public grants have also given the Company access to large international networks of universities and other public or semi-public research institutions. The application process for research grants is labour intensive and time consuming, and the competition for them is intense. There is no assurance the Company will continue to be successful when applying for grant funding and if it is not, this funding would have to be provided from the Company's equity. Alternatively, the Company would have to scale back on its exploratory and early research, which in turn would adversely impact its ability to add new exploratory vaccine candidates into its pipeline. However, the Company regard this risk as low.

LEGAL AND REGULATORY RISK

The Company may not control the intellectual property needed to commercialise its products

The Company is the sole owner of the ExpreS2 and the GlycoX-S2™ technology platforms. However, the cVLP platform is owned by AdaptVac, an independent entity over which the Company can exert limited control as AdaptVac is a joint venture with NextGen Vaccines, a company spun out from the University of Copenhagen's Institute of Immunology and Molecular Biology. Furthermore, the Company participates in research consortia where other parties also contribute intellectual property, for instance in the form of vaccine adjuvants which become an integral part of the product. In general, ExpreS²ion will always seek to enter written agreements with such collaborators about the ownership of intellectual property arising from the collaborations. Such agreements may provide that the parties at a later stage negotiate the commercial rights to joint inventions or inventions made by individual collaborators arising from the collaboration. Such negotiations may not be successful. In other instances, the consortium agreements (which are often based on templates provided by the grant authority) may be inadequate to clearly resolve the intellectual property arising from the collaboration. These uncertainties can make the commercial potential of the Company's early research and development activities difficult to evaluate and may lead to some of them having limited commercial potential for the Company. The Company regards this risk as low-to-medium. However, should the intellectual property rights around a particular vaccine- or immunotherapy candidate remain unclear, the Company's ability to find a development partner for such a product could be seriously adversely affected.

The Company may not have Freedom to Operate and may have to obtain licenses from third parties

Even if ExpreS²ion obtains patents covering its product candidates or compositions, it may still be barred from commercialising its product candidates or technologies because of the patent rights of others. Extensive Freedom to Operate searches are expensive and provide no guarantees. The Company has never carried one out. Others may already have filed patent applications covering compositions or products that are similar or identical to ExpreS²ion's or dominate the Company's patents. Furthermore, the Company may find that others have patented the molecular targets or pathways the Company means to address with its technologies. If so, the Company may be barred from commercial exploitation or may have to pay a royalty to do so. The Company believes there is a risk it may not have Freedom to Operate in all its programs and that it may have to obtain licenses from third parties. However, based on the Company's broad academic networks and its extensive experience of the fields in which it operates this risk is considered low.

Inadequate protection of intellectual property rights

ExpreS²ion and AdaptVac have several patent applications that are still pending for which the outcome is uncertain. The Company's patents covering new technologies on the glycosylation of protein antigens (essentially the HighMan™ and GlycoX-S2™ technologies) were recently submitted and are still awaiting the first office action from the patent authorities. The European patent for the cVLP technology which is significant for the Company's two key

programs, the COVID-19 vaccine and the HER2 breast cancer vaccine is also pending. The Company and AdaptVac may have to limit the claims in these patents or may not be able to achieve patenting at all. If so, the Company may have to rely on other protections, such as the patents covering vaccine antigens expressed with the ExpreS2 platform, trade secrets and others. Obtaining strong patent protection is important, particularly for a small Company like ExpreS²ion which has limited resources in case of a patent dispute. For instance, if AdaptVac's cVLP patent fails to grant in Europe or if it grants with significantly reduced claims it may be possible for other companies to develop and commercialise similar products in Europe in competition with ExpreS²ion and its partners. However, the cVLP patent granted with broad claims in the United States and the Company considers the risk that no patent will be granted in Europe as low. The risk that the glycosylation patents filed by ExpreS²ion described above are not granted is similarly considered low.

Uncertain regulatory guidance makes the time-to-market for the COVID-19 vaccine difficult to predict

All of the Company's current and future immunotherapy- and vaccine candidates will have to undergo clinical trials and will be subject to extensive regulatory review prior to market approval. Regulatory requirements, clinical guidelines and policies are all subject to revisions from time to time and may differ between countries. As is the case for all COVID-19 vaccines currently in development, the clinical and regulatory path to market for the Company's COVID-19 vaccine is not yet clear. It is expected that companies will be able to proceed directly from phase I studies to phase III studies, but the extent and design of such phase III studies is still under development with regulatory authorities and the WHO. There is therefore a great deal of uncertainty as to when the Company's COVID-19 vaccine, in the event that the vaccine undergoes the necessary studies with successful results, can reach the market. There is a high risk, in the event that the path to the market changes, is delayed or redone, that it may affect the Company's costs and strategy in a materially negative manner.

RISKS RELATED TO THE OFFERING AND THE COMPANY'S SHARES

Market price fluctuations

ExpreS²ion Biotech has been subject to higher share trading volumes and increased share price volatility since ExpreS²ion Biotech announced its intention to develop a vaccine against COVID-19. It is likely that this volatility will persist, and that market expectations, rumours or company news will at times significantly impact the price of ExpreS²ion Biotech's shares. ExpreS²ion Biotech is particularly dependent on the news flow emanating from the COVID-19 program but other development programs, such as the HER2 breast cancer program or the influenza program may also create fluctuations in ExpreS²ion Biotech's share price in the coming years. One recent press release concerning animal Proof of concept data from the COVID-19 vaccine resulted in an 80 percent increase in the Company's share price over the course of one trading day. If adverse news reduce the Company's share price in a similar fashion, it may have a negative effect on the Company's ability to raise additional capital. Specifically, should the share price fall below SEK 6 per share in March/April or August/September 2021, the Company will not realise the expected gross proceeds of approximately SEK 85 million from the exercise of the warrants issued in connection with the Offering, which could cause it to reduce its research and development spending and possibly delay its progress. The Company considers the risk associated with significant market price fluctuations medium-to-high.

The compensation for any sale of unit rights on the market may be less than the financial dilution

In the event that existing shareholders do not intend to exercise or sell their unit rights in the Offering, the unit rights will expire and become worthless, which entails no compensation for the holder. As a consequence, the proportional ownership and voting rights of such shareholders will be reduced in the Company.For shareholders who refrain from subscribing to Units in the Offering, a dilution effect arises, upon full subscription in the Offering, corresponding to a maximum of approximately 40.0 percent of the number of shares and votes. Upon full exercise of the warrants in the Offering, a dilution of approximately 11.8 percent of the number of shares and votes in the Company will arise after the completion of the Offering. In the event that a shareholder chooses to sell his unit rights, or if these are sold on behalf of the shareholder (eg through a nominee), there is a risk that the compensation the shareholder receives for the unit rights in the market does not correspond to the financial dilution in the shareholder's ownership in the Company after the Offering has been completed.

Risk to investors outside Sweden and Denmark

ExpreS²ion Biotech's share is denominated in SEK and any future dividend will be paid in SEK. A weakening of the Swedish krona relative to other currencies can therefore, when converted to local currency, mean that the value of foreign shareholders' shareholdings and dividends is adversely affected. If ExpreS²ion Biotech issues new shares with unit rights for existing shareholders in the future, foreign shareholders in some jurisdictions may be subject to restrictions which mean they cannot participate in such issues or that their participation in other ways are made more difficult, costly or restricted. For example, shareholders in the United States may be prevented from exercising such unit rights unless an exemption from the Securities Act is applicable. Shareholders in jurisdictions outside of Sweden and Denmark may be affected in a similar manner depending on local legal requirements.

TERMS AND CONDITIONS FOR THE SECURITIES

GENERAL

ExpreS²ion is a Swedish public limited liability company and ExpreS²ion Biotech's shares are registered in an CSD system in accordance with the Central Securities Depositories and Financial Instruments (Accounts) Act (SFS 1998:1479). The register is managed by Euroclear Sweden AB, Box 191, 101 23 Stockholm. Thus, no physical share certificates are issued. ExpreS²ion Biotech's shares are denominated in SEK and are issued in accordance with Swedish law and the provisions in the Swedish Companies Act (2005:551). All of ExpreS²ion Biotech's shares are fully paid, freely transferable and of the same share class. ExpreS²ion Biotech's share capital is SEK 1,818,432, and the number of shares is 16,365,891. Each share has a nominal value of SEK 0.1111. The ISIN code of the share is SE0008348262.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

The rights associated with the shares issued by ExpreS²ion Biotech, including the rights in accordance with the Articles of Association, may only be amended in accordance with the procedure laid out in the Swedish Companies Act (2005:551).

VOTING RIGHTS

There is one (1) class of shares in ExpreS²ion Biotech. Each share carries one vote at a general meeting, and each shareholder is entitled to a number of votes corresponding to the holder's number of shares in the Company.

PREFERENTIAL RIGHTS TO NEW SHARES ETC.

If the Company issues new shares, warrants or convertibles in relation to cash issue or set-off issue, the shareholders have, as a general rule under the Swedish Companies Act (2005: 551), a preferential right to subscribe for such securities in relation to the number shares held before the issue.

PARTICIPATION AT GENERAL MEETINGS

Notices to attend general meetings is carried out via announcement in the Swedish Official Gazette and on ExpreS²ion Biotech's website. ExpreS²ion Biotech shall announce that the notice has been issued by publication in the Swedish newspaper Svenska Dagbladet. Shareholders that want to attend the general meeting shall be registered in the share register managed by Euroclear five days before the general meeting, and notify attendance to the general meeting to ExpreS²ion Biotech at the latest on the day specified in the notice.

RIGHT TO DIVIDEND, THE SHARE OF EXPRES²ION BIOTECH'S PROFIT AND SURPLUS IN THE EVENT OF LIQUIDATION

All shares carry equal rights to dividends and to the Company's assets and any potential surplus in the event of liquidation. Decisions regarding dividends in limited liability companies are made by the general meeting of shareholders. The right to dividend accrues to the person who is entered in the share register and recorded in the record register on the record date set by the general meeting. This register is kept by Euroclear. Dividends are normally paid as a cash amount per share through Euroclear's provision but can also be paid out in another form. If a shareholder cannot be reached, her claim regarding the amount of payment to ExpreS²ion Biotech remains for ten years. At the end of the ten-year period, the dividend will accrue to ExpreS²ion Biotech.

There are no restrictions on dividends being paid out to shareholders residing outside of Sweden, with the exception for possible limitations following from the bank- and clearing system. Payment of dividends to shareholders residing outside of Sweden are carried out in the same way as payments to shareholders residing in Sweden. Shareholders not residing in Sweden will usually have to pay withholding taxes on the dividend payment. ExpreS²ion Biotech is, however, not obligated to pay any such tax.

ExpreS²ion Biotech has no dividend policy and has so far not paid any dividends. ExpreS²ion Biotech is in a development phase, and any revenue is planned to be re-invested in ExpreS²ion Biotech's continued development. Each share carries equal rights to ExpreS²ion Biotech's assets and profits. In the event of liquidation of ExpreS²ion Biotech, shareholders are entitled to a share of the surplus in proportion to the number of shares held by the shareholder.

CENTRAL SECURITIES DEPOSITORY

ExpreS²ion is affiliated with Euroclear's account-based securities system in accordance with the Central Securities Depositories and Financial Instruments (Accounts) Act (SFS 1998:1479). Shareholders that are registered in the share register and noted in the electronic securities system are entitled to all rights associated with the shares.

DECISION REGARDING THE OFFERING

On 25 August 2020, the Board of Directors of ExpreS²ion Biotech decided, subject to the subsequent approval of the Extraordinary General Meeting, on a new issue of a total of 5,455,297 Units with preferential rights for existing shareholders. The Board's decision on a new share issue was approved at an Extraordinary General Meeting on 23 September 2020. The new shares covered by the Offering will be issued with the support of this approval.

REGISTRATION OF THE OFFERING WITH THE SWEDISH COMPANIES REGISTRATION OFFICE

The preliminary date for registration of the Offering with the Swedish Companies Registration Office is expected to be during week 46. The specified date is preliminary and may change.

PUBLIC TAKEOVER BIDS

During public takeover bids, the rules applied are Takeover rules for certain trading platforms (the "Takeover rules") and the Swedish Securities Council decisions and notifications regarding interpretation and enforcement of the Industry and Commerce Stock Exchange Committee's previously valid rules "Rules regarding public takeover bids on the stock market". If the Board of Directors or the CEO, because of information from the party who is considering making a public takeover bid on ExpreS²ion Biotech's shares, have a valid reason to believe that such a bid will be made in the near future, or if such a bid already has been announced, ExpreS²ion Biotech can only act after a resolution has been made by the general meeting, so-called defense measures, which are aimed at worsening the pre-conditions for leaving or completing the offer.

This does not, however, prevent ExpreS²ion Biotech from looking for alternative bids. In the Takeover rules, there are also

regulations on mandatory public takeover bids because of obligations to make a bid, which in summary stipulates the following regarding the shareholders' rights and obligations: The bid shall include all shares in ExpreS²ion Biotech and include one payment alternative, which means all shareholders have the right to cash payment. The bidder is obligated to treat all shareholders with identical rights equally. The Shareholders acceptance period cannot be less than three weeks. A shareholder who has accepted a bid is generally bound by the acceptance.

Squeeze out of shares is not regulated in the Articles of Association but by the Swedish Companies Act, which in summary stipulates the following regarding the shareholders' rights and obligations: A shareholder holding at least nine-tenths (9/10) of the shares (the majority shareholder) has the right to squeeze out the remaining shares from the other shareholders. The shareholders whose shares can be squeezed out have the right to have their share redeemed by the majority shareholder. If the redemption price is not agreed upon, it shall be set to the price for which the shares could be sold under normal circumstances. If the majority shareholder requests squeeze out of the remaining shares after a public takeover bid has been announced, and the takeover bid has been accepted by more than nine-tenths (9/10) of the shares which are included in the takeover bid, the redemption price shall be at least equal to the share price included in the takeover bid, unless special circumstances call for another solution.

ExpreS²ions shares are not subject to any offers made because of an obligation to make a bid, squeeze out or redemption obligation. There have not been any public takeover bids regarding ExpreS²ion Biotech's shares during the current or the previous financial year.

TAX REGULATION IN CONNECTION WITH THE OFFERING

Investors in the Offering should be aware that the tax legislation in the investor's home country and in the Company's country of registration, which is Sweden, may affect the eventual return on the securities. Investors are encouraged to consult their independent advisor regarding tax consequences that may arise in connection with an investment in the Company related to the Offering.

TERMS AND CONDITIONS FOR THE OFFERING

PREFERENTIAL RIGHTS TO SUBSCRIBE

Shareholders registered in the Company's shareholder register on the record date of October 1, 2020 have pre-emptive rights to subscribe for Units in the Offering. One (1) existing shares held on the record date of October 1, 2020, entitles to one (1) Unit right. Three (3) unit rights entitles to subscription of one (1) unit consisting of two (2) new shares, one (1) warrant free of charge of series TO4 and one (1) warrant free of charge of series TO5. In addition, investors are offered the opportunity to subscribe for Units without the support of unit rights.

OFFERING AMOUNT

The Offering includes a maximum of 5,455,297 Units consisting of maximum 10,910,594 newly issued shares, 5,455,297 warrants of series TO4 free of charge and 5,455,297 warrants of series TO5 free of charge. At full subscription in the Offering, the Company will receive SEK 131 million before issuing costs. At full subscription in the Offering, and upon full exercise of warrants of series TO4 and TO5 the Company may receive additionally up to SEK 85 million before deduction of costs relating to the Offering.

SUBSCRIPTION PRICE

Subscription price is 24 SEK per Unit, corresponding to SEK 12 per share. Brokerage fees do not apply.

RECORD DATE

The record date at Euroclear to determine who will receive unit rights in the Offering will be October 1, 2020. The last day for trading in the Company's share including the right to receive unit rights will be September 29, 2020. The first day for trading in the Company's share excluding the right to receive unit rights will be September 30, 2020.

UNIT RIGHTS

The right to subscribe for Units is exercised with unit rights. For each share in the Company held on the record date, one (1) unit right is obtained. Three (3) unit rights entitles to subscribe for one (1) new Unit consisting of two (2) new shares, one (1) warrants of series TO4 free of charge and one (1) warrants of series TO5 free of charge.

Trading with unit rights

Trading with unit rights will commence on Nasdaq First North Growth Market during the period October 5 – October 15, 2020 under ticker EXPRS2 UR. A bank or other nominee handles the mediation of purchase or sale of unit rights. Anyone who wishes to acquire or sell unit rights should therefore contact their bank or other nominee. By trading unit rights, commission is normally paid. ISIN for the unit rights is SE0014957957.

SUBSCRIPTION PERIOD

Notification of subscription of Units through exercise of unit rights shall be made through simultaneous cash payment during the period October 5 – October 19 2020. After the subscription period, unexercised unit rights will be annulled and without value. Unexercised unit rights will, without notification from Euroclear, be deregistered from the holders VP account. To prevent loss of value of the unit rights must be exercised to subscribe for Units by October 19, 2020 or sold by October 15, 2020 at the latest. The Board of the Company is entitled to extend the time during which the application for subscription and payment can be made. A possible extension of the subscription period and payment period shall be made public through a press release at the latest by October 19, 2020.

SUBSCRIPTION AND PAYMENT WITH THE SUPPORT OF UNIT RIGHTS

Directly registered shareholders

The shareholders who on the record date are registered in the Company's share register, will be provided with a printed issue statement with an attached payment slip from Euroclear. The pre-printed issue statement will include the number of assigned unit rights. Those who are included in the share register special list of creditors and others will not receive an issue statement but will be notified separately. No separate notice confirming the registration of unit rights in the shareholder's VP-account will be sent out.

Notification of subscription of Units with the support of unit rights shall be made with simultaneous cash payment. Please note that it may take up to three business days for the payment to reach the recipient account. Subscription forms sent by mail should therefore be sent well in advance of the last subscription day. Subscription and payment shall be made in accordance with any of the following options:

1. Pre-printed payment form from Euroclear

If all of the received unit rights are exercised for subscription of new Units, only the pre-printed payment slip from Euroclear should be used as a basis for subscription through payment. Special application form should then not be used. No additions or changes may be made in the pre-printed payment slip. Subscription is binding.

2. Special application form

In the event that unit rights are acquired or divested or if, for other reasons, the shareholder intends to exercise a different number of unit rights than stated in the pre-printed Euroclear payment slip, a special application form must be used. Subscription through payment shall be made in accordance with the instructions on the special application form. The pre-printed payment form from Euroclear must therefore not be used. Special application form can be obtained from Arctic Securities by phone, email or by downloading it from Arctic Securities website. Completed application forms should be mailed or delivered to the address below and be at Arctic Securities no later than 3 pm on October 19, 2020. It is only allowed to submit one (1) application form. In the event that more than one (1) application form is submitted, only the last received will be considered. Completed special application form is sent or delivered to:

Arctic Securities

Emissionsavdelningen/ExpreS²ion Biotech
Regeringsgatan 38
111 56 Stockholm

Telephone: +46 8 446 860 70

E-mail: subscription@arctic.com

Website: www.arctic.com/secse

Nominee registered shareholders with a depository at a bank or other nominee

Shareholders who are nominee-registered with a bank or other nominee on the record day will not receive any issue statement from Euroclear. Subscription and payment for nominee-registered shareholders shall be made in accordance with instructions from each bank or other nominee.

SUBSCRIPTION WITHOUT UNIT RIGHTS

Notification for subscription of Units without support of unit rights shall be made during the same period as the notification of subscription of Units supported by unit rights, that is during the period October 5 – October 19, 2020.

If all of the Units are not subscribed for with Unit rights, the board will decide on allotment of Units subscribed for without Unit rights. Allotment will then be made firstly to persons who have applied for subscription without unit rights and who have subscribed for Units with Unit rights, regardless of whether or not the subscriber was a shareholder on the record date, and in case of oversubscription, allocation shall be made in relation to the total number of Units allotted through exercise of Unit rights, and to the extent that this is not possible, by drawing of lots. Secondly, allocation shall be made to other persons who have applied for subscription without Unit rights, and in the case of oversubscription, pro rata to the number of Units subscribed for in the application form, and to the extent that this is not possible, by drawing of lots. Finally, allotment of the remaining Units shall be made to the investors who have provided guarantees and in accordance with the conditions of their respective guarantee.

Directly registered shareholders

Directly registered shareholders notification to subscribe for Units without the support of unit rights shall be made on a subscription form which is completed, signed and then sent or submitted to Arctic Securities with the address as above. The subscription form can be ordered from Arctic Securities via phone, email or by downloading it from the homepage www.arctic.com/secse. The subscription form must be with Arctic Securities no later than 3 pm on October 19, 2020. Only one subscription form per person or firm will be considered. In the event that more than one (1) subscription form is submitted, only the last received will be considered. Incomplete or incorrectly completed subscription form may be left unanswered. Subscription is binding. Notice of any allocation will be provided by sending out a settlement note, which must be paid in accordance with the instructions. Notifications will only be sent to allocated parties.

Nominee registered shareholders with a depository at a bank or other nominee

Nominee registered shareholders notification for subscription of Units without the support of unit rights shall be made in accordance with instructions from the respective bank or other nominee.

FOREIGN SHAREHOLDERS

Shareholders residing outside Sweden who wishes to subscribe in the Offering may send the pre-printed payment form from Euroclear, in case all the unit rights received are exercised, or a special application form, if a different number of unit rights is exercised, together with payment to the address above. Payment shall be made to Arctic Securities bank account at DNB with the following account details:

Bank: DNB (Den Norske Bank)
IBAN-number: SE2291900000091954995034
SWIFT: DNBASESXXXX

Please note that due to restrictions in the securities law, the Offering pursuant to this Prospectus is not addressed to persons resident in the United States, Australia, Japan, New Zealand, Singapore, South Africa, Hong Kong, Canada or other countries where participation requires an additional prospectus, registration or other measures than those required by Swedish law. Shareholders with registered addresses in one of these countries are urged to contact Arctic Securities to obtain proceeds from the sale of received unit rights, after deduction of selling costs, which these holders would otherwise have been entitled to. Payment of such sales proceeds will not be made if the net amount is less than SEK 200.

INTERMEDIARY UNITS ("BTU")

Subscription by payment is registered with Euroclear as soon as possible, which usually means up to three days after payment. Subsequently, the subscriber receives a VP-notice confirming the booking of the BTU in the subscriber's VP-account. Shareholders whose holdings are nominee registered via a depository at a bank or other nominee receives information from the respective nominee.

Trading in BTU

Trading in BTU's will take place on Nasdaq First North Growth Market from October 5, 2020 until the Offering is registered with Swedish Companies Registration Office, which is expected in week 46, 2020. ISIN code of the BTU is SE0014957965.

DELIVERY OF SHARES AND WARRANTS

BTU will be replaced by shares and warrants as soon as the Offering has been registered by the Swedish Companies Registration Office. After this registration, BTU will be replaced on each respective VP-account by shares and warrants without special notification. Such a replacement is expected to take place week 47, 2020. The newly issued shares and warrants will be admitted to trading on Nasdaq First North Growth Market in connection with the registration of the Offering by the Swedish Companies Registration Office.

RIGHT TO DIVIDEND

The newly issued shares will entitle to dividend for the first time at the record date for dividend nearest occurring after the new shares have been entered in the Company's share register.

OTHER INFORMATION

The Board of the Company is not entitled to cancel, revoke or temporarily withdraw the Offering to subscribe for Units in the Company in accordance with the terms of this Prospectus. The subscription for Units is irrevocable and the subscriber cannot cancel or modify a subscription for Units. Incomplete or incorrectly completed application form may be left without consideration. If the subscription proceeds are paid late, are insufficient or incorrectly paid, the subscription can be left without consideration or subscription will be made with a lower amount. Payment that has not been claimed will be refunded. If multiple subscription forms of the same category are submitted, only the subscription form that was most recently received by Arctic Securities will be considered. Late payment of less than SEK 100 will only be refunded on request.

ANNOUNCEMENT OF THE RESULTS IN THE OFFERING

The outcome of the Offering will be published by press release and is expected around October 26, 2020.

WARRANT OF SERIES TO4

Three (3) warrants of series TO4 entitles the holder to subscribe for one (1) share in the Company during the period from April 12,

2021 to April 26, 2021. Strike price for warrants will correspond to 70 percent of the VWAP of the Company's share price on Nasdaq First North Growth Market during the period from March 29, 2021 to April 9, 2021, but at least SEK 6 and a maximum of SEK 22 per share.

WARRANT OF SERIES TO5

Three (3) warrants of series TO5 entitles the holder to subscribe for one (1) share in the Company during the period from September 6, 2021 to September 20, 2021. Strike price for warrants will correspond to 70 percent of the VWAP of the Company's share price on Nasdaq First North Growth Market during the period from August 23, 2021 to September 3, 2021, but at least SEK 6 and a maximum of SEK 25 per share.

SUBSCRIPTION- AND UNDERWRITING COMMITMENTS

The Offering is secured up to 100 percent through subscription commitments of approx. SEK 26 million, corresponding to approx. 20 percent of the Offering. All members of the Board of Directors and the CEO have committed to subscribe for shares for a total of approx. SEK 1.8 million.

In addition, the Company has received guarantee undertakings with external investors of approx. SEK 105 million, corresponding to approx. 80 percent of the Offering. Nyenburgh Holding B.V. have entered into a top guarantee undertaking, which refers to the space between approx. 92 percent up to 100 percent, corresponding to SEK 10 million of the Offering. The remaining guarantors have entered into a bottom guarantee undertaking, which refers to the amount from subscription commitments up to approx. 92 percent, corresponding to approx. SEK 95 million of the Offering.

A group of investors that have entered into a guarantee undertaking have also entered into a subscription commitment in the Offering which requires takeover of Unit rights from larger shareholders consisting of founders, board members and/or management of ExpreS²ion. Cash commission is payable under the guarantee undertakings of ten (10) percent of the guaranteed amount. The guarantee undertakings were entered in August 2020. No cash or other assets have been pledged and no other collateral has been provided to secure the commitments.

	Subscription commitments		Guarantee undertakings		Total commitments	
Part	**Amount, Thousand SEK**	**(%)****	**Amount, Thousand SEK**	**(%)****	**Amount, Thousand SEK**	**(%)****
AR Consult ApS (Board member Allan Rosetzsky)	482	0.4	0	0.0	482	0.4
Martin Roland Jensen (Chairman of the Board of Directors)	482	0.4	0	0.0	482	0.4
Bent U. Frandsen (CEO)	420	0.3	0	0.0	420	0.3
Gitte Pedersen (Board member)	202	0.2	0	0.0	202	0.2
Jakob Knudsen (Board member)	168	0.1	0	0.0	168	0.1
Nyenburgh Holding B.V.*[a]	11 000	8,4	10 000	7,6	21 000	16,0
Wilhelm Risberg*[b]	2 000	1,5	17 500	13,4	19 500	14,9
Fredrik Lundgren*[b]	4,250	3.2	13,500	10.3	17,750	13.6
Lusam Invest AB*[c]	4,250	3.2	12,500	9.5	16,750	12.8
John Fällström*[b]	1,500	1.1	15,000	11.5	16,500	12.6
Gerhard Dal*[b]	500	0.4	8,000	6.1	8,500	6.5
ARK Invest ApS*[d]	338	0.3	0	0.0	338	0.3
JSH BIOTECH ApS*[e]	338	0.3	0	0.0	338	0.3
AB LUNDGREN, NILSSON & MOLL*[f]	300	0.2	1,050	0.8	1,350	1.0
Stefan Lundgren*[b]	190	0.1	750	0.6	940	0.7
Oscar Molse[b]	-	0.0	9,000	6.9	9,000	6.9
Modelio Equity AB (publ)[g]	-	0.0	5,000	3.8	5,000	3.8
Litcap AB[h]	-	0.0	3,750	2.9	3,750	2.9
Oliver Molse[b]	-	-	2,500	1.9	2,500	1.9
John Bäck[b]	-	0.0	2,500	1.9	2,500	1.9
Biehl Invest AB[i]	-	0.0	1,750	1.3	1,750	1.3
Feat Invest AB[j]	-	0.0	1,750	1.3	1,750	1.3
TOTAL	**26,420**	**20.2**	**104,550**	**79.9**	**130,970**	**100.0**

a) Nyenburg Holding B.V. are available on the following adress: Beursplein 5, 1012 JW Amsterdam, Netherlands.
b) Available at the Company's adress.
c) Lusam Invest are available on the following adress: Erik Dahlbergsallén 15, 11520 Stockholm.
d) ARK Invest ApS are available on the following adress: Vingårds Alle 39, 2900 Hellerup, Denmark.
e) JSH Biotech ApS are available on the following adress: Vingårds Alle 39, 2900 Hellerup, Denmark.
f) AB Lundgren, Nilsson & Moll are available on the following adress: Nedre långvinkelsgatan 34, 25234 Helsingborg.
g) Modelio Equity are available on the following adress: Eriksbergsgatan 1b 11430 Stockholm.
h) Litcap AB are available on the following adress: Månvägen 11, 18151 Lidingö.
i) Biehl Invest AB are available on the following adress: Vinghästvägen 6, 16771 Bromma.
j) Feat Invest AB are available on the following adress: Textilgatan 31, 12030 Stockholm.

*Subscription commitment via takeover of unit rights.
**Proportion of the Offering.

TRADING IN EXPRES²ION BIOTECH'S SHARE

ExpreS²ion Biotech's shares have been listed on Nasdaq First North Growth Market since July 2016 under the ticker EXPRS2 and with the ISIN code SE0008348262. The warrants issued in the Offering are intended to be traded on Nasdaq First North Growth Market with the ISIN code SE0014958328 for TO4 and the ISIN code SE0014958336 for TO5.

DILUTION

Full subscription in the Offering implies that the number of shares in the Company increases from 16,365,891 shares to 27,276,485 shares, each with a nominal value of approximately 0.1111 SEK, which corresponds to a dilution of 40.0 percent of the number of shares and the votes in the Company. Shareholders have the opportunity to sell their unit rights in order to receive financial compensation for the dilution. Upon full exercise of the warrants in the Offering, the number of shares will increase by 3,636,864 to a maximum of 30,313,349 shares, corresponding to a dilution of approx. 11.8 percent of the number of shares and the votes in the Company after the completion of the Offering.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

As of the date of the Prospectus, the Board of Directors consists of four members, including the chairman of the Board, elected up until the end of the 2021 annual general meeting. According to ExpreS²ion Biotechs's articles of association, the Board of Directors is to consist of not less than three and not more than ten board members, with no deputy members. The Board of Directors and senior management can be contacted via ExpreS²ion Biotechs's address c/o Mindpark, Rönnowsgatan 8c, 25 225 Helsingborg, Sweden.

			Independent in relation to:	
Name	**Position**	**Board member since**	**The Company and its management**	**Major shareholders**
Dr. Martin Roland Jensen	Chairman of the Board of Directors	2016	Yes	Yes
Dr. Allan Rosetzsky	Board member	2016	Yes	Yes
Gitte Pedersen	Board member	2016	Yes	No
Jakob Knudsen	Board member	2017	Yes	No

DR. MARTIN ROLAND JENSEN

Chairman of the Board of Directors (born 1960)

Education: Dr. Martin Roland Jensen has a PhD in cell and molecular biology from the University of Copenhagen.

Previous assignments/engagements: Dr. Martin Roland Jensen has broad experience in management within the biotechnology industry and has also been co-founder of, and founded himself, a number of biotechnology companies. Dr. Jensen is one of the co-founders of the Company. In addition, he has many years' experience in scientific work, mainly within immunology, cell biology and the development of cancer vaccines.

Other material ongoing assignment: Co-founder and CBO in Cell2Cure ApS, co-founder and COO in Unikum Tx. ApS and founder and CEO in Medic Advice ApS.

Holdings: As of the date of the Prospectus, Dr. Martin Roland Jensen owns 209,436 shares and no warrants in ExpreS²ion Biotech. Dr. Jensen also owns 562,021 shares, corresponding to 32.22 percent of the capital and votes in ExpreS²ion Holding ApS, which in turn owns 1,744,370 capital and votes, corresponding to approximately 10.83 percent of the shares in ExpreS²ion Biotech.

DR. ALLAN ROSETZSKY

Board Member (born 1948)

Education: Dr. Allan Rosetzsky has graduated as a Doctor of Medicine from the University of Copenhagen.

Previous assignments/engagements: Dr. Allan Rosetzsky has worked for several years in the Danish healthcare sector. Dr. Rosetzsky has also held several management positions within pharmaceutical development in the Rhône-Poulenc Group. In addition to this, he has founded, developed and run his own company KLIFO, which was involved in international contract research. Dr Rosetzsky is also active in Business Angels Copenhagen.

Other material ongoing assignment: Chairman of the board of directors and CEO in AR Consult ApS.

Holdings: As of the date of the Prospectus, Dr. Allan Rosetzsky owns 34,000 shares privately and 1,306,109 shares through his wholly-owned company AR Consult ApS in ExpreS²ion Biotech. Dr. Rosetzsky owns no warrants in ExpreS²ion Biotech.

GITTE PEDERSEN

Board Member (born 1963)

Education: Gitte Pedersen has a master's degree in chemical technology and a bachelor's degree in business studies.

Previous assignments/engagements: Gitte Pedersen has over 20 years' experience in the biotechnology and pharmaceutical industries. She has worked for Novo Nordisk within research and development, production and marketing and has also held positions of Head of Marketing with global responsibility for a large product portfolio. Gitte Pedersen has, in addition, worked as a business consultant for biotechnology and pharmaceutical companies in both early and later phases in North America. In this capacity, she also assumed the role of Consultant to the Danish Ministry of Foreign Affairs and secured business worth several billion USD for companies within the Danish biotechnology industry. Gitte Pedersen has founded the company Genomic Expression and Legomics.

Other material ongoing assignment: Chairman of the board of directors in Genomic Expression ApS, Legomics ApS, Legomics Inc. and MPL Holding ApS. Chairman of the Board and management positions in Genomic Expression Inc. and Proximity Venture LCC.

Holdings: As of the date of the Prospectus, Gitte Pedersen owns 25,200 shares and no warrants in ExpreS²ion Biotech.

JAKOB KNUDSEN

Board Member (born 1968)

Education: Jakob Knudsen has a Law Degree from the University of Copenhagen and an MBA from Imperial College, UK.

Previous assignments/engagements: Jakob Knudsen is the CEO of ViroGates A/S, an international biotechnology company located in Denmark. Following his graduation in 1994, Jakob Knudsen has built up extensive experience in commercial operations, including IP, marketing and finance. He has held various positions at ALK-Abelló A/S, a listed mid-sized biotechnology company, including the manager of its Corporate Business Development. Furthermore, he has held positions as CCO and CFO at the pharmaceutical company Egalet Ltd.

Other material ongoing assignment: Board member in P.V. the Fund and CEO at Virogates A/S.

Holdings: As of the date of the Prospectus, Jakob Knudsen owns 21,000 shares and no warrants in ExpreS²ion Biotech.

SENIOR MANAGEMENT

Name	Position	Employed since
Bent Ulrich Frandsen	Chief Executive Officer	March 2016
Willem Adriaan (Wian) de Jongh	CSO and co-founder of the Company	March 2011

BENT ULRICH FRANDSEN

Chief Executive Officer (born 1967)

Education: Bent U. Frandsen holds a Master's degree in Finance and Strategic Planning from Copenhagen Business School.

Previous assignments/engagements: Bent U. Frandsen has 27 years of professional experience from senior positions in multinational companies, including 24 years in listed as well as private companies in the Life Science industry, for example H. Lundbeck A/S, ALK-Abelló A/S and CMC Biologics A/S. In these positions, Bent U. Frandsen has been responsible for license agreements, acquisitions, company transfers, collaboration agreements and capitalisations of over EUR 200 million. Bent U. Frandsen was part-time CEO in Amphidex A/S.

Other material ongoing assignment: Board member in the Company's joint venture company AdaptVac ApS.

Holdings: As of the date of the Prospectus, Bent U. Frandsen owns 70,051 shares and 32,094 warrants in ExpreS²ion Biotech.

WILLEM ADRIAAN (WIAN) DE JONGH

CSO and co-founder of the Company (born 1976)

Education: Dr. de Jongh holds a Master's degree in Chemical Engineering from Stellenbosch University. He also holds a PhD in biotechnology from the Technical University of Denmark, where he is also an affiliated associate professor.

Previous assignments/engagements: Dr. de Jongh is specialised in the development of advanced cell line genetic engineering tools and has a key role in the development of the Company's ExpreS2 platform. Dr de Jongh also has extensive experience in molecular biology, process development and project management in the pharmaceutical industry.

Other material ongoing assignment: Co-founder and CEO in the Company's joint venture company AdaptVac ApS.

Holdings: As of the date of the Prospectus, Dr. de Jongh owns 43,600 shares and 32,094 warrants in ExpreS²ion Biotech. Dr. de Jongh also owns 562,021 shares, corresponding to 32.22 percent of the shares in ExpreS²ion Holding ApS, which in turn owns 1,744,370 shares, corresponding to approximately 10.83 percent of the shares in ExpreS²ion Biotech.

Other information about the Board of Directors and the management

There are no family ties between any of the board members or senior management. None of ExpreS²ion Biotech's board members or senior management have any private interests that could conflict with those of ExpreS²ion Biotech. However, as described above, several board members and senior executives have financial interests ExpreS²ion Biotech through their shareholdings or warrant ownership. None of the board members or senior management have been chosen or elected as a result of a specific arrangement with major shareholders, customers, suppliers or other parties.

Bent U. Frandsen was part-time CEO in Amphidex A/S that entered into bankruptcy in the beginning of 2016 which was finalised in the middle of 2016.

None of the board members or senior management in ExpreS²ion Biotech have, apart from the information mentioned above, over the past five years, been (i) a representative of any company, apart from the positions specified for the various board members and senior executives, (ii) convicted in fraud-related court cases, (iii) represented a company that has been declared bankrupt or that has involuntarily entered into liquidation, (iv) accused by a public authority or organisation that represents a certain professional group and is governed via public sector law, or (v) banned from taking part in business activities.

REMUNERATION TO THE BOARD OF DIRECTORS, CEO AND MANAGEMENT

Remuneration to the Board of Directors

The chairman and the other members of the Board of Directors receives a remuneration, normally in accordance with the decision of the annual general meeting. However, at the Extraordinary General Meeting on 23 September 2020 it was resolved that the remuneration to each of the board members elected by the Extraordinary General Meeting will amount to SEK 75,000 and SEK 150,000 for the chairman of the Board of Directors.

The board members of ExpreS²ion Biotech are not entitled to any benefits after their resignation as members of the board.

Remuneration during 2019

The table below presents the remuneration paid during the 2019 financial year to board members and CEO.

(SEK thousand)	Salaries and remunerations	Social expenses
ExpreS²ion Biotech Holding AB (parent company)		
Board of Directors and CEO	75	0
ExpreS²ion Biotechnologies ApS (subsidiary)		
Board of Directors and CEO	1,899	3
Total	**1,974**	**3**

The Company has no allocated or accrued amounts for pensions or similar benefits after a board member or senior executive resignation from office or assignment.

HISTORICAL FINANCIAL INFORMATION AND KEY FIGURES

This section presents selected historical financial information for ExpreS²ion Biotech, at a group level for the financial years ending December 31, 2019 and 2018, respectively (audited), as well as the six-month interim period ending June 30, 2020 and 2019, respectively (not audited). The consolidated financial statements comprise the parent company ExpreS²ion Biotech Holding AB and the subsidiaries in which the parent company directly or indirectly holds more than 50 percent of the votes or otherwise has a controlling influence. The consolidated financial statements have been prepared in accordance with the acquisition method, which means that equity in the subsidiaries at the acquisition date is eliminated in its entirety. Thus, in the group's equity, only the part of the subsidiaries' equity that has been added after the acquisition is included. ExpreS²ion Biotech Holding AB is the parent company of a group that also includes the wholly-owned Danish operations subsidiary ExpreS²ion Biotechnologies ApS. ExpreS²ion Biotech Holding AB owns no shares in other companies. The wholly-owned subsidiary ExpreS²ion Biotechnologies ApS currently owns 50 percent of AdaptVac ApS which is treated in the accounts as an associated company to ExpreS²ion Biotech. ExpreS²ion Biotech's financial statements are prepared according to the Swedish Annual Accounts Act and Swedish Accounting Standards Board's general standard BFNAR 2012:1 (K3). The financial statements are prepared in Swedish krona. The historical financial information is incorporated by reference in accordance with the following:

Interim report for the period January 1 – June 30, 2020 (not audited)	**Page**
Group income statement	8
Group balance sheet	9
Group statement of changes in equity	11
Group cash flow statement	10

Annual report 2018 can be found on the following link:

http://investor.expres2ionbio.com/wp-content/uploads/2020/09/200820_ExpreS2ion_Q2_ENG.pdf

Annual report 2019 (audited)	
Group income statement	17
Group balance sheet	18
Group statement of changes in equity	19
Group cash flow statement	20
Auditors report	36

Annual report 2019 can be found on the following link:

http://investor.expres2ionbio.com/wp-content/uploads/2020/09/200504-ExpreS2ion-AB-Annual-report-ENG-FINAL.pdf

Annual report 2018 (audited)	
Group income statement	16
Group balance sheet	17
Group statement of changes in equity	18
Group cash flow statement	19
Auditors report	33

Interim report Jan 1-June 30, 2019 can be found on the following link:

http://investor.expres2ionbio.com/wp-content/uploads/2019/06/190502-ExpreS2ion-AB-Annual-report-2018-ENG-FINAL.pdf

KEY RATIOS

The table below shows certain key ratios for the 2019 and 2018 financial years, as well as for the period January – June 2020 and 2019. The table has not been independently audited or reviewed.

	Not audited		*Audited*	
	H1-2020	**H1-2019**	**2019**	**2018**
Net income per share[a] (SEK)	0.64	-0.58	-1.23	-1.40
Equity per share[a] (SEK)	0.27	0.61	- 0.08	0.69
Equity/assets ratio[a] (%)	14.8	39.2	-5.8	39.6
Average number of shares	15,817,281	13,584,237	13,202,015	11,541,664

a) Defined by the Company's applicable accounting principles and therefore not considered an alternative performance measure according to ESMA's guidelines.

Net income per share

ExpreS²ion Biotech's net income/loss divided by the average number of shares for a given period. Net income per share provides an indication of the underlying profitability of ExpreS²ion Biotech's business.

Equity per share

ExpreS²ion Biotech's equity divided by the average number of shares during the period. Equity per share provides an indication of the underlying value of ExpreS²ion Biotech and is frequently used as a comparison to the share price.

Equity/assets ratio

ExpreS²ion Biotech's equity divided by total assets, expressed in per cent. Equity per assets provides an indication of the proportion of ExpreS²ion Biotech's assets on which shareholders have a residual claim.

Average number of shares

The average number of issued shares during the period. The average number of shares provides a better basis for the per share ratios listed above since the number of shares can change considerably during the period.

Material changes of ExpreS²ion Biotech's financial position after 30 June 2020 until the date of this Prospectus

Apart from the decision of the Extraordinary General Meeting on 23 September 2020 to conduct the Offering, no significant changes have taken place regarding the Company's financial position after 30 June 2020 until the date of the Prospectus.

Dividend policy

ExpreS²ion Biotech has not adopted a dividend policy as of the date of the Prospectus, nor has it made any dividend to its shareholders during the period covered by the historical financial information. ExpreS²ion Biotech is currently in an expansion phase, and any profit is planned to be re-invested in the continued Company development, and therefore no dividend is expected to be paid in the next few years.

SHAREHOLDER, LEGAL AND OTHER INFORMATION

GENERAL INFORMATION ABOUT THE SHARES IN EXPRES²ION BIOTECH

In accordance with ExpreS²ion Biotech's articles of association as of the date of the Prospectus, the share capital shall be no less than SEK 1,500,000 and no more than 6,000,000 distributed in no less than 13,500,000 shares and no more than 40,500,000. As of 1 January 2019, ExpreS²ion Biotech's share capital was SEK 1,333,557.22 distributed on 12,002,015 shares. As of 31 December 2019, ExpreS²ion Biotech's share capital was SEK 1,511,183 distributed on 13,602,015 shares. As of June 30, 2020, ExpreS²ion Biotech's share capital was SEK 1,789,170.44 distributed on 16,102,534 shares. As of the date of the Prospectus, ExpreS²ion Biotech's share capital is SEK 1,818,432.33 distributed on 16,365,891 shares. Each share has a nominal value of SEK 0.1111.

Upon completion of the Offering, if it is fully subscribed, ExpreS²ion Biotech's share capital will be SEK 3,030,720.56 distributed on 27,276,48 shares. After full exercise of the warrants in the Offering, ExpreS²ion Biotech's share capital will be SEK 3,434,816.56 distributed on 30,913,349 shares. Each share will continue to have a nominal value of SEK 0.1111. ExpreS²ion Biotech's shares are traded on Nasdaq First North Growth Market under the ticker: EXPRS2 (ISIN: SE0008348262).

All shares of ExpreS²ion Biotech are of the same share class, carry one vote at the general meetings, are fully paid, freely transferable and denominated in SEK.

OWNERSHIP STRUCTURE

The table below lists all shareholders with no less than five percent of the capital and votes in ExpreS²ion Biotech as of 30 June 2020. The Company is not directly or indirectly controlled by any shareholder.

Name	Number of shares held	Share of votes and capital (%)
ExpreS²ion Holding ApS[a]	1,744,370	10.7
Allan Rosetzsky	1,411,909	8.6
Försäkringsbolaget Avanza Pension	800,248	4.9
Summary Shareholders > 5%	**3,956,527**	**24.2**
Remaining shareholder (below 5%)	*12,409,364*	*75.8*
Total	**16,365,891**	**100.0**

a) Chairman of the board Martin Roland Jensen holds 32.2 percent of the voting and capital shares in ExpreS2ion Holding ApS. Charlotte Dyring, a co-founder of the Company, owns 39.2 percent of the voting and capital shares in ExpreS2ion Holding ApS. CSO Wian de Jongh owns 28.6 percent of the voting and capital shares in ExpreS2ion Holding ApS.

SHAREHOLDERS' AGREEMENT

ExpreS²ion Biotech is not aware of any shareholders' agreement or any other understanding or similar agreements between ExpreS²ion Biotech's shareholders intended to exercise joint control of ExpreS²ion Biotech. Neither is ExpreS²ion Biotech aware of any agreement or arrangement that would lead to a change of control in ExpreS²ion Biotech.

INCENTIVE PROGRAMS

2019/2022 incentive program

On 23 May 2019, the annual general meeting authorised the board to issue a maximum of 680,100 warrants to selected employees. The warrants were subsequently allocated based on the following principles:

- The CEO shall be offered a maximum of 89,438 subscription warrants
- Other members of management shall be offered a maximum of 69,563 subscription warrants each
- Other senior/leading employees shall be offered a maximum of 49,688 subscription warrants each
- Mid-level employees shall be offered a maximum of 39,750 subscription warrants each, and
- Other employees shall be offered a maximum of 27,328 subscription warrants each.

The time for exercising the warrants runs from June 1, 2022 to August 31, 2022. The transfer from the subsidiary to each employee shall be made on marketable terms based on a calculation according the so called Black & Scholes model and conducted by Deloitte AB, who is considered independent in relation to ExpreS²ion Biotech. As of the date of the Prospectus, each subscription warrant entitles the holder to subscribe to 680,100 new shares in ExpreS²ion Biotech at an exercise price of SEK 4.81. Upon full exercise of all warrants, ExpreS²ion Biotech's share capital will increase by 75,566.59 SEK distributed among 680,100 shares, corresponding to a dilution of 4.1 percent based on the number of shares on the date of the Prospectus.

PATENTS AND INTELLECTUAL PROPERTY

The ExpreS2 patents

The Company holds a patent covering an Improved Protein Expression System issued in Europe and the US. The invention relates to the field of genetic engineering and molecular biology, in particular to novel promoter DNA polynucleotides and its use as a tool for improved protein expression in S2 cells (*Drosophila melanogaster*). Furthermore, the invention relates to vectors containing the polynucleotide and the use of these in recombinant expression of polypeptides, in particular heterologous expression of proteins, such as industrial enzymes or proteins for pharmaceutical use. The patent is fully owned by the Company.

Patent family	Country	Status	Expiry year
S2 vector system	Australia, Canada, Switzerland, China, Germany, Denmark, Spain, France, United Kingdom, Ireland, India, Italy, Japan, Republic of Korea, Netherlands	Granted	2029
	USA	Granted	2032
New Flavivirus vaccine	European Patent Office	Pending	2037
	US Patent Office	Pending	2037
High Mannose/fucose antigens	PCT	Pending	2040
Humanised glycosylation in S2 cells	PCT	Pending	2040

AdaptVac's cVLP patents

AdaptVac has been granted an exclusive global license to a broad patent covering a Virus Like Particle with Efficient Epitope Display from the University of Copenhagen. The invention relates to a technology and method for making a virus-like particle-based vaccine with efficient epitope display capable of inducing a strong and long-term protective immune response. The invention solves the key challenge of obtaining a virus-like particle which presents a larger antigen on the particle surface at high density, with regular spacing and with consistent orientation. These are the three critical factors for obtaining optimal activation of the immune system.

Patent family	Country	Status	Expiry year
Virus like particle with efficient epitope display	USA, Australia	Granted	2036
	European Patent Office	Pending	2036
AV001 (compound)	USA	Granted	2036
	European Patent Office	Pending	2036

MATERIAL AGREEMENTS

Below is a summary of the material agreements that are not within the Company's ordinary course of business and that have been entered into by ExpreS²ion Biotech, or any of its subsidiaries, during the last twelve months prior to the date of the Prospectus.

The option to inlicense AV001

ExpreS²ion and AdaptVac entered into an agreement on the therapeutic HER2 breast cancer vaccine candidate AV001 on 26 February 2020. The agreement provides ExpreS²ion an option to enter an exclusively global license to the program. The terms of the License Agreement, that ExpreS²ion may execute any time before February 26, 2021, contain financial consideration to AdaptVac in the form of an upfront payment at signature of the agreement of DKK 2.5 million (SEK 3.5 million), a payment upon the release of clinical-ready production material of DKK 2.5 million (SEK 3.5 million) (estimated to be in 2021), a payment upon initiation of a clinical Phase I safety trial of DKK 2.5 million (SEK 3.5 million) (estimated to be in 2022), a payment upon initiation of a clinical Phase II efficacy trial of DKK 10 million (SEK 14 million) (estimated to be in 2023-24) and thereafter aggregated clinical Phase III development and regulatory milestone-based payments of DKK 200 million (SEK 285 million), and lower single-digit royalty rates of net sales. Furthermore, in exchange for gaining 100 percent control of the AV001 asset, ExpreS²ion will according to a separate share purchase agreement transfer 16 percent of its joint venture ownership to NextGen Vaccines, following which ExpreS²ion will hold 34 percent and NextGen Vaccines 66 percent of AdaptVac. The License Agreement includes sublicensing rights allowing ExpreS²ion to partner with a larger biopharmaceutical company on the further commercialisation of AV001, against a fixed percentage of partner payments to be paid to AdaptVac, in which case the remaining financial consideration towards AdaptVac falls away.

Vendor services agreement with Diagnostica Stago S.A.S. ("Stago")

The Company has entered into a vendor services agreement effective as of 28 June 2016 with Stago. ExpreS²ion and Stago has since then entered into several agreements where Stago has delivered different biotechnology services, such as, support development and manufacturing of different genes and proteins. Payment for the services are based on a budget for each individual assignment. The vendor services agreement is valid until the services have been performed and it has been prolonged by addendum agreements for each different assignments. The vendor services agreement can be terminated by either party with one months' notice of termination.

License and collaboration agreement with Bavarian Nordic

On 22 July 2020 ExpreS²ion's joint venture company AdaptVac entered into a license and collaboration agreement with Bavarian Nordic A/S ("**Bavarian Nordic**"), which provides Bavarian Nordic the global commercialization rights to the proprietary capsid virus like particle (cVLP) based SARS-CoV-2 subunit vaccine. Under the terms of the agreement, Bavarian Nordic shall make upfront payment of EUR 4 million to AdaptVac, in addition to potential future development, as well as sales milestones and single to double-digit percentage-tiered royalties. The total deal value, excluding royalties is up to EUR 136 million, corresponding to SEK 1.4 billion. For application of its proprietary protein production system ExpreS2, ExpreS²ion has on 20 July 2020 entered into a licensing agreement with AdaptVac. Through the agreement ExpreS²ion will retain up to EUR 2 million, corresponding to SEK 21 million, of the commercial milestone payments, which are estimated to be recognised as ExpreS²ion revenues during 2021 and 2022 in accordance with the current development plans, as well a double-digit percentage of AdaptVac's royalty revenue stream. Bavarian Nordic has the responsibility for the further clinical development, however only if external funding can be obtained. Bavarian Nordic has the right to terminate the agreement without cause with six months' notice of termination period.

Development and Supply Agreement with Attana

On 24 September 2020, ExpreS²ion Biotechnologies ApS entered into a heads of terms agreement with Attana AB regarding the development and supply of novel ExpreS²ion proteins to Attana AB. According to the agreement, the first target protein will be the ExpreS²ion-produced SARS-CoV-2 spike and receptor-binding-domain (RBD) antigen used in ExpreS²ion's COVID-19 vaccine program. The agreement enables Attana AB to offer customers utilising its AVA diagnostic platform this and other novel ExpreS²ion proteins.

LEGAL AND ARBITRATION PROCEEDINGS

ExpreS²ion Biotech is not, nor has it been during the past 12 months a party to any government agency proceedings, legal proceedings, arbitration proceedings or settlement proceedings (including not yet determined matters or such matters that ExpreS²ion Biotech is aware may arise) that have recently had or could have a material impact on ExpreS²ion Biotech's financial position or profitability.

INSURANCE

In the ExpreS²ion Biotech's assessment, ExpreS²ion Biotech's current insurance coverage is adequate in regard to the nature and scope of its operations.

RELATED PARTY TRANSACTIONS

Related parties are all subsidiaries within the Group as well as senior management in the Group, i.e. the board of directors and senior management, as well as its family members. Related party transactions refer to these persons' transactions with the Group. The governing principles for what are considered related party transactions are set out in the regulations in IAS 24.

Related party transactions after 31 December 2019 until the date of the Prospectus

No related party transactions have occurred during the period after 31 December 2019 until the date of the Prospectus.

CONFLICTS OF INTEREST

There are no conflicts of interest or potential conflicts of interest between the board members and senior management's commitments toward ExpreS²ion Biotech and their private interest and/or commitments (however, a number of board members and senior management representatives have some economic interests in ExpreS²ion Biotech, either directly or indirectly, through share ownership in ExpreS²ion Biotech). None of the board members or senior management representatives has been elected or appointed due to a particular arrangement with major shareholders, customers, supplier or other parties.

AVAILABLE DOCUMENTS

The following documents are available on the ExpreS²ion Biotech's website www.expres2ionbio.com.

- ExpreS²ion Biotech's certificate of registration; and
- ExpreS²ion Biotech's articles of association.
- Terms for warrants of series TO4
- Terms for warrants of series TO5

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