expreS2ion BIOTECH

Invitation to subscribe for units with preferential rights in ExpreS2ion Biotech Holding AB (publ) Rights Issue 2024

VATOR SECURITIES

As a shareholder in ExpreS2ion Biotech Holding AB (publ) you will receive unit rights in the Rights Issue. 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:

- Sell the unit rights that are not intended to be exercised no later than 24 June 2024; or
- Exercise the unit rights received and subscribe for Units no later than 27 June 2024.

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 and provided that it does not require additional prospectuses, registration or other measures in addition to those that follow from Swedish 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 the Prospectus was approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") on 5 June 2024. The Prospectus is valid during a period of 12 months from the date of the approval, if it is provided with supplements to the Prospectus, when necessary, in accordance with article 23 of regulation (EU) 2017/1129, the Prospectus Regulation. The obligation to prepare a supplement to the Prospectus is valid from the time of the 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.

IMPORTANT INFORMATION TO INVESTORS
This EU growth prospectus (the "**Prospectus**") has been prepared due to the board of directors of ExpreS2ion Biotech Holding AB (publ) resolution on 2 May 2024 to carry out a new issue of shares and warrants in the form of Units with preferential rights for existing shareholders (the "**Rights Issue**"). "**Unit**" means a consolidated unit of one (1) newly issued share, one (1) free of charge attached warrant of series TO 10 and one (1) free of charge attached warrant of series TO 11. The Rights Issue is directed to existing shareholders and the public in Sweden and Denmark. Paid subscribed Units (Sw. Betald Tecknad Unit) are referred to as "**BTU**".

"**ExpreS2ion**", the "**Group**" or the "**Company**" refers to, depending on the context, 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. Vator Securities AB ("**Vator Securities**") is the financial advisor to the Company in connection with the Rights Issue. "**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 an own assessment of whether it is appropriate to invest in the Rights Issue. 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 any 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 should also be submitted to Denmark through the Danish national competent authority Finanstilsynet.

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 exemptions 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 such 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 Rights Issue 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 shares 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, or negations thereof, 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 estimates and assumptions made according to the best of the Company's knowledge as of the date of the Prospectus. 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 Vator 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 Vator 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.

Presentation of financial information
The Group's audited annual reports for the financial years 2023 and 2022 and the Group's unaudited interim report for the first quarter of 2024 have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's General Council, BFNAR 2012:1 (K3). The Group's financial reports for these periods 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 First North Growth Market
Nasdaq First North Growth Market is a registered SME growth market, in accordance with MiFID as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The Company's Certified Adviser is Svensk Kapitalmarknadsgranskning AB.

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Documents incorporated by reference

Investors should read 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 stated below as part of the following documents shall be considered to be incorporated into the Prospectus by reference. Copies of the Prospectus and the documents incorporated by reference can be obtained from ExpreS2ion electronically through the Company's web page, https://investor.expres2ionbio.com/. Those sections of the documents that are not incorporated by reference are by the Company deemed either not relevant for an investor's assessment of the Company or its securities or the corresponding information is reproduced elsewhere in the Prospectus.

Please note that the information on ExpreS2ion's web page, or third-party web pages 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 web page, or other web pages referred to in the Prospectus, has not been reviewed and approved by the SFSA.

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ExpreS2ion's interim report for the period 1 January – 31 March 2024 is available through the following link:
https://investor.expres2ionbio.com/wp-content/uploads/2024/05/240516-ExpreS2ion-Q1-2024-Report.pdf

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ExpreS2ion's annual report for the financial year 2023 is available through the following link:
https://investor.expres2ionbio.com/2024/05/08/4518/

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ExpreS2ion's annual report for the financial year 2022 is available through the following link:
https://investor.expres2ionbio.com/wp-content/uploads/2023/05/2022-Annual-Report-ExpreS2ion-Biotech-Holding-AB.pdf

Summary

Introduction

Share class and ISIN

The Rights Issue concerns shares with ISIN-code SE0008348262, warrants of series TO 10 with ISIN-code SE0022088100 and warrants of series TO 11 with ISIN-code SE0022088118, in ExpreS2ion Biotech Holding AB (publ).

Company information

ExpreS2ion Biotech Holding AB (publ), corporate reg.no. 559033-3729
Registered address: c/o Mindpark, Rönnowsgatan 8c, SE-252 25, Helsingborg, Sweden.
Telephone number: +45 2222 10 19.
Web page: https://investor.expres2ionbio.com/.
E-mail: info@expres2ionbio.com.
Company identification code (LEI): 549300FJK50P1ORYJC45.

National competent authority

The Prospectus has been scrutinised and approved by Swedish Financial Supervisory Authority (the "**SFSA**") (Sw. *Finansinspektionen*) as the Swedish national competent authority under the Prospectus Regulation. The SFSA has the following contact information:

Finansinspektionen
Postal address: Box 7821, 103 97 Stockholm
Telephone number: +46 (0)8 408 980 00
E-mail: finansinspektionen@fi.se
Web page: www.fi.se/en/

Approval of the Prospectus

The Prospectus was approved by the SFSA on 5 June 2024.

Introduction and warnings

This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by an investor. An investor in the securities could lose all or part of the invested capital.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may under national law of the Member State have to bear the costs of translating the 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 Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Key information about ExpreS2ion

About ExpreS2ion

ExpreS2ion Biotech Holding AB (publ) is a public limited company incorporated in Sweden. The Company's form of association is governed by the Swedish Companies Act (2005:551). The registered office of the Company is in Skåne County, Helsingborgs Municipality, Sweden. The CEO of the Company is Bent U. Frandsen.

Main activities
ExpreS2ion is a biotechnology company that develops innovative vaccines for a healthier world. The Company wants to transform healthcare by developing novel vaccines, that are life-saving and improving quality of life across the world. ExpreS2ion has developed the human clinical Phase III-validated technology platform, ExpreS2™, for fast and efficient development and production of the active material in vaccines. The platform, under the brand GlycoX-S2™, includes functionally modified glycosylation variants for enhanced immunogenicity and pharmacokinetics. Since 2010, ExpreS2ion has produced more than 500 proteins and virus-like particles (VLPs) in collaboration with research institutions and companies. ExpreS2ion develops novel VLP based vaccines in association with AdaptVac ApS, of which ExpreS2ion owns 34 percent.

Ownership structure
Listed below are all shareholders with holdings exceeding five percent of the shares and votes in the Company as of 31 December 2023, including changes known to the Company thereafter until the date of the Prospectus. The Company is not directly or indirectly controlled by any shareholder, either individually or in concert with several others.

Shareholder	Number of shares	Percentage of shares (%)
Saxo Bank A/S Client Assets	4,733,611	9.21
BNY Mellon SA/NV for Jyske Bank	2,866,619	5.58
The Bank of New York Mellon SA/NV	2,684,947	5.22
Other shareholders	**41,119,781**	**79.99**
Total	**51,404,958**	**100**

Key financial information

Presented below is certain key financial information for ExpreS2ion that has been extracted from the Group's audited annual reports for the financial years 1 January - 31 December 2023 and 1 January - 31 December 2022 and the Group's unaudited interim report for the period 1 January - 31 March 2023. The Group's financial reports have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidance BFNAR 2012:1 (K3). The Group's annual reports for the financial years 2023 and 2022 have been audited by the Company's auditor.

Key items in the Group's income statement

	1 January – 31 March *(unaudited)*		1 January – 31 December *(audited)*	
SEK thousand	**2024**	**2023**	**2023**	**2022**
Total operating income	1,558	2,590	8,799	6,150
Operating profit/loss	-14,175	-29,971	-105,965	-127,606
Profit/loss for the year	-12,853	-26,308	-91,401	-118,605

Key items in the Group's balance sheet

	31 March *(unaudited)*		31 December *(audited)*	
SEK thousand	**2024**	**2023**	**2023**	**2022**
Total assets	86,145	78,692	78,692	137,363
Total equity	52,308	79,469	65,364	103,327

Key items in the Group's cash flow statement

	1 January – 31 March *(unaudited)*		1 January – 31 December *(audited)*	
SEK thousand	**2024**	**2023**	**2023**	**2022**
Cash flow from operating activities	854	-39,528	-100,887	-99,614
Cash flow from investing activities	-189	-1,224	-2,015	105,325
Cash flow from financing activities	-128	709	47,836	61,460
Cash flow for the year	537	-40,043	-55,066	67,171

The Group's key performance measures

	1 January – 31 March *(unaudited)*		1 January – 31 December *(audited unless stated otherwise)*	
SEK thousand (om ej annat anges)	**2024**	**2023**	**2023**	**2022**
Total operating income	1,558	2,590	8,799	6,150
Profit/loss after financial items	-13,839	-30,282	-99,967	-126,581
Total assets	86,145	103,125	78,692	137,363
Equity/assets ratio, %	61	77	83[1]	75,2[1]
Operational key figures				
Average numbers of employees	19	30	29[1]	30[1]

1) Not audited. In regards of the period 1 January – 31 March the number of employees refer to the number of employees at the end of each period.

Note from the auditor in the annual report for the financial year 2022

The auditor's report can be found in its entirety in the annual report for the financial year 2022, which is incorporated into the Prospectus by reference. In the auditor's report for the financial year 2022, the Company's auditor has provided a disclosure of particular importance regarding the information in the financial report and note 2 in the financial statements, which describes that the Company has continuing losses and has stated that material uncertainty exists about the Company's ability to continue as a going concern.

Note from the auditor in the annual report for the financial year 2023

The auditor's report can be found in its entirety in the annual report for the financial year 2023, which is incorporated into the Prospectus by reference. In the auditor's report for the financial year 2023, the Company's auditor has provided a disclosure of particular importance that on a number of occasions during the financial year, the tax debited has not been paid on time.

Key risks affecting ExpreS2ion

RISKS RELATED TO EXPRES2ION'S OPERATIONS AND INDUSTRY

Clinical trials may prove to be unsuccessful

ExpreS2ion have several pipeline assets that are in various stages of clinical processes, which is inherently uncertain. ExpreS2ion cannot assure that clinical trials produce the data required to support approval or that the candidate drugs developed with ExpreS2ion's platform technology result in a commercially viable product. For the financial year 2023, ExpreS2ion's total R&D expenses amounted to SEK 51,419 thousand. Unsuccessful clinical trials may limit partnership transactions and thus decrease the potential for ExpreS2ion's revenues from pipeline licensing.

ExpreS2ion's profitability and its ability to grow

ExpreS2ion has generated losses since listing on the Nasdaq First North Growth Market in 2016. For the financial year 2023, ExpreS2ion recorded a net loss of SEK -91,401 thousand. These losses mainly arose as a result of expenses for research and development activities related to ExpreS2ion's studies and related personnel costs. Given ExpreS2ion's current strong focus on research and development activities, which by itself require important skills and experience, ExpreS2ion may overlook important aspects related to e.g., internal control, human resources, and other internal processes, or preparation of commercialisation strategies of its products if and when this becomes relevant. If such processes/strategies are not adequately designed and implemented, and/or are not in place in advance of commercialisation activities or expansion, it could adversely affect ExpreS2ion's operations and its possibilities to successful commercialisation. Furthermore, in order to design and implement the aforementioned processes, the Company may need to hire additional employees or engage expensive professional consultants, which could increase the Company's operational costs.

Competition from bigger commercial players

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 commercialising products before or more successfully than ExpreS2ion.

ExpreS2ion is dependent on partners

Out-licensing to larger pharma or vaccine companies is an integral part of ExpreS2ion's strategy. ExpreS2ion focuses on research, pre-clinical and clinical development where it believes it has the technology, competencies, and experiences to be competitive. Larger scale international multicentre trials, registration, marketing and sales of final drugs and vaccines is outside ExpreS2ion's scope. As such, ExpreS2ion will inevitably be dependent on licensing partner(s). Once an out-licensing agreement has been made, ExpreS2ion generally loses direct control of the further development and eventual marketing of the product. In these instances, ExpreS2ion will instead rely on the terms of the out-licensing agreement regarding development which, in various degrees, may also give ExpreS2ion insights on how development progresses and how to define further development processes.

Obstacles in obtaining registration and licensing at agencies and/or governmental authorities

Authorisation must be obtained in order for ExpreS2ion to market and sell pharmaceuticals and diagnostics in the future, and such registration needs to take place at the appropriate agency or governmental authority in the respective market, such as the Food and Drug Administration (FDA) in the United States and the European Medicines Agency (EMA) in Europe. Should ExpreS2ion, directly or through collaboration partners, fail in obtaining the required authorisations and registration from such agencies or governmental authorises, ExpreS2ion's ability to generate revenues may be significantly impeded.

Availability of funding

ExpreS2ion may need to raise additional funding, which may not be available on acceptable terms for Expres2ion, or at all. 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 company's securities

Rights attached to the shares

As of the date of the Prospectus, there is one class of shares in the Company. The shares are denominated in Swedish kronor (SEK) and have been issued in accordance with Swedish law. All issued shares are fully paid and freely transferable. The rights attached to the shares issued by the Company, including those arising from the articles of association, may only be changed in accordance with the procedures set out in the Swedish Companies Act (2005:551).

As of the date of the Prospectus, there are 51,404,958 shares outstanding in the Company. Each share has a nominal value of SEK 0.111111.

Voting rights

Each share grant entitlement for the shareholder to one (1) vote at general meetings and each shareholder is entitled to a number of votes equal to the number of shares in the Company held by the shareholder.

Preferential rights to new shares

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

Rights attached to the shares (*cont.*)	**Rights to dividends and balances in the event of liquidation** All shares in the Company carry equal rights to dividends and to the Company's assets and any potential surplus in the event of liquidation. Decisions regarding dividends are made by the general meeting of shareholders. Entitlement to receive dividends accrues to those who, on the record date adopted by the general meeting of shareholders, are registered in the share register maintained by Euroclear as shareholders. Dividends are normally distributed to the shareholders as a cash amount per share through Euroclear but may also be distributed in forms other than cash (distribution in kind). Should a shareholder be unable to be reached through Euroclear, the shareholder will continue to have a claim against the Company with regard to the dividend limited in time pursuant to a ten-year statute of limitation. Should the claim become barred by the statute of limitations, the dividend amount accrues to the Company. No restrictions on the right to receive dividends apply to shareholders residing outside of Sweden and, except for any restrictions resulting from banking and clearing systems, payments to such shareholders are made in the same way as for shareholders resident in Sweden. Shareholders who do not have a tax domicile in Sweden are normally subject to Swedish withholding tax. **Dividend policy** ExpreS2ion has not paid any dividends for the period covered by the historical financial information and does not intend to pay any dividends in the foreseeable future, therefore no dividend policy has been adopted. Future dividends, to the extent proposed by the board of directors and approved by the Company's shareholders, will be dependent upon and based upon the requirements of the nature, scope and risks of the business on the Company's equity and the Company's consolidation needs, liquidity and financial position.
Trading of the shares on Nasdaq First North Growth Market	The Company's shares are admitted to trading on Nasdaq First North Growth Market, a multilateral trading platform and growth market for small and medium-sized enterprises. The newly issued shares and warrants of series TO 10 and series TO 11 in the Rights Issue are also intended to be traded on Nasdaq First North Growth Market. Such trading is expected to commence in connection with the registration of the Rights Issue with the Swedish Companies Registration Office.
Guarantees to which the securities are subject	The securities are not subject to any guarantees.
Key risks that are specific to the securities	**RISKS RELATED TO THE RIGHTS ISSUE** **The compensation in the event of a sale of unit rights on the market may be less than the financial dilution** For shareholders who refrain from subscribing for Units in the Rights Issue, a dilution effect corresponding to a maximum of approximately 77.8 percent of the number of shares and votes arises (assuming that the Rights Issue is fully subscribed and all warrants of series TO 10 and TO 11 are exercised). In the event that a shareholder chooses to sell its unit rights, or if these are sold on behalf of the shareholder (e.g., through a nominee), there is a risk that the compensation the shareholder receives for the unit rights on the market does not correspond to the financial dilution in the shareholder's ownership of ExpreS2ion after the Rights Issue has been completed. **There is a risk that active trading in unit rights and BTU will not develop and that there will not be sufficient liquidity** In light of the historical volatility and fluctuating turnover in the Company's there is a risk that active trading in unit rights or BTUs will not develop on the Nasdaq First North Growth Market, or that satisfactory liquidity will not be available during the subscription period at the time such securities are traded. The price of ExpreS2ion's unit rights and BTUs may fluctuate during the Rights Issue (and, with respect to the newly issued shares and warrants of series TO 10 and TO 11, also following the completion of the Rights Issue). The price of ExpreS2ion's shares may fall below the subscription price set for subscription of the Units. A general downturn in the stock market or a rapid slowdown in the economy could also put the Company's share price under pressure without this having been caused by ExpreS2ion's business fundamentals.

Information about the Rights Issue

Key terms and time plan of the Rights Issue	**The Rights Issue** The board of directors of ExpreS2ion resolved on 2 May 2024, conditional upon the subsequent approval of the general meeting, to issue a maximum of 59,972,451 Units with preferential rights for existing shareholders. The Annual general meeting on 5 June 2024 resolved to approve the Rights Issue. In the event that the Rights Issue is fully subscribed, the Company will receive approximately SEK 60 million before deduction of costs related to the Rights Issue. The costs related to the Rights Issue amount to approximately SEK 7.8 million, which also includes the cash reimbursement of the guarantee commitments given. **Preferential right to subscribe for Units** Anyone who is a shareholder of the Company on the record date of 10 June 2024 has preferential rights to subscribe for Units in the Rights Issue based on the shareholder's existing shareholding in the Company. **Record date** The record date with Euroclear for determining who is entitled to receive unit rights in the Rights Issue is 10 June 2024. The last day of trading in the Company's shares, including the right to receive unit rights, is 5 June 2024. The first day of trading in the Company's shares, excluding the right to receive unit rights, is 7 June 2024.

Key terms and time plan of the Rights Issue (*cont.*)

Unit rights
For each existing share held on the record date, 10 June 2024, seven (7) unit right is received. Six (6) unit rights entitle to subscription of one (1) Unit in the Rights Issue. Each Unit consists of one (1) share and one (1) warrant of series TO 10 and one (1) warrant of series TO 11 free of charge. Trading in unit rights will take place on Nasdaq First North Growth Market during the period from 12 June 2024 until and including 24 June 2024. Unit rights that are not used for subscription in the Rights Issue must be sold no later 24 June 2024 or used for subscription for Units no later than 27 June 2024 in order not to become invalid and lose their value.

Subscription price
Units are issued for a subscription price of SEK 1.00 per Unit, which corresponds to SEK 1,00 per newly issued share. The warrants of series TO 10 and TO 11 are issued free of charge. No commission will be payable.

Subscription period
Subscription for Units shall take place during the period from and including 12 June 2024 until and including 27 June 2024. Subscription for Units without preferential rights shall take place during the same period.

Terms and conditions for warrants of series TO 10
One (1) warrant of series TO 10 gives the holder the right to subscribe for one (1) new share in the Company against a cash payment amounting to 70 percent of the volume-weighted average price of the Company's share during the period from and including 1 November 2024 until and including 14 November 2024, but not less than the quota value of the shares and not more than SEK 1.50 per share. Warrants of series TO 10 may be exercised during the period from and including 20 November 2024 until and including 4 December 2024.

Terms and conditions for warrants of series TO 11
One (1) warrant of series TO 11 gives the holder the right to subscribe for one (1) new share in the Company against a cash payment amounting to 70 percent of the volume-weighted average price of the Company's share during the period from and including 1 September 2025 until and including 12 September 2025, but not less than the quota value of the shares and not more than SEK 1.75 per share. Warrants of series TO 11 may be exercised during the period from and including 18 September 2025 until and including 2 October 2025.

Unit rights not exercised
Unit rights not sold or exercised for subscription of Units will be cancelled from all VP accounts without compensation.

Dilution effect
Shareholders who refrain from subscribing for Units in the Rights Issue, will be subject to a dilution effect corresponding to a maximum of approximately 53.8 percent, provided that the Rights Issue is subscribed in full. Provided that the Rights Issue is fully subscribed and the warrants of series TO 10 are exercised in full, this will entail an additional dilution effect of approximately 35.0 percent. In the event that the Rights Issue is fully subscribed and the warrants of series TO 11 are exercised in full, this entails an additional dilution of approximately 25.9 percent. If the Rights Issue is fully subscribed and all warrants of series TO 10 and 11 are exercised the dilution effect corresponds to a total of approximately 77.8 percent.

If the Rights Issue is fully subscribed and all warrants of series TO 10 and TO 11 are exercised in full in addition to the maximum number of shares that may be issued within the framework of the guarantee compensation, the number of shares in the Company will increase by 193,282,353 from 51,404,958 shares to 244,687,311, which corresponds to a dilution of approximately 79.0 percent of the total number of shares and votes in the Company as per the date of the Prospectus.

Allotment of Units subscribed for without unit rights
In the event that not all Units have been subscribed for with the support of unit rights, Units subscribed for without the support of unit rights shall be allotted first to those who have also subscribed for Units with the support of unit rights, second to those who have only applied for subscription without the support of unit rights, and third to underwriters.

Trading in BTU
Trading in BTU will take place on Nasdaq First North Growth Market from 12 June 2024 until the Rights Issue has been registered with the Swedish Companies Registration Office and BTU has been converted into shares and warrants of series TO 10 and TO 11, which is expected to occur around week 30 2024. BTU has ISIN code: SE0022088191.

Announcement of the outcome of the Rights Issue
The outcome of the subscription in the Rights Issue will be announced on or about 1 July 2024 through a press release by the Company.

Background and rationale of the Rights Issue and use of proceeds

Background and rationale
ExpreS2ion is a biotechnology company that develops vaccines based on complex proteins targeting infectious diseases and cancer. The Company was founded on the realisation that to produce the complex proteins needed for biological drugs or vaccines of the future, a new protein expression system would be needed. The Company thereby developed the ExpreS2TM recombinant protein expression platform to support all phases of vaccine discovery and research & development (R&D) as well as GMP manufacturing for clinical studies. The ExpreS2 platform is primarily used for developing the Company's pipeline of preventive and therapeutic vaccine products, which, as of the date of the Prospectus, consists of vaccine projects candidates in five disease

Background and rationale of the Rights Issue and use of proceeds (*cont.*)

areas developed by ExpreS2ion and/or in collaboration with partners. Additionally, ExpreS2ion out licenses the platform to research institutes and pharmaceutical companies, which by their own or in cooperation with the Company, develop biopharmaceutical drugs and vaccines.

The Company's board of directors believes that the existing working capital, as of the date of the Prospectus, is insufficient to meet its current needs for the next 12-month period. The board of directors therefore, on 2 May 2024, resolved to carry out the Rights Issue, which was subsequently approved by the annual general meeting on 5 June 2024, in order to strengthen the Company's financial position and to be able to implement the Company's business plan and strategy, including activities for the coming year.

Use of proceeds

If the Rights Issue is fully subscribed, the Company will receive gross proceeds of approximately SEK 60.0 million before issue costs, which are expected to amount to approximately SEK 7.8 million. The Company has received subscription commitments of SEK 0.3 million, corresponding to approximately 0.5 percent of the Rights Issue by existing shareholders, and guarantee commitments of approximately SEK 29.7 million, corresponding to approximately 49.5 percent of the Rights Issue. In total, the Rights Issue is thus covered by subscription and guarantee commitments of approximately 50.1 percent. The subscription and guarantee commitments have not been secured by means of bank guarantees, blocked funds, pledging of collateral or any similar arrangement.

The expected net proceeds from the Rights Issue of approximately SEK 52.2 million will be used as follows (in the following order of priority, at the approximate amounts stated in brackets):

- ES2B-C001 clinical phase initiation and progression (approximately 65 percent)
- Early preclinical development of a cytomegalovirus vaccine candidate (approximately 10 percent)
- Internal costs related to grant-sponsored projects (approximately 5 percent)
- Working capital including discovery pipeline and platform development (approximately 20 percent)

If the warrants of series TO 10 in the Rights Issue are exercised for subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 10 gives the holder the right to subscribe for one (1) new share in the Company against a cash payment amounting to 70 percent of the volume-weighted average price of the Company's share during the period from and including 1 November 2024 up to and including 14 November 2024, but not less than the quota value of the share. If all warrants of series TO 10 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same example amounts to between SEK 0.11 – 1.5, the Company will receive between approximately SEK 6.6 – 90.0 million before issue costs, which are estimated to amount to approximately SEK 0.1 – 1.8 million. The additional proceeds are intended to be used for the same activities listed above.

If the warrants of series TO 11 in the Rights Issue are exercised for subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 11 gives the holder the right to subscribe for one (1) new share in the Company against a cash payment amounting to 70 percent of the volume-weighted average price of the Company's share during the period from and including 1 September 2025 up to and including 12 September 2025, but not less than the quota value of the share. If all warrants of series TO 11 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same example amounts to between SEK 0.11 – 1.75, the Company will receive between approximately SEK 6.6 – 105.0 million before issue costs, which are estimated to amount to approximately SEK 0.1 – 2.1 million. The additional proceeds are intended to be used for the same activities listed above.

Material conflict of interests

Vator Securities is the financial adviser and the issuing agent in connection with the Rights Issue. Vator Securities thus provides, and may in the future provide, financial advice and other services to ExpreS2ion for which Vator Securities has received, or may receive, remuneration. Advokatfirman Schjødt is the Company's legal adviser in connection with the Rights Issue.

Vator Securities receives a predetermined remuneration for services provided in connection with the Rights Issue. The amount of this remuneration depends on the outcome of the Rights Issue. In addition to the above, Vator Securities have no financial or other interests in the Rights Issue.

Other than set out above, no financial or other interests or conflicts of interest are by the Company deemed to exist between the parties who, as described above, have financial or other interests in the Rights Issue.

Responsible parties, information from third parties and approval

Approval by the Swedish Financial Supervisory Authority

The Swedish version of the Prospectus has been approved by the Swedish Financial Supervisory Authority (the "**SFSA**") (Sw. *Finansinspektionen*) 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. Each investor should make his or her own assessment of whether it is appropriate to invest in the securities referred to in the Prospectus. The Prospectus has been prepared as an EU Growth Prospectus in accordance with article 15 of the Prospectus Regulation.

Responsible parties

The board of directors of ExpreS2ion is responsible for the content of the Prospectus. To the best of the board of director's knowledge, the information contained in the Prospectus is in accordance with the facts and no statement has been omitted which is likely to affect its content. As of the date of the Prospectus, the board of directors of ExpreS2ion consists of the chairman of the board, Martin Roland Jensen, and the board members Karin Garre, Jakob Knudsen and Sara Sande. For complete information on the board of directors, see the section "*Board of directors and senior management*".

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. The third-party sources that ExpreS2ion has used in the preparation of the Prospectus appear in the list of sources below.

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Background and rationale

Background

ExpreS2ion is a biotechnology company that develops vaccines based on complex proteins targeting infectious diseases and cancer. The Company was founded on the realisation that to produce the complex proteins needed for biological drugs or vaccines of the future, a new protein expression system would be needed. The Company thereby developed the ExpreS2TM recombinant protein expression platform to support all phases of vaccine discovery and research & development (R&D) as well as GMP manufacturing for clinical studies. The ExpreS2 platform is primarily used for developing the Company's pipeline of preventive and therapeutic vaccine products, which, as of the date of the Prospectus, consists of vaccine projects candidates in five disease areas developed by ExpreS2ion and/or in collaboration with partners. Additionally, ExpreS2ion out licenses the platform to research institutes and pharmaceutical companies, which by their own or in cooperation with the Company, develop biopharmaceutical drugs and vaccines.

Rationale for the Rights Issue

ExpreS2ion's vaccine candidate targeting HER2-positive breast cancer, ES2B-C001, is expected to file for clinical Phase I trial during 2024, building on the progress made in 2023, including the recently completed Good Laboratory Practice (GLP)[1] preclinical safety studies. A first-in-human (FiH) clinical trial is envisioned to commence in within twelve months from the date of the Prospectus. Positive preclinical top-line data was announced in December 2021 and January 2022 demonstrating preclinical Proof-of-Concept (PoC). Further preclinical data were announced in May 2022. This positive preclinical POC data have been remarkably quickly published in a peer-reviewed scientific article in October 2022. During 2023 the preclinical safety studies were conducted, and in April 2024 the final GLP safety report was announced. For the HER2-program, ExpreS2ion is exploring multiple ways of for funding further development. These include, but are not limited to, development partnerships, grant funding, and the issuance of shares in exchange for cash investment. Certain funding mechanisms, such as development partnerships, reduce the Company's development costs, typically in exchange for potential milestone and royalty payments.

ExpreS2ion's CMV vaccine project, ES2B-I002, is carried out in collaboration with Evaxion Biotech. ExpreS2ion and Evaxion jointly perform discovery research, whereby Evaxion takes advantage of its AI platform to identify and design constructs applicable to express CMV antigens in the ExpreS2 system. The joint research partnership was announced in December 2022. Progress has been made to the extent that preliminary protein material has been made and is undergoing immunogenicity testing in small animal models. The aim of the collaboration is to select the lead CMV vaccine candidate, which ExpreS2ion has the exclusive right to license under a development and commercialization agreement as per the term sheet included in the Discovery Collaboration Agreement. The research costs in the collaboration project are being divided fifty-fifty between the parties until the end of 2025.

ExpreS2ion's other pipeline projects support and document the platform and technology. These include partner/consortium owned vaccine candidates against influenza in preclinical phases and four (4) malaria projects with the most advanced malaria vaccine candidate in Phase II. The influenza and malaria candidates are fully developed by collaboration partners where antigens are produced using the ExpreS2 platform.

In March 2023 the Company announced that the MucoVax consortium was awarded an Innovation Fund Denmark (IFD) Grand Solutions grant for the development of new platforms for universal mucosal vaccines in a five-year research project in a collaboration between ExpreS2ion and University of Copenhagen. The award funding covers 71 percent of this research project and amounts to 29 MDKK (approximately 43 MSEK), of which ExpreS2ion directly is funded with 9.6 MDKK (approximately 14 MSEK). The IFD investment funds 67 percent of ExpreS2ion's share of the research project budget regarding salaries and overhead. The funds cover 50 percent of Expres2ion's equipment costs. The aim of the grant is to support the MucoVax consortium in the development of new platforms for universal mucosal vaccines, including performing animal models to test in vivo novel influenza vaccines delivered intranasally. The ambitious aim is to combine ExpreS2ion's ExpreS2™ protein production system with the fundamental knowledge in immunology and microbiology of the University of Copenhagen including novel and advanced vaccine platforms.

Furthermore, in December 2023, ExpreS2ion announced that the VICI-Disease consortium, of which ExpreS2ion is a member, was awarded a Horizon Europe grant amounting to 8 million EUR (approximately 90 million SEK). Of that amount, approximately 53 percent is directed towards ExpreS2ion's work in the project. The aim of the project is to obtain clinical proof-of-concept for a vaccine candidate for Nipah virus (NiV) or another henipah virus disease with pandemic or endemic potential, within four years.

Finally, the Company is working with vaccine development by applying protein and cell line development skills and therefore continues to explore novel techniques and methods to make new vaccines. Such exploratory work is carried out to make innovations that are patentable and can ensure long-term value. Currently the Company works on a few undisclosed projects, that have demonstrated promising early proof of principle, and ExpreS2ion aims to update its shareholders as soon as the Company is confident that the intellectual property can be protected with appropriate patent applications.

The Company's board of directors believes that the existing working capital, as of the date of the Prospectus, is insufficient to meet its current needs for the next 12-month period. The board of directors therefore, on 2 May 2024, resolved to carry out the Rights Issue, which was subsequently approved by the annual general meeting on 5 June 2024, in order to strengthen the Company's financial position and to be able to implement the Company's business plan and strategy, including activities for the coming year.

1) A code of standards concerning the testing of medicines in laboratories during their development. Abbreviated as GLP.

Use of proceeds

If the Rights Issue is fully subscribed, the Company will receive gross proceeds of approximately SEK 60.0 million before issue costs, which are expected to amount to approximately SEK 7.8 million. The Company has received subscription commitments of SEK 0.3 million, corresponding to approximately 0.5 percent of the Rights Issue by existing shareholders, and guarantee commitments of approximately SEK 29.7 million, corresponding to approximately 49.5 percent of the Rights Issue. In total, the Rights Issue is thus covered by subscription and guarantee commitments of approximately 50.1 percent. The subscription and guarantee commitments have not been secured by means of bank guarantees, blocked funds, pledging of collateral or any similar arrangement.

The expected net proceeds from the Rights Issue of approximately SEK 52.2 million will be used as follows (in the following order of priority, at the approximate amounts stated in brackets):

- ES2B-C001[2] clinical phase initiation and progression (approximately 65 percent)
- Early preclinical development of a cytomegalovirus vaccine candidate (approximately 10 percent)
- Internal costs related to grant-sponsored projects (approximately 5 percent)
- Working capital including discovery pipeline and platform development (approximately 20 percent)

In the event that all warrants of series TO 10 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 10 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 November 2024 up to and including 14 November 2024, but not less than the quota value of the shares. If all warrants of series TO 10 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.5, the Company will receive between approximately SEK 6.6 and 90.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 1.8 million. The additional proceeds are intended to be used for the same activities listed above.

In the event that all warrants of series TO 11 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 11 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 September 2025 up to and including 12 September 2025, but not less than the quota value of the shares. If all warrants of series TO 11 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.75, the Company will receive between approximately SEK 6.6 and 105.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 2.1 million. The additional proceeds are intended to be used for the same activities listed above.

If the Rights Issue is not fully subscribed, despite subscription and guarantee commitments, and if the Company does not receive sufficient proceeds from the warrants of series TO 10, that can be exercised during the period from and including 20 November 2024 until and including 4 December 2024, and the warrants of series TO 11, that can be exercised during the period from and including 18 September 2025 until and including 2 October 2025, the Company intends to explore alternative financing opportunities, such as directed issues, loans or similar arrangements. Alternatively, the Company will be forced to review its planned development or operate at a more restrained pace than initially planned pending additional financing. Should the Company be unable to secure alternative financing, it would affect the Company's ability to implement its strategy and develop its products as planned, which will adversely affect the Company's financial and operating position. For complete information regarding the Company's working capital requirements, see the section "*Working capital statement*".

Advisors' interests

Vator Securities is the financial adviser and the issuing agent in connection with the Rights Issue. Vator Securities thus provides, and may in the future provide, financial advice and other services to ExpreS2ion for which Vator Securities has received, or may receive, remuneration. Advokatfirman Schjødt is the Company's legal adviser in connection with the Rights Issue.

Vator Securities receives a predetermined remuneration for services provided in connection with the Rights Issue. The amount of this remuneration depends on the outcome of the Rights Issue. In addition to the above, Vator Securities have no financial or other interests in the Rights Issue.

Other than set out above, no financial or other interests or conflicts of interest are by the Company deemed to exist between the parties who, as described above, have financial or other interests in the Rights Issue.

2) (HER2-cVLP) – En ny terapeutisk kandidat till bröstcancervaccin.

Business description and market overview

ExpreS2ion in brief

ExpreS2ion Biotech Holding AB (publ) is a Swedish corporation listed on Nasdaq First North Growth Market since 2016. ExpreS2ion Biotechnologies ApS is the Group's operating subsidiary, wholly owned by ExpreS2ion Biotech Holding AB.

The Company has developed the ExpreS2™ recombinant protein expression platform, which is a platform that produces proteins, supporting all phases of drug discovery and R&D (Research & Development) as well as GMP (Good Manufacturing Practice) of proteins for clinical studies. With the ExpreS2 platform, the Company enables quality production of complex proteins using Drosophila melanogaster (fruit fly) S2 cell lines engineered to specifically produce a desired recombinant protein. ExpreS2ion's proprietary platform, ExpreS2™, has been utilized in the development of vaccine candidates that have successfully met primary endpoints in clinical trials up to and including Phase III. This demonstrates the platform's ability to produce safe, effective, and long-lasting vaccines. Moreover, the versatility of the ExpreS2™ technology allows it to be applied across various therapeutic areas, including infectious diseases and cancer, thereby addressing some of the world's most significant unmet medical needs. ExpreS2ion has emerged as a company capable of producing complex (difficult to express) proteins, according to the Company, especially in proteins from parasites such as malaria, where ExpreS2ion's system has, according to the Company, been the only expression system able to produce a vaccine antigen in relevant quantities to enable vaccine production.[1] ExpreS2ion intends to be at the forefront of vaccine development. Since 2019, ExpreS2ion's offering to the biopharmaceutical industry also includes glyco-engineered S2 cell lines under the GlycoX-S2™ brand. This allows for functional modification, e.g., by enhancing immunogenicity (the attribute in a substance that causes the immune system to react) or improving pharmacokinetics (the pharmaceutical effect to the body). The Company sells licenses to use the ExpreS2 platform as a whole or in part to both pharmaceutical companies and research institutions. ExpreS2ion's pipeline assets, fully controlled, or otherwise in a partner/consortium incorporate the ExpreS2 technology.

In June 2023, ExpreS2ion announced a significant milestone in the validation of its ExpreS2™ platform. This was marked by the successful achievement of the Phase III primary endpoint by Bavarian Nordic's ABNCoV2 vaccine candidate. Despite the ABNCoV2 vaccine candidate not meeting its secondary endpoint in August 2023, this outcome does not overshadow the broader success observed. The significance of the Phase II 12-month durability data, demonstrating long-term protection, as well as the Phase III primary endpoint data, confirming non-inferiority to Comirnaty®, Pfizer/BioNTech's mRNA vaccine, collectively validate the ExpreS2™ platform. The completion of the Phase III study did also trigger a milestone payment of EUR 10 million to AdaptVac, in which ExpreS2ion holds a 34 percent ownership. In February 2024, ExpreS2ion announced that AdaptVac has received EUR 10 million and that the board of directors of AdaptVac has agreed to resolve the pay-out of excess capital in AdaptVac to the shareholders of AdaptVac. In April of 2024, ExpreS2ion announced that it has been notified by the Board of Directors of AdaptVac of the resolution to pay a dividend of DKK 42.5 million to its owners. As a result of ExpreS2ion Biotechnologies ApS holding a 34% stake in AdaptVac ApS, ExpreS2ion receives DKK 14.5 million, approximately SEK 22 million. ExpreS2ion and NextGen have agreed that AdaptVac will retain part of the dividends received to be invested in the Company's platform technology and pipeline assets.

As of the date of the Prospectus, ExpreS2ion's pipeline, which includes projects that are either fully or partly controlled, consists of the breast cancer vaccine (ES2B-C001) in preparation for clinical Phase I, and the Cytomegalovirus (CMV) vaccine (ES2B-I002) in lead optimisation phase, as well as exploratory discovery projects in non-disclosed fields. Furthermore, the Company is engaged in several non-dilutive funded research projects, such as the MucoVax and INDIGO consortia (both influenza) and VICI-Disease consortium (Nipah virus). ExpreS2ion's ExpreS2 technology platform is basis for the proteins used in the University of Oxford malaria vaccines RH5, which is in clinical phase II, RH5-VLP and Pfs48/45, both in clinical Phase I, and the combination RH5 + R78C which is in clinical Phase I . Only ES2B-C001 and VICI-Disease incorporate AdaptVac's cVLP technology.

As of the date of the Prospectus, the Group owned 34 percent of associated company AdaptVac ApS ("**AdaptVac**"). AdaptVac was founded in 2017 as a joint venture between ExpreS2ion Biotechnologies ApS and NextGen Vaccines, a University of Copenhagen spinout, with the goal to create a unit for the development of highly competitive vaccines and therapeutics against infectious diseases, cancer, and immunological disorders using ExpreS2ion's ExpreS2 platform and AdaptVac's cVLP technology.

Vision and mission of the Company

ExpreS2ion is a biotechnology company that develops innovative vaccines for a healthier world. The Company aims to transform healthcare by developing novel vaccines that are lifesaving and improving quality of life across the world.

1) For example the leading malaria vaccine candidate antigen Plasmodium falciparum Reticulocyte Binding homologue 5, also known as RH5.

Business model

The Company operates on a dual business model, consisting primarily of novel pipeline development and secondarily on contract research activities.

The Company's primary objective is to establish a distinctive and competitive pipeline of preventive and therapeutic vaccine products. The Company is diligently building a portfolio of preclinical and later stage clinical biopharmaceutical drug and vaccine candidates. Initially, ExpreS2ion aims to conduct its own research, preclinical, and early clinical development work (proof-of-concept) before considering out-licensing opportunities. For instance, an agreement was reached with Bavarian Nordic in 2020, wherein Bavarian Nordic assumed all future development costs for the COVID-19 vaccine program and may provide certain milestones and royalties. Another collaborative effort is the research collaboration agreement with Evaxion Biotech A/S, wherein research costs and IP licensing are shared equally between the parties, focusing on a novel CMV vaccine candidate. Simultaneously, the Company is generating revenue through its Contract Research Organisation (CRO):

- Fee-for-service contract research and products related to recombinant protein expression.
- Out licensing the ExpreS2TM platform to research institutes and pharmaceutical companies engaged in biopharmaceutical drug and vaccine development, either independently or in partnership with the Company.
- Selling ExpreS2 test kits and reagents for research purposes or diagnostic applications

This dual model brings about grant-sponsored projects and short-term revenue from the CRO business, which involves offering services for clinical trials within medical research development.
In parallel, there is a potential to generate future royalties, license fees, and milestone payments via partner-driven development of drug candidates – using the Company's technology.

The Company believes that prioritising an in-house pipeline of biopharmaceutical vaccine candidates, along with external strategic development collaborations, while maintaining its CRO business, positions ExpreS2ion favourably to generate revenue and create value for both the Company and its shareholders in the long term.

ExpreS2ion's activities are focused on pharmaceutical development, and it has not engaged in sales of approved pharmaceuticals or medications developed in conjunction with a development partner.

Strategy and growth

ExpreS2ion aims to develop a pipeline of pharmaceutical candidates further by adding additional vaccine projects while continuing preclinical and early clinical development work on existing projects. The Company targets human Proof-of-Concept since availability of clinical data can maximize opportunities for qualitative partnerships and collaborations for further development. Partnering early in the process is also an option for progressing pipeline projects, e.g. by using a partner's resources, being technology, knowledge, or financing.

The Company also aims to improve the technology platform further to ensure competitiveness. This is done by improving the ExpreS2 system, potentially adding relevant compatible technologies. Another route to improve the platform is to continue the sale of licenses for the use of the ExpreS2 platform for new projects.

Complex proteins constitute the active substance in many modern biopharmaceutical drugs. These proteins are produced by genetically modifying cells to produce (or express) the exact protein that researchers seek. Different cell types can be used. According to the Company's analysis of the market, as of the date of the Prospectus, most proteins are produced from insect, bacterial, yeast or mammalian cells. While many of these protein expression techniques have been routinely used for decades across a broad range of applications, several challenges remain.

The Company has spent several years developing the ExpreS2 technology platform which is suited for production of proteins required for the development and production of vaccines, thus overcoming the barrier of inability to produce the complex proteins required for pharmaceutical development[2]. Proteins made using this technology have recently been successfully validated for use in clinical phase III studies (clinical trials ID NCT05329220) which adds reliability to the intended behaviour of the proteins in clinical development-stage vaccines. The platform is based on insect cells, the so-called Drosophila melanogaster (fruit fly) S2 cells, combined with patented expression vectors (vectors are the genetic tool researchers employ to commandeer the cell's internal protein production machinery). The cells are grown in especially adapted culture agents and reagents which are needed to make them thrive and grow. The Company has created modified cell lines that have features that compare favourably with those of competing platforms.[3,4] Specifically, recombinant proteins are produced using the host cell's inherent protein production machinery rather than relying on viral mediation. This approach guarantees a superior high-quality product with exceptional batch-to-batch consistency. More recently cell lines with immunogenic glycosylation (carbohydrates joined to the protein), have been made, which according to the Company, provides new competitive advantages by potentially enhancing immunogenicity without the need for applying adjuvants or delivery vehicles.[5]

2) Cid, Raquel, and Jorge Bolívar. 2021. Platforms for Production of Protein-Based Vaccines: From Classical to Next-Generation Strategies, Biomolecules.
3) Cid, Raquel, and Jorge Bolívar. 2021. Platforms for Production of Protein-Based Vaccines: From Classical to Next-Generation Strategies, Biomolecules.
4) Puetz, John, and Florian M. Wurm. 2019. Recombinant Proteins for Industrial versus Pharmaceutical Purposes: A Review of Process and Pricing, Processes.
5) ExpreS2ion internal research, not published in peer-reviewed article.

According to the Company, the strengths of the platform include:

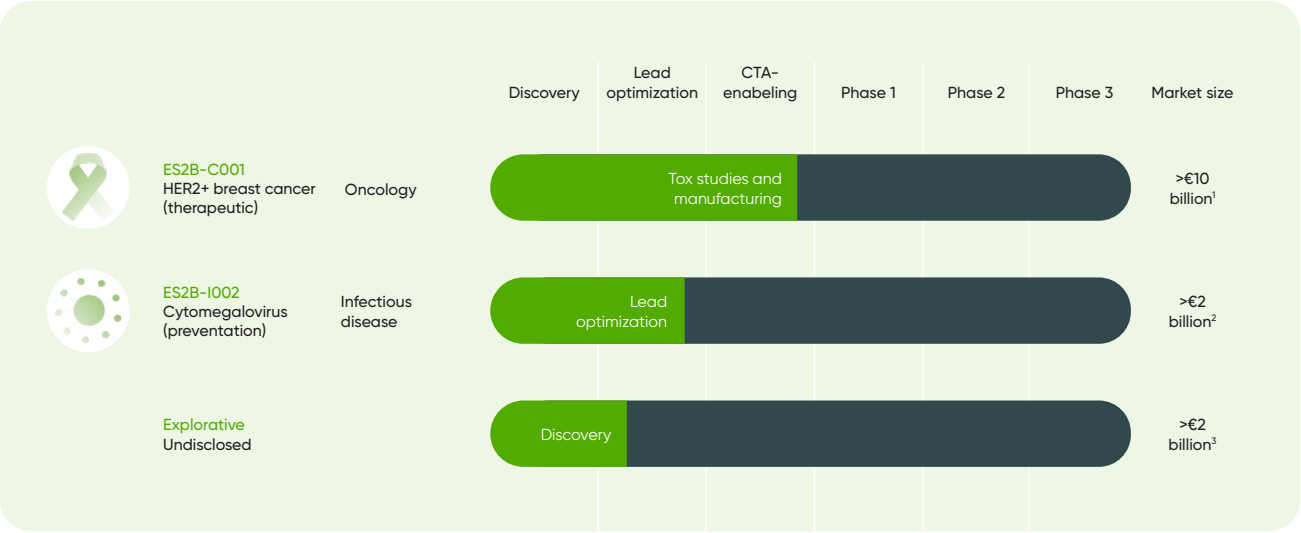
- Less costly than comparable insect cell systems with ease of scalability from bench-scale to production.
- A further advantage of the system is its proven ability to produce viral and parasitic pathogens highly relevant to zoonotic targets where disease spread from animals to humans and cause pandemic situations.
- Generates high yields of complex proteins, i.e. amount of protein per manufacturing batch, compared to competing systems[6].
- Provides homogeneous manufacturing batches, a requirement in pharmaceutical development.
- Glyco-engineered S2 cell lines under the GlycoX-S2™ brand, which allows for functional modification, e.g., by enhancing immunogenicity or improving pharmacokinetics.
- Finally, there are some proteins that cannot be expressed with any of the standard production systems, e.g. the malaria invasion protein RH5.[7]

According to the Company, as of the date of the Prospectus, over 500 different proteins have been produced with the ExpreS2 platform, with a success rate, meaning a result that benefits the pharmaceutical development, exceeding 90 percent. The Company is not aware of any other protein expression system that has shown this kind of range and success rate.

Development pipeline

The Company's fully controlled development pipeline comprises three assets, as displayed in the figure below. The first is ES2B-C001, a therapeutic breast cancer vaccine candidate currently in the CTA-enabling phase with the intention of entering a first in human, clinical trial within 12-months of the filing of this Prospectus. This asset takes full advantage of ExpreS2ion's ExpreS2 platform and AdaptVac's cVLP platform to create a vaccine with the potential to break tolerance towards the HER-2 protein. The aim is to kill and stop the proliferation of HER-2 expressing cancer cells, to stop development or cure of HER-2 positive cancers and potentially even serve as a prophylaxis towards breast cancer. The second asset is ES2B-I002, a cytomegalovirus vaccine candidate currently going through a rapid artificial intelligence driven lead optimization and candidate selection process. The third asset comprises exploratory research projects which are in the discovery phase and undisclosed, and the Company believes that, once disclosed, will offer promising treatments for serious and underserved unmet medical needs.

Pipeline candidates



1. Global Data, 2022, for HER2+ breast cancer.
2. Market estimate from Moderna, 41st Annual J.P. Morgan Healthcare Conference (Presentation).
3. Based on data for global market for existing therapies from Future Market Insights.

6) ExpreS2ion internal data as well as based on client data, not for publication.
7) Hjerrild KA, Jin J, Wright KE, Brown RE, Marshall JM, Labbé GM, Silk SE, Cherry CJ, Clemmensen SB, Jørgensen T, Illingworth JJ, Alanine DG, Milne KH, Ashfield R, de Jongh WA, Douglas AD, Higgins MK, Draper SJ. 2016. Production of full-length soluble Plasmodium falciparum RH5 protein vaccine using a Drosophila melanogaster Schneider 2 stable cell line system. Sci Rep.

ES2B-C001 (HER2-cVLP) – A novel therapeutic breast cancer vaccine candidate

In February 2020, the Company announced that it had signed an option to license agreement with AdaptVac Aps whereby ExpreS2ion could call an option to exclusively in-license the preclinical immunotherapy candidate HER2-cVLP. In February 2021, the Company announced the exercise of the option to license the breast cancer vaccine by signing a final patent license agreement with AdaptVac, thereby designating the vaccine candidate project ES2B-C001.

Immunotherapy represents a major breakthrough in the treatment of breast cancer.[8] Anticancer immunotherapies are generally directed against tumour-associated antigens overexpressed on malignant cells, but scarcely expressed in normal tissue.[9] The human epidermal growth factor receptor-2 (HER2), which mediates tumour growth, is overexpressed in many different cancer types, including gastrointestinal, bladder, pancreas, ovary, colon, kidney, prostate, breast and others.[10] HER2 overexpression occurs in 20–30 percent of invasive breast cancers and is correlated with poor prognosis.[11] Passive immunotherapy using monoclonal antibodies (mAbs) (HERCEPTIN® (trastuzumab) from Roche and PERJETA® (pertuzumab), 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.[12]

Unfortunately, treatment of HER2-positive breast cancer with mAbs is laborious, expensive, and associated with severe side effects.[13] Specifically, the serum half-life (two–four weeks) of the mAbs requires that new doses are administered continuously every third week.[14] Continuous administration of high doses of mAb, represents an additional burden on the patients, and often results in immune reactions against the therapeutic mAb. This may lead to hypersensitivity reactions requiring premedication with cortisol or antihistamine and treatment failure.[15] Also, anti-HER2 mAb therapy appear to be able to cause cardiac adverse effects via mechanisms not currently understood. Finally, most patients with HER2-positive metastatic breast cancer acquire resistance to treatment with trastuzumab within the first year.[16]

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-tumour Abs. In this regard, the main hurdle has been to generate robust and durable anti-tumour immune responses. ES2B-C001 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.[17]

In December 2021, ExpreS2ion announced that its cVLP-HER2 breast cancer vaccine candidate ES2B-C001 demonstrated a tumour-growth inhibiting effect in a HER2 intolerant FVB mouse model. Two weeks after the inoculation of tumour cells, the first vaccine administrations were given. ES2B-C001 formulated in an adjuvant was found to totally block tumour development, whereas the control group progressively expanded with lung metastases and subcutaneously growing local tumours. Additionally, ES2B-C001 without adjuvant was found to inhibit, but not prevent, tumour development. Furthermore, in vitro proof-of-concept studies have been conducted. These studies showed that when blood serum from vaccinated mice were applied to cultures of HER2-positive human breast cancer tumours, the growth was effectively inhibited. The inhibition indicates that the anti-HER2 antibodies mediate the arrest of tumour growth. When vaccine generated anti-HER2 antibodies in blood serum were applied in the same concentration as the conventional HER2-targeting mAb, trastuzumab, tumour growth was inhibited to the same extent. Even in the case of using trastuzumab-resistant tumour cells, the vaccine generated anti-HER2 antibodies efficiently inhibited tumour growth.[18] This indicates that the HER2-VLP vaccine could be used in patients who have stopped immunotherapy due to tumour resistance to mAbs.

In January 2022, the Company reported additional preclinical results demonstrating proof-of-concept also in a HER2-transgenic preventive as well as therapeutic tumour mouse model. Two weeks after the inoculation of tumour cells, the first vaccine administration was given. HER2-transgenic mice (Delta16-FVB) are tolerant towards HER2 as anticipated in humans, which makes it more difficult to raise an immune response and prevent HER2-positive tumours from growing. ES2B-C001 formulated in an adjuvant effectively inhibited tumour development, whereas the control group progressively expanded with tumour development. Furthermore, a preventive tumour study in HER2-transgenic mice (age six to eight weeks) showed that only two vaccinations with two weeks interval prevented tumour development with 95 percent efficiency as compared to a control group, where all mice spontaneously developed tumours as HER2-transgenic mice do over time.[19]

8) Krasniqi et al. 2019. Immunotherapy in HER2-positive breast cancer: state of the art and future perspectives, Journal of Hematology & Oncology.
9) Krasniqi et al. 2019. Immunotherapy in HER2-positive breast cancer: state of the art and future perspectives, Journal of Hematology & Oncology
10) Iqbal N, Iqbal N. Human Epidermal Growth Factor Receptor 2 (HER2) in Cancers: Overexpression and Therapeutic Implications. Mol Biol Int. 2014;2014:852748. doi: 10.1155/2014/852748.
11) Pallerla et al. 2021. Cancer Vaccines, Treatment of the Future: With Emphasis onHER2-Positive Breast Cancer, International Journal of Molecular Sciences.
12) Krasniqi et al. 2019. Immunotherapy in HER2-positive breast cancer: state of the art and future perspectives, Journal of Hematology & Oncology.
13) Brown LJ, Meredith T, Yu J, Patel A, Neal B, Arnott C, Lim E. Heart Failure Therapies for the Prevention of HER2-Monoclonal Antibody-Mediated Cardiotoxicity: A Systematic Review and Meta-Analysis of Randomized Trials. Cancers (Basel). 2021 Nov.
14) Herceptin trastuzumab website, https://www.herceptin.com/, 2023-03-08.
15) https://www.accessdata.fda.gov/drugsatfda_docs/label/2002/trasgen082802lb.pdf.
16) Pallerla et al. 2021. Cancer Vaccines, Treatment of the Future: With Emphasis onHER2-Positive Breast Cancer, International Journal of Molecular Sciences.; Krasniqi et al. 2019. Immunotherapy in HER2-positive breast cancer: state of the art and future perspectives, Journal of Hematology & Oncology.
17) SMIT, Merel J., et al. First-in-human use of a modular capsid virus-like vaccine platform: an open-label, non-randomised, phase 1 clinical trial of the SARS-CoV-2 vaccine ABNCoV2. The Lancet Microbe, 2023
18) Ruzzi et al., Prevention and Therapy of Metastatic HER-2+ Mammary Carcinoma with a Human Candidate HER-2 Virus-like Particle Vaccine, Biomedicines, Oct 10 (10): 2654, (2022).
19) Ruzzi et al., Prevention and Therapy of Metastatic HER-2+ Mammary Carcinoma with a Human Candidate HER-2 Virus-like Particle Vaccine, Biomedicines, Oct 10 (10): 2654, (2022).

Results from the remaining animal proof-of-concept studies were reported during May 2022 and showed that the cVLP-HER2-breast cancer vaccine candidate ES2B-C001 had demonstrated additional positive proof-of-concept also in a metastatic outgrowth therapeutic tumour mice model. The additional preclinical data was based on data from a therapeutic study in HER2-transgenic mice that were injected intravenously with HER2-positive tumours upon which vaccination every two weeks was initiated one week after challenge. All control mice had lung nodules, whereas all mice vaccinated with ES2B-C001 formulated in an adjuvant were metastasis-free. Furthermore, 73 percent of mice vaccinated with ES2B-C001 without adjuvant were metastasis-free, the remaining had only one to two lung nodules.[20]

ExpreS2ion's vaccine candidate, ES2B-C001, aimed at HER2-positive breast cancer, is expected to initiate a FiH trial within 12 months of this Prospectus, building upon the progress achieved in 2023. This progress encompasses, the successful completion of animal safety studies and the initiation of GMP manufacturing that eventually will provide the drug product needed for clinical supply. With the FiH trial set to commence within twelve months from the date of the Prospectus, ExpreS2ion strategically seeks partnerships for continued development, with the aim of reducing development costs while preserving the potential for milestone achievements and royalty payments.

Supportive technology for innovative cancer vaccine development - cVLP technology

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 recombinant expression of the non-contagious viral structural proteins, which then self-assemble into the VLP structure. VLP structures serve as nanoparticle carriers of the vaccine's active ingredient, the antigen (substance that provokes a reaction in the immune system), which is produced with the Company's protein production system ExpreS2™.

VLPs contain repetitive, high density displays of viral surface proteins that present conformational viral epitopes (a composition of amino acids) which elicit very strong B cell immune responses as well as modest T-cell responses.[21] Since VLPs cannot replicate, they provide a safer alternative to vaccines based on attenuated viruses or vaccines using non-replicating viral vectors.[22,23] For instance, VLPs were used to develop FDA-approved prophylactic cancer vaccines for Hepatitis B (e.g., ENGERIX-B®[24] (Hepatitis B Vaccine, Recombinant), against liver cancer) and human papillomavirus (CERVARIX®[25] (Human Papillomavirus Bivalent (Types 16 and 18) Vaccine, Recombinant) and GARDASIL®[26] (Human Papillomavirus Quadrivalent (Types 6, 11, 16, 18) Vaccine, Recombinant), against cervical cancer, in which the antigens coincidentally also were made in insect cells). More recently, VLPs were used to develop a pre-clinical vaccine against chikungunya virus.[27] To make an effective vaccine, proteins, peptides (a shorter chain of amino acids, longer chains are usually called proteins), nucleic acids, or small molecules are attached to the VLP surface, in the Company's case ExpreS2™ made antigens. 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 (a bond of atoms in which the pair does not share the same number of electrons), as well as using a binding reaction based on Tag/Catcher pairs (a way to merge proteins) to covalently (a bond of atoms in which the pair shares the same number of electrons) 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 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 in 2017 transferred to AdaptVac through a global exclusive license.[28]

According to the Company's analysis of the market the cVLP technology has proven effective in generating strong, long lasting immune responses to several foreign pathogens and self-antigens over the last five years. The technology is employed in the lead novel vaccine candidate, the HER2 therapeutic breast cancer vaccine ES2B-C001.

20) Ruzzi et al., Prevention and Therapy of Metastatic HER-2+ Mammary Carcinoma with a Human Candidate HER-2 Virus-like Particle Vaccine, Biomedicines, Oct 10 (10): 2654, (2022).
21) Bachmann, M. F. et al. The influence of antigen organization on B cell responsiveness. Science (80-.). 262, 1448–1451 (1993).
22) Nooraei, S., Bahrulolum, H., Hoseini, Z.S. et al., 2021, Virus-like particles: preparation, immunogenicity and their roles as nanovaccines and drug nanocarriers. J Nanobiotechnol 19, 59. https://doi.org/10.1186/s12951-021-00806-7.
23) Mohsen, M. O., Zha, L., Cabral-Miranda, G. & Bachmann, M. F. Major findings and recent advances in virus–like particle (VLP)-based vaccines. Semin. Immunol. 34, 123–132 (2017).
24) U.S. Food & Drug Administration, FDA, https://www.fda.gov/vaccines-blood-biologics/vaccines/engerix-b, (2024-05-16)
25) U.S. Food & Drug Administration, FDA, https://www.fda.gov/vaccines-blood-biologics/vaccines/cervarix, (2024-05-16)
26) U.S. Food & Drug Administration, FDA, https://www.fda.gov/vaccines-blood-biologics/vaccines/gardasil, (2024-05-16)
27) Metz SW, Pijlman GP., 2016, Production of Chikungunya Virus-Like Particles and Subunit Vaccines in Insect Cells. Methods Mol Biol.
28) AdaptVac.com, 2022, Technology, https://www.adaptvac.com/technology.

The cVLP technology

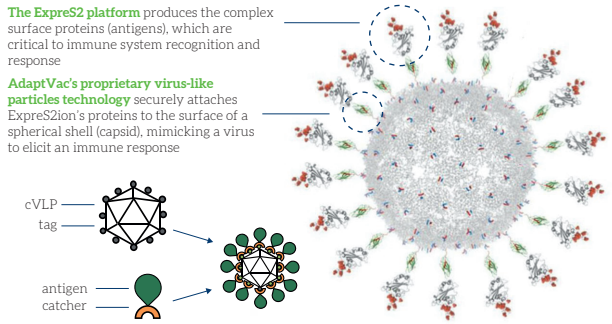


Illustration of the cVLP-technology, how the ExpreS2 functions together with the AdaptVac technology.

VLPs are made in E. coli, Escherichia coli, a bacterial species, in a, according to the Company, simple and easily scalable process, meaning a process which can be applied industrially for production of large amounts of VLP. The VLPs assemble autonomously from 180 copies of a singular recombinant capsid protein, creating an empty protein shell that presents the antigen protein to the immune system. The active ingredient in the vaccine, the antigen, is in the case of the HER2 therapeutic breast cancer vaccine made using ExpreS2ion's proprietary ExpreS2 platform. This is attached to the surface of the VLP using a 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, according to the Company, is an immune response that has fast onset, is strong and focused, and not least, is durable. These advantages were reported by Bavarian Nordic in June 2023 after read-out of patient data twelve month after being vaccinated.[29]

Cytomegalovirus (CMV)

Since December 2022, the Company is involved in a collaborative research project with Evaxion Biotech A/S. The collaboration will combine ExpreS2ion's ExpreS2 platform and capabilities for vaccine development and production with Evaxion's AI-Immunology™ Platforms, RAVEN™ and EDEN™ for designing B and T cell targets, respectively. During the discovery phase of the collaboration, Evaxion will use its proprietary AI platform, RAVEN, to design a next-generation vaccine candidate that elicits both cellular and humoral/antibody responses. The antigen constructs derived from Evaxion's AI platform will be produced by ExpreS2ion in the Company's ExpreS2 platform, followed by assessments in Evaxion's in vivo vaccine models.

A potential future development and commercialisation agreement for the jointly discovered CMV lead vaccine candidate is expected to include an upfront payment and future milestone payments to Evaxion from ExpreS2ion not exceeding a six-digit USD amount, as well as sub-licensing royalty to Evaxion from ExpreS2ion based on mid to lower two-digit percentage range of third-party licensee income depending on the clinical development stage of the CMV asset at the time of sublicensing.

The aim of the current collaboration is to, within two years, develop a range of novel CMV lead vaccine candidates, which ExpreS2ion has the first right to license under a potential Development and Commercialization Agreement. The research costs and IP licensing for the collaboration project is being divided fifty-fifty between the parties by 2025, with all costs expected to be covered by each party's existing budget.

Research and development activities

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 advantageous, particularly for vaccine and immunotherapy purposes, to be able to functionally engineer or "tailor-make" the protein to provide stronger and more targeted immune responses. However, if such modifications are made to the protein, the process must be able to scale 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.

As of the date of the Prospectus, the Company is developing several engineered cell lines under the 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.[30] Indeed, it is believed that pathogens have evolved to use glycosylation of surface proteins as a shield against recognition.[31] The presence of glycans is one of the overall patterns recognised by the immune system.[32] 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[33] and for two different antigens, the Company has demonstrated that the HighMan-S2 cell line produces proteins of significantly higher immunogenicity even reaching levels only attained when the non-modified target is presented on a VLP.[34] The HighMan-S2™ cell line and accompanying vectors and reagents offer a simple, homogeneous and reproducible solution to raising immune response, which the Company is in the process of patenting as of the date of the Prospectus. 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.

29) Bavarian Nordic, Bavarian Nordic reports 12-month durability data from a phase 2 clinical trial of its COVID-19 vaccine candidate, 2023-06-16.
30) Watanabe, Y., Berndsen, Z.T., Raghwani, J. et al. Vulnerabilities in coronavirus glycan shields despite extensive glycosylation. Nat Commun 11, 2688 (2020).
31) Watanabe, Y., Berndsen, Z.T., Raghwani, J. et al. Vulnerabilities in coronavirus glycan shields despite extensive glycosylation. Nat Commun 11, 2688 (2020).
32) Lehrer, R. I. et al. Multivalent Binding of Carbohydrates by the Human α-Defensin, HD5. J. Immunol. 183, 480–490 (2009).
33) Linda G Baum, Brian A Cobb, The direct and indirect effects of glycans on immune function, Glycobiology, Volume 27, Issue 7, July 2017, Pages 619–624.
34) ExpreS2ion internal research, not published in peer-reviewed article.

Malaria

The Company is indirectly through University of Oxford, involved in four malaria vaccine programs: Blood stage (RH5), Blood stage (RH5-VLP), Blood stage (RH5 + R78C), Transmission-blocking (Pfs 48/45), which currently via the University of Oxford, are being investigated in three different clinical Phase I studies and one Phase II study.

Blood-stage (RH5)

The most advanced malaria vaccine program is the RH5 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 RH5 antigen is a part of a larger protein complex expressed by the malaria parasite during infection, helping it to invade red blood cells and causing the disease. The RH5 vaccine is intended to induce antibodies that block red blood cell invasion and thus block the progression of the disease. The Jenner Institute project announced positive data from a phase I/IIa study in October 2018. The vaccine was shown to be safe, immunogenic and it is, according to the Company's knowledge, the first vaccine to demonstrate a reduction in the parasite multiplication rate following a blood-stage controlled human malaria infection.[35] The first RH5 candidate used the adjuvant called AS01 (from GSK), which was later changed to a new adjuvant from Novavax called Matrix-M. In July 2021, the Company announced initiation of the clinical phase Ib trial, with the new adjuvant, for the RH5. The Jenner Institute driven trial is expected to enroll 24 study participants and is estimated to be completed in late 2024.

Blood-stage (RH5-VLP)

With the aim to further improve efficacy, Jenner Institute of the University of Oxford is developing a second-generation RH5 vaccine, RH5-VLP, in the ExpreS2 platform. RH5-VLP has been engineered to retain regions important for red blood cell recognition, which are targeted by neutralising antibodies. Additionally, the RH5-VLP protein will be displayed on the surface of a hepatitis B derived VLP to maximise the induction of high titre antibodies. The project is founded by the Wellcome Trust and is, as of the date of the Prospectus, undergoing a clinical Phase Ib trial known as VAC086 that was started in 2023 in The Gambia. It is currently enrolling estimated 96 study participants and is estimated to be completed in the second half of 2025. Furthermore, a new clinical Phase I/IIa trial known as BIO-001 is currently being set up in Oxford, UK, with 56 planned study participants, and is estimated to be completed in 2025.

Blood-stage (RH5 + R78C)

University of Oxford has initiated a malaria antigen combination vaccine investigation where RH5 and R78C are being tested in a clinical trial.

Transmission-blocking (Pfs 48/45)

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, as of the date of the Prospectus, in preclinical development. The goal for a transmission-blocking vaccine is to prevent the transfer to mosquitos feeding on persons infected with malaria, thus hindering further spread of the disease. Thereby a transmission-blocking vaccine does not give direct protection from the disease, but it stops the disease from spreading and could therefore lead to eradication of malaria. Among the members are the University of Oxford, Sorbonne University and James Cook University in Australia. The consortium aimed to initiate the first human clinical study in 2022, but covid-19 halted the progression. However, now, a Phase I trial known as VAC085 is being conducted by Oxford. The vaccinations have been completed and the immunological analysis is ongoing.

All the malaria vaccine candidates in the Company's 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 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.

Influenza vaccine

Improved Hemagglutinin

The Company is part of the INDIGO consortium in which a group of 16 public and private R&D organizations in India, the EU and the US - collaborate on the development of two novel influenza vaccine concepts that meet the requirements of global vaccination. The aim is to achieve less than 10 percent instead of the current 60 percent non-responders a lower cost, 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 US 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. In 2021, in vitro testing of the first batch of HA antigens generated by ExpreS2ion commenced and HA antigens of both seasonal and pandemic-potential were screened for manufacturability and have been tested in animal model (mouse).

Mucosal Vaccine

In March 2023, the Company announced that the MucoVax consortium was awarded an Innovation Fund Denmark (IFD) Grand Solutions grant for the development of new platforms for universal mucosal vaccines in a five-year research project in a collaboration between ExpreS2ion and University of Copenhagen. The award funding covers 71 percent of the research project and amounts to 29 MDKK (approximately 43 MSEK), of which ExpreS2ion directly is funded with 9.6 MDKK (approximately 14 MSEK). The IFD investment funds 67 percent of ExpreS2ion's share of the research project budget.

The aim of the grant is to support the MucoVax consortium in the development of new platforms for universal mucosal vaccines, including performing animal models to test in vivo novel influenza vaccines delivered intranasally. The ambitious aim is to combine ExpreS2ion's ExpreS2™ protein production system with the fundamental knowledge in immunology and microbiology of the University of Copenhagen including novel and advanced vaccine platforms.

According to the Company's assessment the MucoVax consortium members cover all relevant areas of viral research and vaccine development required for preclinical development of a universal mucosal influenza vaccine. This includes pre-clinical and clinically validated experience from working with malaria pathogens and the SARS-CoV2, applying ExpreS2ion's Drosophila S2 insect cell expression system, and know-how in exploration of adjuvants and VLP technologies.

35) Minassian, et. al., 2021. Reduced blood-stage malaria growth and immune correlates in humans following RH5 vaccination, Med.

Nipah virus vaccine

The Company is a partner in the VICI-Disease consortium, consisting of ExpreS2ion, AdaptVac, University of Copenhagen, Friedrich-Loeffler-Institute, Radboud University Medical Center (RUMC). The VICI-disease consortium was awarded an EUR 8 million grant to fully develop a novel Nipah virus vaccine candidate. The four-year project includes funding for a clinical Phase I trial.

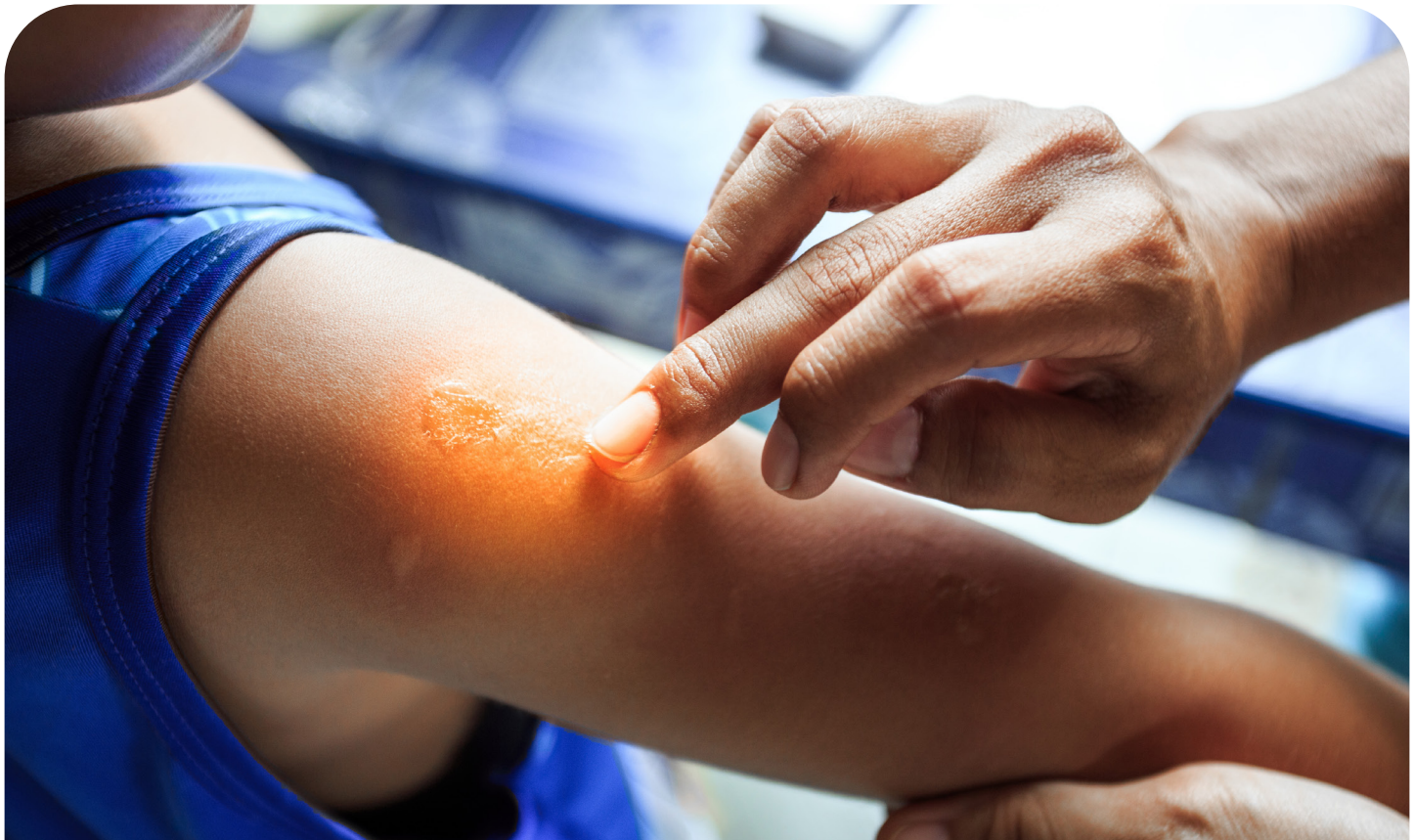
Protein expression as a service

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 targeted proteins. The Company also sells ExpreS2 test kits and reagents for application as research tools or diagnostics. The Company may also enter into agreements where the client accepts a quotation and is charged for the development, production, and delivery of research grade proteins, using the ExpreS2 platform.

The Company provides services to both pharmaceutical companies and research institutions. 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, 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 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 lower single-digit percent of net sales if the pharmaceutical product reaches the market.

In 2023, the Company had over 20 clients which contributed approximately 80 percent of operating income for that year. Clients included global pharmaceutical and diagnostic companies, research universities in Europe and the US, and research institutions around the world. Roche continues to be a licensee of the ExpreS2 system.



Patents

ExpreS2ion Biotechnologies ApS is the owner of 16 registered patents and has filed seven additional patents for which the registration is pending. The registered patents provide protection for the Company's protein expression system, which provides promoter DNA polynucleotides as a tool for improved protein expression in host cells, notably in Drosophila melanogaster. These patents are valid in 16 countries around the world. Additional patent applications pertain to glyco-modified cell lines.

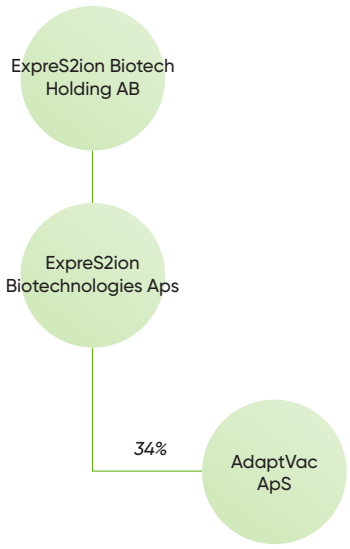
Patent family	Patent number	Region	Case status	Expiry date
S2 vector system	17395AU00	Australia	Registered	2029-06-12
S2 vector system	17395CA00	Canada	Registered	2029-06-12
S2 vector system	17395CH00	Switzerland	Registered	2029-06-12
S2 vector system	17395CN00	China	Registered	2029-06-11
S2 vector system	17395DE00	Germany	Registered	2029-06-12
S2 vector system	17395DK00	Denmark	Registered	2029-06-12
S2 vector system	17395ES00	Spain	Registered	2029-06-12
S2 vector system	17395FR00	France	Registered	2029-06-12
S2 vector system	17395GB00	United Kingdom	Registered	2029-06-12
S2 vector system	17395IE00	Ireland	Registered	2029-06-12
S2 vector system	17395IN00	India	Registered	2029-06-12
S2 vector system	17395IT00	Italy	Registered	2029-06-12
S2 vector system	17395JP00	Japan	Registered	2029-06-12
S2 vector system	17395KR00	Republic of Korea	Registered	2029-06-12
S2 vector system	17395NL00	Netherlands	Registered	2029-06-12
S2 vector system	17395US01	The US	Registered	2032-08-16
New Flavivirus vaccine	20942EP01	European Patent Office	Application filed	2037-12-22
High Mannose/fucose antigens	21860CA00	Canada	Application filed	2040-01-10
High Mannose/fucose antigens	21860EP01	European Patent Office	Application filed	2040-01-10
High Mannose/fucose antigens	21860US00	The US	Application allowed	2040-01-10
Humanized glycosylation in S2 cells	21861CA00	Canada	Application filed	2040-01-10
Humanized glycosylation in S2 cells	21861EP01	European Patent Office	Application filed	2040-01-10
Humanized glycosylation in S2 cells	21861US00	The US	Application filed	2040-01-10
Recombinant production of protein having xylosylated N-glycans	23433EP00	European Patent Office	Application filed	2042-11-17

General information about ExpreS2ion

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

ExpreS2ion's legal entity identifier number (LEI) is 549300FJK50P1ORY-JC45.

Group structure



ExpreS2ion Biotech Holding AB owns 100 percent of the shares in ExpreS2ion Biotechnologies Holding ApS, which in turn owns 34 percent of the shares in AdaptVac.

ExpreS2ion Biotech Holding AB is the Swedish entity listed on Nasdaq First North Growth Market since 2016. ExpreS2ion Biotechnologies ApS is a wholly owned operational subsidiary, with offices and labs in the DTU Scion science park just north of Copenhagen, Denmark. ExpreS2ion Biotechnologies ApS was established in 2010. Since the Company's operations are conducted through ExpreS2ion Biotechnologies ApS, the Company is dependent on ExpreS2ion Biotechnologies ApS. AdaptVac was established in 2017 as a joint venture together with a group of scientists from the Institute of Immunology and Microbiology at the University of Copenhagen, ExpreS2ion Biotechnologies ApS ownership corresponds to 34 percent.

Facilities

The Company conducts all operational activities, including its research and development activities from its 967 square meter laboratories and offices in the DTU Science Park in Hørsholm, north of Copenhagen.

Financing of the Company's operations

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, dividends from its associated company AdaptVac ApS, and loans.

Investments

ExpreS2ion has not made any material investments since 31 March 2024 up until the date of the Prospectus, nor does ExpreS2ion have any ongoing or planned material investments with the exception of such investments that the Company intends to carry out with the proceeds from the Rights Issue. For more information, see Section "*Background and rationale*".

Trends

The Company's assessment is that there are no known trends, related to production, sales, inventory, costs and selling prices other than as disclosed in the section "*Market overview*" under the subheading "*Market Trends*", from 31 December 2023 up until the date of the Prospectus.

Future Challenges

The Company have several pipeline assets that are in various stages of clinical processes, which is inherently uncertain. The Company cannot assure that clinical trials produce the data required to support approval or that the candidate drugs developed with ExpreS2ion's platform technology results in a commercially viable product. The industry in which the Company operates is also competitive, subject to rapid change and highly sensitive to the introduction of new products or other market activities of industry participants. The Company's competitors are companies with substantially greater financial, technical and marketing resources, and they may succeed in discovering, developing, receiving approval for and/or commercialising products that could render ExpreS2ion's products non-competitive and/or limit their potential. Even if competitors' products, in a clinical sense, may not be superior to those of the Company, the competitors may have greater resources and better-established contacts with relevant parties on the market.

Material changes in ExpreS2ion's borrowing and funding structure since 31 March 2024 until the date of the Prospectus

No material changes in the Company's borrowing and funding structure have occurred since 31 March 2024 until the date of the Prospectus.

Market overview

The global vaccine market

Vaccines are considered being the most powerful and cost-effective way to protect billions of populations around the world.[36] Vaccine development has the potential to transform health by eliminating the burden of life-threatening infectious diseases among the population of the affluent nations. The global market for vaccine is growing at a rapid pace. In terms of revenue during 2023, the global vaccine market was valued at USD 45.3 billion, excluding COVID-19 vaccines.[37] In 2028, the market is estimated to be worth USD 69.4 billion[38], corresponding to a compounded annual growth rate of 8.9 percent.

The markets for the Company's pipeline candidates

Breast cancer

Breast cancer is a widespread oncology indication. In 2020 approximately 2.3 million women were diagnosed with breast cancer, and the disease, according to World Health Organisation (WHO) accounted for 685,000 deaths worldwide.[39] Passive immunotherapy (mAbs) has been approved as a therapy for non-metastatic HER2-positive breast cancer. Passive immunotherapy does not rely on the body's own immune response to fight diseases, this because the therapy includes the administration of immune system components to target foreign cells.[40] Monoclonal antibodies represents the largest class of commercialized cancer immunotherapies and are directed to a single target (epitope) on a cancer cell.[41] 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 one year administration 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 3.98 billion and USD 4.7 billion in 2022, respectively.[42] The global breast cancer therapy market was valued to approximately USD 30 billion in 2022 and is expected to grow to approximately USD 56 billion by 2030.[43]

The Company's evaluation of current treatments has identified areas for enhancement. These include addressing patient resistance, minimizing potential cardiac toxicity, and optimizing the frequency of administration. These insights pave the way for the development of more effective and patient-friendly therapies.[44] ExpreS2ion's preclinical-stage breast cancer vaccine candidate targeting HER2-positive cancer, ES2B-C001, may offer a potential to overcome some of the drawbacks through internal polyclonal antibody production.

Influenza

According to the WHO, influenza remains a global health threat that impacts all countries.[45] Every year, there are an estimated one billion cases of which three to five million become severe, leading to 290,000 – 650,000 influenza-related respiratory deaths.[46] 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. Astute Analytica estimated the global influenza vaccine market size to be USD 8 billion in 2023, reaching USD 22 billion by 2032.[47]

The influenza virus is endemic and returns in yearly outbreaks across the world. Due to the high mutation rate of the virus, a particular influenza vaccine usually confers protection for a limited time.[48] 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 currently available vaccine effectivity is only around 40 to 60 percent implying that 60 to 40 percent of vaccinated people are not sufficiently protected, resulting in low confidence, and therefore further contributing to limited uptake/immunization.[49]

Malaria

WHO estimated there were 249 million cases of malaria in 2022.[50] Malaria continues to claim the lives of more than 600,000 people each year, largely in Africa.[51] Children under the age of five are especially vulnerable; and WHO estimates that every two minutes a child dies from this preventable disease.[52] Total funding over the past five years has averaged around USD 3.3 billion globally in malaria control and elimination efforts by governments of malaria endemic countries and international partners.[53] The global market for malaria diagnostics was USD 786 million in 2022 and is expected to reach USD 1.1 billion by 2030.[54]

36) Fortune business insights, Market Research report, Vaccines market size, share & COVID-19 impact analysis, by type, by route of administration, by disease indication, and bacterial disease, by age group, by distribution channel, and region forecast, 2021-2028, 2020.
37) Markets and Markets, Vaccines Market by technology, type, disease, route of administration, end user & region, Global forecast to 2028, 2023.
38) Markets and Markets, Vaccines Market by technology, type, disease, route of administration, end user & region, Global forecast to 2028, 2023.
39) World Health Organisation, 2021. Breast cancer. World Health Organisation.
40) Westburg, Life Science: Passive immunotheraphy: use of monoclonal antibodies.
41) Westburg, Life Science: Passive immunotheraphy: use of monoclonal antibodies.
42) GlobalData, 2022. Sales and Forecasts for Trastuzumab and Pertuzumab, GlobalData.
43) Global Breast Cancer Drugs Market – Industry Trends and Forecast to 2030, 2023.
44) Pallerla et al. 2021. Cancer Vaccines, Treatment of the Future: With Emphasis on HER2-Positive Breast Cancer, International Journal of Molecular Sciences.
45) World Health Organization, Global influenza strategy 2019-2030, 2019.
46) World Health Organization, World malaria report 2021, 2021.
47) Astute Analytica, Global influenza vaccine market: By type, process, administration, age group, distribution channels, region 2024-2032, 2023.
48) CDC, Immunogenicity, Efficacy, and Effectiveness of Influenza Vaccines, 2019.
49) CDC, Vaccine Effectiveness: How well do flu vaccines work, 2022
50) World Health Organization, World malaria report 2023, 2023.
51) World Health Organization, World malaria report 2023, 2023.
52) World Health Organization, World malaria report 2023, 2023.
53) World Health Organization, World malaria report 2023, 2023.
54) Grand view research, Malaria diagnostics market size, share & trend analysis, 2023-2030,2023.

Cytomegalovirus

Cytomegalovirus (CMV) is a common virus that infects people of all ages, and, once infected, the body could retain the virus for life. Over half of all adults in the United States have been infected with CMV by age 40, and nearly one in three children in the United States is already infected with CMV by age five. Most people infected with CMV show no signs of infection. However, people with weakened immune systems who are infected with CMV can have more serious symptoms.[55] Additionally, congenital CMV among new-borns is the leading cause of birth defects in the United States, where one out of 200 infants are born with the virus.[56] The commercial opportunity for a CMV vaccine ranges from USD one to five billion, with currently no approved vaccine on the market.[57,58]

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 especially in developing 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, in part seen by the rapid prevalence of chronic diseases and cancer.[59] Apart from the overall increased number of people that needs healthcare, a general increase in global wealth is 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 vaccines.[60]

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 are spreading as a result of global warming, resulting in new and more habitats for the animals.[61] 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.[62]

Strategic collaborations and emerging economies

The rise in strategic collaboration among biopharmaceutical companies is also a trend which is anticipated to supplement the global growth in the industry. These alliances are expected to boost innovation and enable companies to enter new markets. Emerging economies, such as India and China, are also anticipated to provide additional growth to the biopharmaceutical industry.[63]

Market competition, pricing and regulatory requirements

The biopharmaceutical market is also affected by the rising trend in prices in manufacturing, driven by increased overhead and labour expenses, in connection with higher demand and longer lead times.[64] Further, increased consolidation in the industry, increased competition, declining peak sales and increasing regulatory scrutiny are all trends that add to the complex environment.[65]

Increased research and development

The market is also expected to benefit from the increased focus on research and development in the field, and the related investments. This is largely due to the growing amount of drug approvals and increasing number of clinical trials which respectively fuel the market growth.[66] Furthermore, the increased government investments to develop the market will provide numerous growth opportunities in the market.[67]

55) Centers for Disease Control & Prevention (https://www.cdc.gov/cmv/index.html).
56) Centers for Disease Control & Prevention (https://www.cdc.gov/cmv/index.html).
57) Market estimate from Moderna, 41st Annual J.P. Morgan Healthcare Conference (Presentation).
58) Fierce Pharma, VBI vaccines touts positive phase 1 data for CMV vaccine, 2018.
59) Allied market research, Biopharmaceuticals markets, 2022
60) National Center for Emerging and Zoonotic Infectious Diseases (NCEZID) | CDC, 2017.
61) National Center for Emerging and Zoonotic Infectious Diseases (NCEZID) | CDC, 2017.
62) Caminade C., et al. 2019. Impact of recent and future climate change on vector-borne diseases, National Center for Biotechnology Information.
63) Allied market research, Biopharmaceuticals market, 2018.
64) Downey, W. 2020. Contract Pharma, Biopharma Contract Manufacturing Pricing Analysis, Contract Pharma.
65) Deloitte insight, 2019. Inteligent Biopharma, A report from the Deloitte Centre for Health Solutions, Deloitte.
66) Mordor Intelligence, BIOPHARMACEUTICALS MARKET – GROWTH, TRENDS, COVID-19 IMPACT, AND FORECASTS (2023 – 2028), 2022.
67) Growth plus reports, Biopharmaceuticals Market by Product Type, by Therapeutic Application, by End User, Global Outlook & Forecast 2022-2030, 2022.

Working capital statement

In light of the projects and objectives described in the section "Background and rationale" and in light of the business plan and strategy in place as of the date of the Prospectus, the board of directors of the Company considers that the Company's existing working capital, as of the date of the Prospectus, is insufficient to meet the Company's needs for the next twelve-month period. Considering the Company's working capital as of the date of the Prospectus, the deficit is estimated to amount to approximately SEK 32 million during this twelve-month period. Given the current business plan, the Company believes that a shortage of working capital will arise in March 2025.

The board of directors of ExpreS2ion believes that a fully subscribed Rights Issue and full exercise of all warrants of series TO 10 and TO 11 would provide sufficient working capital to conduct the business activities for the next twelve-month period. Provided that the Rights Issue is fully subscribed, the proceeds from the Rights Issue are expected to amount to approximately SEK 60.0 million before deduction of costs related to the Rights Issue. Costs related to the Rights Issue are expected to amount to approximately SEK 7.8 million including cash consideration for guarantee commitments provided, which amounts to approximately SEK 3.9 million (if all guarantors wish to receive cash consideration).

In the event that all warrants of series TO 10 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 10 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 November 2024 up to and including 14 November 2024, but not less than the quota value of the shares. If all warrants of series TO 10 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.5, the Company will receive between approximately SEK 6.6 and 90.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 1.8 million.

In the event that all warrants of series TO 11 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 11 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 September 2025 up to and including 12 September 2025, but not less than the quota value of the shares. If all warrants of series TO 11 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.75, the Company will receive between approximately SEK 6.6 and 105.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 2.1 million.

In connection with the Rights Issue, the Company has entered into agreements with existing shareholders regarding subscription commitments and a number of external investors regarding guarantee commitments corresponding to approximately 50.1 percent of the Rights Issue. The guarantors of the Rights Issue have the option to request cash compensation or payment in newly issued Units for the guarantee commitments provided. For more information see the section "*Terms and Conditions for the Rights Issue - Guarantee Commitments*" below. The subscription and guarantee commitments in the Rights Issue are not secured by means of bank guarantees, escrow, pledge or similar arrangement, which means that there is no secured capital to fulfil the commitments made. Consequently, there is a risk that the guarantors will be unable to meet their commitments, which may have a material adverse effect on ExpreS2ion's ability to successfully complete the Rights Issue.

If the Rights Issue is not fully subscribed, despite the subscription and guarantee commitments entered into, and if the Company does not receive sufficient proceeds from the warrants of series TO 10, that can be exercised during the period from and including 20 November 2024 until and including 4 December 2024, and the warrants of series TO 11, that can be exercised during the period from and including 18 September 2025 until and including 2 October 2025, the Company intends to explore alternative financing opportunities, such as directed issues, loans or similar. Alternatively, the Company will be forced to review its planned development or operate at a more restrained pace than initially planned pending additional financing. Should the Company be unable to secure alternative financing, it would affect the Company's ability to implement its strategy and develop its products as planned, which will adversely affect the Company's financial and operating position.

Risk factors

An investment in securities is associated with various risks. This section describes the risk factors and significant circumstances considered to be material to Expres2ion's business and future development. In accordance with the Prospectus Regulation, the risk factors described in this section are limited to such risks which are deemed specific to the Company and/or to the Company's shares and which are deemed material in order for an investor to be able to make a well-informed investment decision.

ExpreS2ion has assessed the materiality of the risks based on the probability of the risks occurring and the expected extent of their negative effects. The risk factors are presented in a limited number of categories that include risks attributable to ExpreS2ion's operations and industry, financial risks, legal and regulatory risks, and risks related to ExpreS2ion's shares and the Rights Issue. The risk factors presented below are based on the Company's assessment and information available as of the date of the Prospectus. The risk factors considered most significant as of the date of the Prospectus are presented first within each category, while subsequent risk factors are presented without any particular ranking.

Risks related to the Company's operations and industry

Clinical trials may prove to be unsuccessful

ExpreS2ion have several pipeline assets that are in various stages of clinical processes, which is inherently uncertain. ExpreS2ion cannot assure that clinical trials produce the data required to support approval or that the candidate drugs developed with ExpreS2ion's platform technology result in a commercially viable product. For the financial year 2023, ExpreS2ion's total R&D expenses amounted to SEK 51,419 thousand. Unsuccessful clinical trials may limit partnership transactions and thus decrease the potential for ExpreS2ion's revenues from pipeline licensing. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as high.

Profitability of the Company and its ability to grow

ExpreS2ion has generated losses since listing on the Nasdaq First North Growth Market in 2016. For the financial year 2023, ExpreS2ion recorded a net loss of SEK -91,401 thousand. These losses mainly arose as a result of expenses for research and development activities related to ExpreS2ion's studies and related personnel costs. Given ExpreS2ion's current strong focus on research and development activities, which by itself require important skills and experience, ExpreS2ion may overlook important aspects related to e.g., internal control, human resources, and other internal processes, or preparation of commercialisation strategies of its products if and when this becomes relevant. If such processes/strategies are not adequately designed and implemented, and/or are not in place in advance of commercialisation activities or expansion, it could adversely affect ExpreS2ion's operations and its possibilities to successful commercialisation. Furthermore, in order to design and implement the aforementioned processes, the Company may need to hire additional employees or engage expensive professional consultants, which could increase the Company's operational costs. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as high.

Competition from bigger commercial players

The industry in which the Company operates is competitive, subject to rapid change and highly sensitive to the introduction of new products or other market activities of industry participants. 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 commercialising products before or more successfully than ExpreS2ion. Even if competitors' products, in a clinical sense, may not be superior to those of the Company, the competitors may have greater resources and better-established contacts with relevant parties on the market (Key Opinion Leaders, etc.), which could lead to that the competitors' products are shown greater interest from relevant market participants and decision makers. In November 2022 and March 2023 ExpreS2ion announced establishment of a Scientific Advisory Board, Oncology, and a Scientific Advisory Board, Infectious Diseases, respectively, which aim to prevent this. However, there is a risk that the approval of competing or complementary vaccines would impact the Company's business plan and pipeline portfolio. If the Company successfully develops 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, amounting to tens of millions could be lost, which would adversely affect the Company's financial value and prospects.

Expres2ion is dependent on partners

Out-licensing to larger pharma or vaccine companies is an integral part of ExpreS2ion's strategy. ExpreS2ion focuses on research and early clinical development where the Company believes it has the technology, competencies, and experiences to be competitive. International multicentre trials, registration, marketing and sales of final drugs and vaccines is outside ExpreS2ion's reach. As such, ExpreS2ion will inevitably be dependent on licensing partner(s). Once an out-licensing agreement has been made, ExpreS2ion generally loses direct control of the further development and eventual marketing of the product. In these instances, ExpreS2ion will instead rely on the terms of the out-licensing agreement regarding development which, in various degrees, may also give ExpreS2ion insights on how development progresses and how to define further development processes.

In these instances, the Company will instead rely on the terms of the out-licensing agreement regarding development which, in various degrees, may also give the Company insights on how development progresses and how to define further development processes. Notwithstanding the foregoing, the Company is in these cases generally dependent on the partner's competence and continued interest in subject matter of the out-licensing agreement. Ambitious development programs are extremely costly, and could amount to several hundred million SEK, which may adversely impact the Company's partners' willingness to seek funding for, and their interests in, certain development programs. Further, if the Company's partners fail to obtain regulatory approval for the vaccines, or if they are unable to effectively commercialise the vaccines, it will have a direct impact on the Company's future milestone and royalty streams, which could adversely affect the Company's prospects. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as medium.

Obstacles in obtaining registration and licensing at agencies and/or governmental authorities

As of the date of the Prospectus, ExpreS2ion's fully-controlled or semi-controlled pipeline consists of the breast cancer vaccine (ES2B-C001) in preparation for clinical Phase I, the Cytomegalovirus (CMV) vaccine (ES2B-I002) in lead optimisation phase, as well as exploratory discovery projects in non-disclosed fields. Furthermore, the Company is engaged in several non-dilutive funded discovery phase vaccine projects, such as the MucoVax and INDIGO consortia (both influenza) and VICI-Disease consortium (Nipah virus). ExpreS2ion is also part of the malaria vaccines RH5 in clinical phase II and RH5-VLP and Pfs48/45 in clinical Phase I. Only ES2B-C001 and VICI-Disease incorporate AdaptVac's cVLP technology. Authorisation must be obtained in order to market and sell pharmaceuticals and diagnostics, and registration takes place at the appropriate agency or governmental authority in the respective market, such as the Food and Drug Administration (FDA) in the United States and the European Medicines Agency (EMA) in Europe. Should ExpreS2ion, directly or through collaboration partners, fail in obtaining the required authorisations and registration from such agencies or governmental authorises, ExpreS2ion's ability to generate revenues may be significantly impeded. The cost and workload for the Company associated with obtaining clearance/approval from agencies and governmental authorities will depend upon the type of clearance/approval sought, including the laws of the country in which such clearance is sought. Should the aforementioned events materialise, it could have a material adverse effect on the Company's financial position and prospects. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as medium.

Dependence on key employees

As of 31 March 2024, ExpreS2ion employed 19 people, the majority of which works in R&D and of which twelve hold PhD degrees. 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 a lab environment, which can be difficult and time-consuming to replace should the Company lose one or more of its key scientists or lab technicians. The loss of management members or other key personnel could also have an adverse effect on the Company's ability to conduct and improve its business and operations. The Company must be successful in attracting and retaining qualified scientific and clinical personnel. Should sickness or other cause result in a significant number of employees, or certain key employees, not being able to complete their responsibilities, it could have an impact on the Company's ability to meet key milestones. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as medium.

ExpreS2ion may not overcome the risk corresponding to the development of new biopharmaceutical products

The Company has worked with the development of vaccines, however none of which are yet on market as they are currently under clinical evaluation or preclinical qualification. As of the date of the Prospectus, no drug or vaccine marketed by someone else employs the Company's ExpreS2 technology or AdaptVac's cVLP technology. However, there are blockbuster VLP / insect cell vaccines on the market, including Gardasil and Cervarix for HPV, and a protein subunit vaccine from Novavax for COVID-19. The COVID-19 vaccine from Novavax goes under the trade name NUVAXOVID as approved by EMA in Europe, and trade name COVOVAX as approved by India and other Asian countries. It is also known as "Novavax COVID-19 Vaccine, Adjuvanted" as approved under the emergency use authorisation by FDA in USA. 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 take several years to complete and may cost tens of millions of SEK. Notwithstanding the above, 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 exclusively in-licensed from AdaptVac, have historically shown high failure rates. No active immunotherapy product against HER2 has ever completed human phase III trials. The Company believes there is a risk that it may never bring a biopharmaceutical product to the commercial stage, but, as of the date of the Prospectus the Company assesses the probability that the risk will occur in whole or in part as medium.

The Company is exposed to risks related to its premises

The Company depends on being able to carry out tests and research in its premises and needs continuous access to the laboratories housed therein. As of the date of the Prospectus, the Company runs its operation activities in 387 sqm. office premises and 855 sqm. laboratories and depots, which are all located in the DTU Science Park in Hørsholm, Denmark, 20 km North of Copenhagen. Further, the Company has partnerships where the Company's partners carry out the research activities in its premises, e.g. at The University of Bologna for the functional preclinical studies, and at Charles River Laboratories in the UK and France for the preclinical safety studies. The Company is therefore exposed to the risk that its, or its partners', premises may be damaged to the extent that certain studies and/or laboratories cannot be carried out/used. Depending on the type of damage, access to such premises could be limited for an undetermined duration, and could occur due to, for example, fires, explosions, natural disasters, or sabotages. In addition, pandemics, such as the COVID-19 pandemic, may result in these premises/laboratories being shut down due to staff illness or other restrictions imposed by authorities. As of the date of the Prospectus, no such shutdowns have been forced due to pandemics, but it cannot be excluded that this will happen in the future. Any disruption or other unanticipated events affecting ExpreS2ion's or its partners' premises/laboratories, and therefore the Company's operations, would adversely affect the Company's operations, results, and the timing of ongoing studies. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

Financial risks

ExpreS2ion may not be able to fund its new strategy

ExpreS2ion's business model requires it to finance own research and early clinical development activities which is increasingly costly. During the financial year 2023, the Company generated revenue from government grants of approximately SEK 1.7 million, but these revenue sources were not, and will not in all likelihood in the future, be sufficient to cover the Company's expanding activities, particularly those related to clinical development as envisioned for the HER2 breast cancer vaccine.

The Company's annual burn rate – the yearly amount of cash needed to operate the Company's business model – is expected to increase over the coming years, both because of the anticipated progress in the Company's pipeline and because of increased operational expenses as the Company progresses with its pipeline development. 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 and through such arrangement(s) be able to finance the operations with cash generated by the business. If new funding is not available when needed, 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, which could adversely affect the Company's financial position and prospects. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as high.

Availability of funding

ExpreS2ion may need to raise additional funding, which may not be available on acceptable terms fo Expres2ion, or at all. Failure to obtain such funding when needed may force ExpreS2ion to delay, limit or terminate its product development efforts or other operations. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as medium.

The Company may not be able to obtain government grants

Government grants is one important element for ExpreS2ion regarding financing of drug discovery and technology development. The Company receives various types of research grants and funding for pharmaceutical developments and 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 thus been able to finance a significant part of its early exploratory research through such grants. As of the date of the Prospectus, the Company is recipient of combined grants 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 influenza and malaria activities have been almost entirely funded by such grants. During the financial year 2023, the Company's total revenue from government grants amounted to approximately SEK 1.7 million. In March 2023 the Company announced the award of a grant to ExpreS2ion and University of Copenhagen from Innovation Fund Denmark for the MucoVax mucosal influenza vaccine project. Furthermore, in December 2023, ExpreS2ion announced the award of a Horizon Europe grant amounting to 8 million EUR (approximately 90 million SEK) to the VICI-Disease consortium, of which 53 percent is a direct contribution for ExpreS2ion's part of the project costs. 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 be successful when applying for grant funding, and if the Company is unsuccessful with its applications for government grants, the Company may need to raise additional cash from its shareholders. Alternatively, the Company would have to scale back on its exploratory and early research, which in turn would adversely impact the Company's ability to add new exploratory vaccine candidates into its pipeline. Failure to obtain government grants will therefore have a material adverse effect on the Company's operations and financial position. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

Legal and regulatory risks

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 entity in which ExpreS2ion owns 34 percent of the shares and voting rights. The Company can therefore exert limited control over AdaptVac, which means that access to the cVLP platform is not guaranteed. Furthermore, the Company participates in research consortia in which other parties also contribute intellectual property, for instance in the form of vaccine adjuvants which become an integral part of the product. ExpreS2ion seeks to always enter written agreements with collaborators about the ownership of intellectual property arising from the collaborations. For example, in February 2020, the Company announced that it had entered into a patent license agreement with AdaptVac granting the Company an option to exclusive global license rights to AV-001, a preclinical-stage breast cancer vaccine candidate. The Company exercised the option in February 2021, and the project code was simultaneously changed to ES2B-C001. Collaboration 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 research consortium agreements (which are often based on templates provided by the grant authority) may have inadequate regulations regarding 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. Should the intellectual property rights around a particular vaccine or immunotherapy candidate be unclear, the Company's ability to find a development partner for such a product could be seriously adversely affected, which could have a material adverse effect on the Company's operations and prospects. Moreover, if the Company would become involved in a dispute over the rights to certain intellectual property, this could adversely affect various stakeholders' (partners, governments, banks etc.) view of the Company and its prospects, including the perceived value of the Company among capital markets participants. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as medium.

ExpreS2ion collects, stores and processes sensitive personal data

As part of ExpreS2ion's business, the Company collects, stores and processes personal data relating to employees, customers and patients (e.g. before conducting a study and during the study). Health-related information is typically of a very sensitive nature as it could pertain to sensitive health information on the persons participating in the Company's studies. There is a risk that the Company's precautions to protect patient data in accordance with the privacy requirements under applicable laws may prove to be ineffective or

insufficient. There is a risk that such data may be transferred, moved, inappropriately shared, or leaked as a result of human error or technological failure or otherwise be used inappropriately. Violation of data protection laws, either from the Company, its partners, employees or suppliers, may result in high penalty fines for the Company.

According to Regulation (EU) 2016/679 ("**GDPR**"), incidents may result in the imposition of fines amounting up to EUR 20 million or up to 4 percent of ExpreS2ion's total worldwide annual turnover for the preceding financial year (in relation to an incident), whichever is higher, for each case of non-compliance with the GDPR. In addition, non-compliance with GDPR or other applicable data protection laws regulations in other jurisdictions may in addition lead to reputational harm and customer losses and which could have a material adverse effect on the Company's operations, liquidity, financial position and results. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

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

Even if ExpreS2ion retains, and continuously 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. As of the date of the Prospectus, 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. There is a risk that the Company may not have Freedom to Operate in all its programs and that it may have to obtain licenses from third parties, which could have a material adverse effect on the Company's business. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

Inadequate protection of intellectual property rights

ExpreS2ion has several patent applications that are pending for which the outcome is uncertain. Also, AdaptVac, whose cVLP technology is instrumental in the ABNCoV2 and ES2B-C001 vaccine candidates, has several patent applications pending. The Company's patents covering new technologies on the glycosylation of protein antigens (essentially the HighMan™ and GlycoX-S2™ technologies) were submitted on 10 January 2020, and the Xylose-modified S2 cell line patent was submitted on 17 November 2022. The Company and AdaptVac may in the future have to limit the claims in patents or may not be able to obtain patenting. 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. If the Company fails to obtain patents or if the Company is granted patents with significantly reduced claims, it may be possible for other companies to develop and commercialise similar products in competition with ExpreS2ion and its partners, which could adversely affect the Company's operations, financial position and prospects. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

Risks relating to potential product liability claims

Considering that ExpreS2ion operates in the biotechnology industry, the Company is exposed to product liability risks which may arise e.g., during clinical trials. For instance, patients participating in clinical studies may suffer unwanted side effects or be harmed in other ways. Furthermore, there is a risk that the Company may not be able to accurately predict the possible side effects. The Company faces the risk of substantial liability for damages if its products or product candidates were to cause damages to patients who participate in clinical studies. This risk is also apparent for any approved and launched products. However, the Company does not yet have a clinical trial insurance in place. A clinical trial policy will be put in place when initiating clinical trials. However, if the Company is held liable for any incidents, there is a risk that the Company's insurance coverage may not be sufficiently adequate to cover product liability claims. There is also a risk that the Company fails to obtain or maintain adequate insurance coverage over time and on acceptable terms.

Defending against product liability can be costly and time-consuming, diverting management's focus from its day-to-day tasks. Litigations and claims related to such events could therefore have an adverse effect on ExpreS2ion's business, financial position and results. In addition, market acceptance of the Company's products may be adversely affected by product liability disputes and the Company's reputation may be harmed. As of the date of the Prospectus, the Company assesses the probability that the risk will occur in whole or in part as low.

Risks related to the Company's shares

Trading in the Company's shares has been, and may in the future be, inactive and illiquid and the price of the share may be volatile

ExpreS2ion's shares are subject to trading on Nasdaq First North Growth Market in Stockholm, which is a multilateral trading facility and growth market for small and medium-sized enterprises. The price at which the shares in ExpreS2ion have been traded has historically been characterised by high volatility. In addition, the turnover in the Company's shares has at times been low. The highest and the lowest price at which the share in ExpreS2ion have been traded during the twelve months ending on 31 December 2023 amounts to SEK 22.3 per share and approximately SEK 0.7 per share, respectively. The share has also from time to time been subject to limited trading with low daily turnover and the difference between asking and selling prices can from time to time be large. The liquidity in the Company's share is affected by a number of internal and external factors. The internal factors include quarterly variations. The external factors include general economic conditions, industry factors, and additional external factors such as outbreaks of pandemics and Russia's invasion of Ukraine, which has led to higher volatility in global stock markets, and which are not related to the Company's business. There is a risk that investors will lose all or part of their investment. There is also a risk that shareholders will not have the opportunity to sell their holdings at any given time as trading may in the future be subject to inactivity or be illiquid.

Risks related to the Rights Issue

The compensation in the event of a 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 Rights Issue, the unit rights will lapse and become worthless, and entails no compensation for the holder. As a consequence, the proportional ownership and voting rights of such shareholders in ExpreS2ion will decrease. For shareholders who refrain from subscribing for Units in the Rights Issue, a dilution effect corresponding to a maximum of approximately 77.8 percent of the number of shares and votes arises, assuming that the Rights Issue is fully subscribed and that all warrants of series TO 10 and TO11 are exercised. In the event that a shareholder chooses to sell its unit rights, or if these are sold on behalf of the shareholder (e.g., through a nominee), there is a risk that the compensation the shareholder receives for the unit rights on the market does not correspond to the financial dilution in the shareholder's ownership of ExpreS2ion after the Rights Issue has been completed.

There is a risk that active trading in unit rights and BTU will not develop and that there will not be sufficient liquidity

Unit rights will be traded on the Nasdaq First North Growth Market during the period from 12 June 2024 up to and including 24 June 2024, and BTUs from 12 June 2024 until the Rights Issue has been registered with the Swedish Companies Registration Office and BTUs are converted into shares and warrants, which is expected to occur around week 30 2024. Accordingly, in light of the historical volatility and fluctuating turnover in the Company's shares as described above, there is a risk that active trading in unit rights or BTUs will not develop on the Nasdaq First North Growth Market, or that satisfactory liquidity will not be available during the subscription period at the time such securities are traded. The price of ExpreS2ion's unit rights and BTUs may fluctuate during the Rights Issue (and, with respect to the shares and warrants, also following the completion of the Rights Issue). The price of ExpreS2ion's shares may fall below the subscription price set for subscription of the Units. A general downturn in the stock market or a rapid slowdown in the economy could also put the Company's share price under pressure without this having been caused by ExpreS2ion's business fundamentals.

Subscription and guarantee commitments received are not secured

The Company has received subscription commitments from existing owners and guarantee commitments from external parties corresponding to a total of approximately 50.1 percent of the Rights Issue. Subscription commitments and guarantee commitments are not secured by bank guarantees, escrow funds, pledges or similar arrangements, which entails a risk that one or more of those who have entered into agreements will not be able to safely fulfil their commitments. This would have a negative impact on the Company's financial position and on the implementation of planned measures after the completion of the Rights Issue, which in the long run risks leading to reduced future revenues or otherwise negatively affecting the Company's operations to a large extent.

Information about the Company's shares

General information

The Rights Issue concerns the subscription of Units with preferential rights for existing shareholders in ExpreS2ion Biotech Holding AB (publ). The ISIN code for the Company's shares is SE0008348262 and are issued in accordance with Swedish law and in SEK. The ISIN code for warrants of series TO 10 is SE0022088100 and the ticker name symbol is EXPRS2 TO10. The ISIN code for warrants of series TO 11 is SE0022088118 and the ticker name symbol is EXPRS2 TO11. The subscription price in the Rights Issue amounts to SEK 1,00 per Unit, corresponding to SEK 1,00 per share. Provided that the Rights Issue is fully subscribed, the Company's share capital will, through a new issue of 59,972,451 shares, increase by SEK 6,663,605.678757 to a total of SEK 12,375,267.689120 and the number of shares will increase from 51,404,958 to a total of 111,377,409. Provided that the Rights Issue is fully subscribed and all warrants of series TO 10 are exercised, the Company's share capital will increase by an additional SEK 6,663,605.678757 and the number of shares will increase by an additional 59 972 451 shares. Provided that the Rights Issue is fully subscribed and all warrants of series TO 11 are exercised, the Company's share capital will increase by an additional SEK 6,663,605.678757 and the number of shares will increase by an additional 59,972,451 shares.

Certain rights associated with the shares

The shares covered by the Rights Issue are of the same class. The rights attached to the shares issued by the Company, including those arising from the articles of association, may only be amended in accordance with the procedures set out in the Companies Act (2005:551). The shares in the Rights Issue are freely transferable.

Voting rights

Each share grant entitlement for the shareholder to one (1) vote at general meetings and each shareholder is entitled to a number of votes equal to the number of shares in the Company held by the shareholder.

Preferential rights to new shares, etc.

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

Rights to dividends and balances in the event of liquidation

All shares in the Company carry equal rights to dividends and to the Company's assets and any potential surplus in the event of liquidation. Decisions regarding dividends are made by the general meeting of shareholders. Entitlement to receive dividends accrues to those who, on the record date adopted by the general meeting of shareholders, are registered in the share register maintained by Euroclear as shareholders. Dividends are normally distributed to the shareholders as a cash amount per share through Euroclear, but may also be distributed in forms other than cash (distribution in kind). Should a shareholder be unable to be reached through Euroclear, the shareholder will continue to have a claim against the Company with regard to the dividend limited in time pursuant to a ten-year statute of limitation. Should the claim become barred by the statute of limitations, the dividend amount accrues to the Company.

No restrictions on the right to receive dividends apply to shareholders residing outside of Sweden and, except for any restrictions resulting from banking and clearing systems, payments to such shareholders are made in the same way as for shareholders resident in Sweden. Shareholders who do not have a tax domicile in Sweden are normally subject to Swedish withholding tax.

Rules applicable for takeover bids etc.

In the event that a public takeover offer is made for the shares in ExpreS2ion, the takeover rules for certain trading platforms issued by the Swedish Stock Market Self-Regulation Committee (Takeover rules for certain trading platforms) (the "**Takeover Rules**") will apply as of the date of the Prospectus. These rules provide, inter alia, that any person who does not hold any shares, or holds shares representing less than 30 percent of the voting rights of all the shares in a Swedish limited liability company whose shares are admitted to trading on, for example, the Nasdaq First North Growth Market, and who through the acquisition of shares in such a Company, alone or together with related parties, holds shares representing 30 percent of the voting rights, is obligated to immediately disclose the size of its holding in the company and, within four weeks thereafter, make a public offer to acquire the remaining shares in the company (mandatory bid requirement).

Furthermore, the Takeover Rules stipulate that if the board of directors or the CEO, due to information arising from the person intending to submit a voluntary public takeover bid for the shares in the Company, has good reason to assume that such an offer is imminent, or if such an offer has been submitted, the Company may, in accordance with the Takeover Rules, only after a decision by the general meeting take measures that are likely to impair the conditions for the submission or completion of the public takeover offer. Notwithstanding this, the company may search for alternative offers.

In the case of a public tender offer, a shareholder must take a position on the offer during the acceptance period. A shareholder has the right to either accept or reject the offer. A shareholder who has accepted a public tender bid is bound by his acceptance as a starting point. However, a shareholder may, in certain circumstances, withdraw his acceptance, for example if the acceptance was conditional on the fulfilment of certain conditions.

A shareholder of the Company who through a public tender offer or otherwise, itself or through a subsidiary, hold more than 90 percent of the shares, is entitled to redeem the shares of the remaining shareholders. Holders of the remaining shares have a corresponding right to have their shares redeemed by the majority owner. The procedure for such redemption of minority shares is further regulated in the Companies Act.

The shares in the Company are not subject to any offer made due to a mandatory bid, redemption rights or buy-out obligation. Nor has any public takeover bid been submitted regarding the shares during the current or preceding financial year.

Central securities depository

The shares in ExpreS2ion are registered in a central securities depositary register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479). This register is maintained by Euroclear, Box 191, 101 23 Stockholm, Sweden. No share certificates have been issued for the Company's shares. The rights attached to the shares are vested in those who are registered in the share register kept by Euroclear.

Issue authorisation

At the annual general meeting on 5 June 2024, it was resolved to authorise the board of directors during the period up until the end of next annual general meeting, on one or more occasions, to resolve to issue shares, convertibles and/or warrants, with or without preferential rights for the shareholders, corresponding to not more than 30 percent of the share capital of the Company after completed issuances based on the number of shares at the time of the annual general meeting, to be paid in cash, in kind and/or by way of set-off.

The purpose for the board to resolve on issuances with deviation from the shareholders preferential rights in accordance with the above is primarily for the purpose to broaden the shareholder base, raise new capital to increase flexibility of the Company or in connection with acquisitions. If issuances are carried out with deviation from the shareholders' preferential rights, such issue shall be made in accordance with customary market terms. If the board of directors finds it suitable in order to enable delivery of shares in connection with a share issuance as set out above, it may be made at a subscription price corresponding to the share's quota value.

Resolution on Rights Issue

The annual general meeting on 5 June 2024 resolved to approve the board of directors' resolution, on 2 May 2024, to carry out the Rights Issue. The record date for the right to receive unit rights is 10 June 2024. The subscription period begins on 12 June 2024 and ends on 27 June 2024.

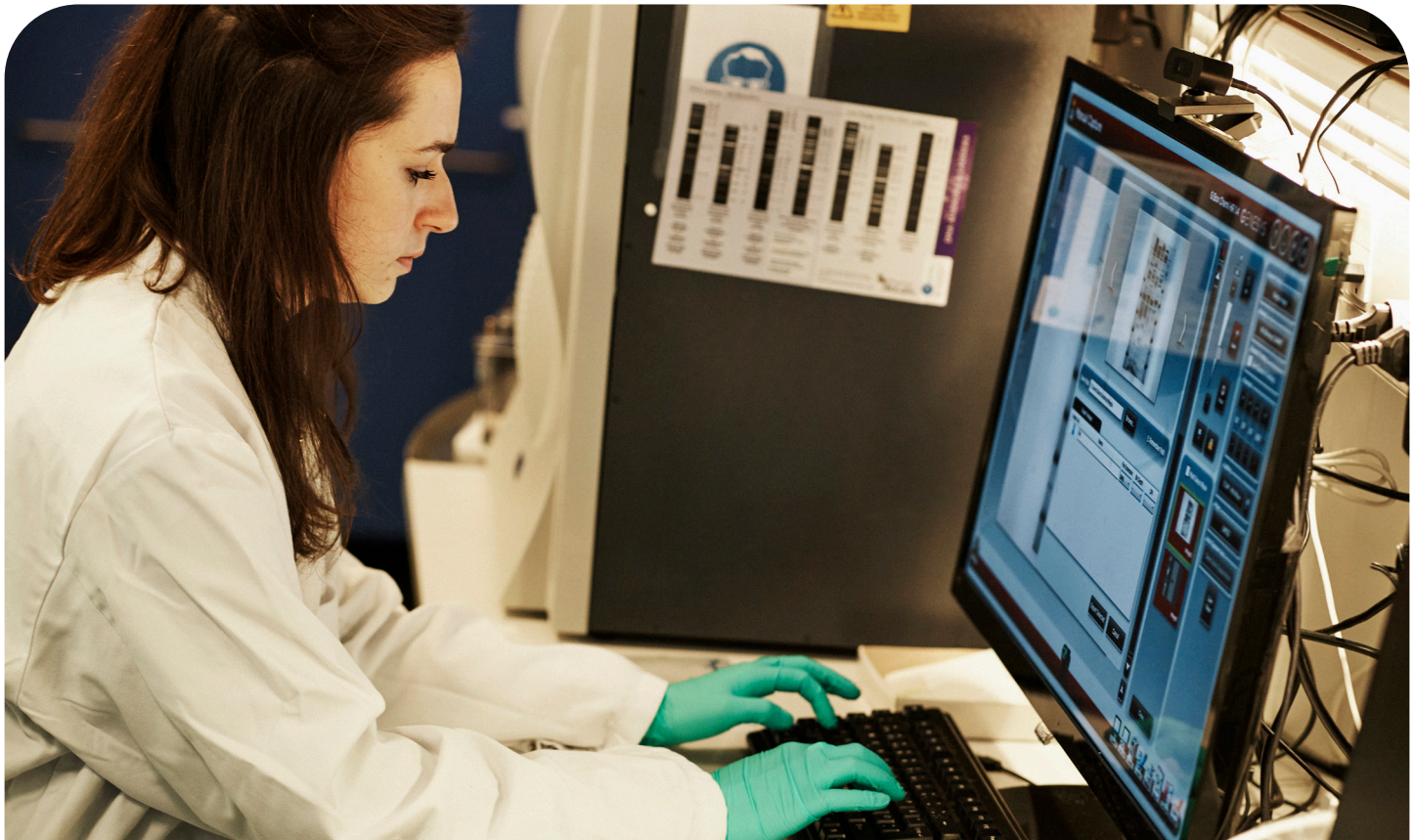
The Rights Issue is carried out in accordance with Swedish law and the currency for the Rights Issue is SEK. The Rights Issue is expected to be registered at the Swedish Companies Registration Office around week 29 2024. The date given is tentative and may be subject to change.

Registration of the Rights Issue with the Swedish Companies Registration Office

The date expected for the registration of the Rights Issue with the Swedish Companies Registration Office is around week 29 2024. The date given is tentative and may be subject to change.

Tax issues in connection with the Rights Issue

Investors in the Rights Issue should note that the tax laws of the investor's Member State and the Company's country of incorporation may affect income from the securities. Investors are advised to consult their independent advisors regarding any tax consequences that may arise in connection with the Rights Issue.



Terms and conditions for the Rights Issue

About the Rights Issue

The Rights Issue comprises up to 59,972,451 Units in ExpreS2ion which are issued with a subscription price of SEK 1.00 per Unit, corresponding to SEK 1.00 per share. The warrants of series TO 10 and warrants of series TO 11 are issued free of charge. Each Unit consists of one (1) share and one (1) warrant of series TO 10 and one (1) warrant of series TO 11. Upon full subscription in the Rights Issue, the Company will receive initial proceeds of approximately SEK 60.0 million before deduction of issue costs.

In the event that all warrants of series TO 10 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 10 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 November 2024 up to and including 14 November 2024, but not less than the quota value of the shares. If all warrants of series TO 10 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.5, the Company will receive between approximately SEK 6.6 and 90.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 1.8 million.

In the event that all warrants of series TO 11 in the Rights Issue are exercised for the subscription of shares, the Company will be provided with additional proceeds. One (1) warrant of series TO 11 entitle the holder to subscribe for one (1) new share in the Company against cash payment amounting to 70 percent of the volume-weighted average price of the Company's shares during the period from and including 1 September 2025 up to and including 12 September 2025, but not less than the quota value of the shares. If all warrants of series TO 11 are exercised for subscription of shares and the subscription price amounts to the quota value (approximately SEK 0.11), the Company will receive approximately SEK 6.6 million before issue costs, which are estimated to amount to approximately SEK 0.1 million. If the subscription price under the same conditions amounts to between SEK 0.11 and 1.75, the Company will receive between approximately SEK 6.6 and 105.0 million before issue costs, which are estimated to amount to between approximately SEK 0.1 - 2.1 million.

Record date and preferential rights for subscription

Anyone who, on the record date 10 June 2024, is registered as a shareholder in the share register maintained by Euroclear, on behalf of ExpreS2ion, has preferential rights to subscribe for Units proportional to the number of shares held by the shareholder on the record date. Existing shareholders will receive seven (7) unit rights for each existing share and. Six (6) unit rights entitle to subscription of one (1) Unit. The last day of trading in the Company's shares with the right to participate in the Rights Issue was 5 June 2024. The first day of trading in the Company's shares without the right to participate in the Rights Issue is 7 June 2024.

Subscription period

Subscription for Units with unit rights shall be made by simultaneous cash payment during the period from and including 12 June 2024 until and including 27 June 2024. During this period, notification of subscription for Units may also be made without unit rights. The Company's board of directors reserves the right to extend the subscription period and the time for payment, which, if applicable, will be announced by the Company via press release no later than the last day of the subscription period, i.e. 24 June 2024. The press release will be available on the Company website, www.expres2ionbio.com.

Unit rights

For each existing share held on the record date, 10 June 2024, seven (7) unit right is received. Six (6) unit rights entitle to subscription of one (1) Unit in the Rights Issue. Each Unit consists of one (1) share and one (1) warrant of series TO 10 and one (1) warrant of series TO 11 free of charge.

Subscription price

Units are issued at a subscription price of SEK 1.00 per Unit, which corresponds to SEK 1.00 per share. The warrants of series TO 10 and warrants of series TO 11 are issued free of charge. Brokerage fee is not charged.

Trading in unit rights

Trading in unit rights will take place on Nasdaq First North Growth Market during the period from 12 June 2024 until and including 24 June 2024 under the trading symbol (ticker) EXPRS2 UR. Shareholders should apply directly to their bank or other trustee with the necessary authorisation to carry out the purchase and sale of unit rights. Unit rights acquired during the aforementioned trading period will, during the subscription period, give the same right to subscribe for Units as the unit rights received by shareholders based on their holdings in the Company on the record date. The unit rights have ISIN code: SE0022088183.

Unit rights not exercised

Unit rights not sold not later than 24 June 2024 or exercised for subscription of shares not later than 27 June 2024 will be cancelled from all security accounts without compensation. No specific notice will be given for the cancellation of unit rights.

Dilution

Full subscription in the Rights Issue will lead to the number of shares in the Company increasing by 59,972,451 shares, from 51,404,958 to 111,377,409 and the share capital will increase by a maximum of SEK 6,663,605.678757 from SEK 5,711,662.0103634 to SEK 12,375,267.689120, which corresponds to a dilution of approximately 53.8 percent of the total number of shares and votes in the Company. If all warrants of series TO 10 are exercised for subscription of new shares in the Company, the number of shares will increase with an additional 59,972,451 shares from 111,377,409 to 171,349,860 shares in total and the share capital will increase with an additional SEK 6,663,605.678757 to SEK 19,038,873.367877. The additional dilution effect in the event that warrants of series TO 10 are exercised in full, amounts to approximately 35.0 percent. If all warrants of series TO 11 are exercised for subscription of new shares in the Company, the number of shares will increase with an additional 59,972,451 shares from 171,349,860 to 231,322,311 shares in total and the share capital will increase with an additional SEK 6,663,605.678757 to SEK 25,702,479.046634. The additional dilution effect in the event that warrants of series TO 11 are exercised in full, amounts to approximately 25.9 percent. The total dilution, in the event the Rights Issue is fully subscribed and all warrants of series TO 10 and TO 11 are fully exercised, corresponds to approximately 77.8 percent.

The guarantors who have entered into agreements about guarantee commitments have the opportunity to receive a guarantee remuneration of thirteen (13) percent of the total guaranteed amount in cash, or fifteen (15) percent of the guaranteed amount in the form of newly issued Units in the Company. The subscription price per any share issued to guarantors as guarantee compensation shall correspond to the subscription price in the Rights Issue, provided that the subscription price is deemed by the Company to correspond to market terms at the time for the resolution. The warrants of series TO 10 and warrants of series TO 11 that are issued to guarantors as guarantee compensation shall be issued free of charge. Thus, the maximum number of Units that may be issued due to the guarantee compensation amounts to 4,455,000 Units, corresponding to 4,455,000 shares and 4,455,000 warrants of series TO 10 and 4,455,000 warrants of series TO 11.

With full subscription in the Rights Issue, and if all warrants of series TO 10 and warrants of series TO 11 are exercised, in combination with the maximum number of shares added within the scope of the guarantee remuneration, the number of shares in the Company will increase by 193,282,353, from 51,404,958 shares to 244,687,311, which corresponds to a dilution of approximately 79.0 percent of the total number of shares and votes in the Company as of the date of the Prospectus.

Issue report and application forms

Directly registered shareholders

The shareholders or representatives of shareholders who, on the record date 10 June 2024, are registered in the share register maintained by Euroclear, on behalf of the Company, will receive a printed issue report with an attached notice of payment. The complete Prospectus, an application form with the support of unit rights and an application form without support of unit rights will be available for download on the Company's website, www.expres2ionbio.com. Anyone who is listed in the separate listing of pledgees and others, which is kept with the share register, will not receive any information, but will be informed separately. A securities notice reporting the registration of the unit rights in a shareholder's securities account will not be sent out.

Subscription with preferential right

Subscription of Units with the support of unit rights shall be made by simultaneous cash payment during the period from and including 12 June 2024 until and including 27 June 2024. Please note that it may take up to three business days for the payment to reach the recipient's account. Subscription and payment shall be made in accordance with one of the following two alternatives.

1. *Issue report - printed notice of payment from Euroclear*
   If all unit rights obtained by the record date are exercised for subscribing for Units, the printed notice of payment from Euroclear shall be used as documentation for applying for subscription through payment. The application form shall thus not be used. No changes or additions may be made to the printed text on the notice of payment. The application is binding.

2. *Application form*
   If a different number of unit rights are exercised from what is listed on the printed notice of payment from Euroclear, the application form shall be used. Application and subscription through payment shall be made in accordance with the instructions on the application form. The printed notice of payment from Euroclear shall thus not be used. The application form can be ordered from Vator Securities via phone of email as follows.

The application form shall reach Vator Securities no later than 15.00 CEST on 27 June 2024. Only one application form per person or legal entity will be considered. If more than one application form is submitted, only the last one received will be considered. Any application forms that are incomplete or incorrectly filled in will be disregarded. The application is binding.

The completed application form should be sent or submitted to:
Vator Securities AB
Re: ExpreS2ion Biotech Holding AB (publ)
Kungsgatan 34
111 35 Stockholm
Phone: +46 (0)8-5800 6591
Email: emissioner@vatorsec.se (scanned application form)

Nominee shareholders

Shareholders whose holdings in the Company are registered with a bank or other manager will receive no issue report. Subscription and payment shall be made in accordance with instructions from each manager.

Subscription without preferential right

Subscription of Units without preferential rights shall be done during the same period as for Units with preferential rights, that is from and including 12 June 2024 until and including 27 June 2024. In any event, the Company's board of directors reserves the right to extend the subscription and payment periods. Such an extension shall be announced no later than on the last day of the subscription period and be made public by the Company.

An application for subscription without preferential right is made by filling in an application form for subscription without unit rights, as well as signing and submitting or sending it to Vator Securities using the aforementioned contact details. The application form can be ordered from Vator Securities via phone of email as per above. The application form can also be downloaded from the Company's website www.expres2ionbio.com.

The application form shall reach Vator Securities no later than 15.00 CEST on 27 June 2024. Only one (1) application form for subscription without unit rights per person may be submitted. If more than one application form is submitted, only the last one received will be considered. Any application forms that are incomplete or incorrectly filled in will be disregarded. The application is binding.

Please note that any nominee shareholders shall apply for subscription without preferential right with their portfolio manager in accordance with their procedures.

Shareholders residing in certain ineligible jurisdictions

Shareholders residing outside Sweden (with the exception of shareholders residing in the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland, Russia, Belarus or any other jurisdiction where participation would require additional prospectuses, registration, or other permits from the authorities) and who have the right to subscribe for Units in the Rights Issue, can contact Vator Securities by phone, as per above, for information on subscription and payment. Due to restrictions in the securities legislation in the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland, Russia, Belarus or any other jurisdiction where participation would require additional prospectuses,

registration or other permits from the authorities, no unit rights will be offered to holders with registered addresses in any of these countries. In accordance with this, no offer will be made to subscribe for Units in the Company to shareholders in these countries.

BTU (Paid Subscribed Unit)

Subscription through payment is registered with Euroclear as soon as it can be performed, which normally entails a few businesses days following payment. Subsequently, the subscriber will receive a securities notice with confirmation that BTUs (paid subscribed Units) have been booked into the subscriber's securities account. The paid subscribed Units will be booked as BTUs on the securities account until the Rights Issue has been registered with the Swedish Companies Registration Office, which is expected to take place around week 29, 2024.

Trading in BTUs

Trading in BTUs will take place on Nasdaq First North Growth Market from 12 June 2024 up until the Swedish Companies Registration Office has registered the Rights Issue and BTUs have been converted into shares and warrants of series TO 10 and warrants of series TO 11, which is expected to take place during week 30, 2024. The BTUs have ISIN code: SE0022088191.

Allocation principles for subscription without preferential right

In the event all Units in the Rights Issue are not subscribed for with the support of unit rights, the Board of Directors shall, within the maximum amount of the Rights Issue, resolve on the allotment of Units subscribed for without the support of unit rights. In case of over-subscription, allotment shall be made in according to the following principles:

» Firstly, allocation shall be made to those who subscribed for Units with the support of unit rights, regardless of whether the subscriber was a shareholder on the record date or not, and, in case of oversubscription, in relation to the number of unit rights that each party has exercised for the subscription of Units, and, if this is not possible, by drawing lots.

» Secondly, allocation shall be made to other subscribers who subscribed to Units without the support of unit rights, and, in case of oversubscription, in relation to the subscribed amount, and, if this is not possible, by drawing lots.

» Thirdly, allocation of any remaining Units shall be made to guarantors in accordance with signed guarantee agreements.

Notification about allocation for subscription without preferential right

Notification of any allocation of Units, subscribed to without preferential right, shall be done by sending an allocation notice in the form of a contract note. Payment shall be made no later than three (3) business days following the validation of the contract note. No notification shall be sent to those who did not receive an allocation. If payment is not made in time, the number of Units may be transferred to another party. If the sales price in such a transfer were to be less than the price in accordance with the Rights Issue, the party who was originally allocated these Units may incur the cost of all or part of the difference.

Anyone subscribing for Units without preferential right through their portfolio manager will receive information about subscription in accordance with that manager's procedures.

Delivery of shares and warrants of series TO 10 and warrants of series TO 11

As soon as the Rights Issue has been registered with the Swedish Companies Registration Office, which is expected to take place around week 29, 2024, BTUs will be converted into shares and warrants of series TO 10 and warrants of series TO 11, without any special notification from Euroclear. For nominee shareholders, information will be provided by each portfolio manager.

Right to dividend from shares

The new shares convey the right to a dividend for the first time on the first record date for a dividend that falls after registration of the new shares with the Swedish Companies Registration Office and inclusion in the share register maintained by Euroclear Sweden. The new shares convey the same right to a dividend as the existing shares. Shares issued after the exercise of warrants of series TO 10 and of warrant of series TO 11 give the right to dividends as of the first dividend record date that occurs after the subscription is executed to such an extent that the shares are entered as interim shares in the Company's share register.

Announcement of the outcome of the Rights Issue

As soon as possible following the end of the subscription period, the Company will announce the outcome of the Rights Issue by issuing a press release, which is expected to take place on or around 1 July 2024. The press release will be available on the Company website, www.expres2ionbio.com.

Trading in shares and warrants of series TO 10 and warrants of series TO 11

The shares in ExpreS2ion are listed and traded on Nasdaq First North Growth Market. The shares are traded under the ticker, EXPRS2, and the ISIN code is SE0008348262. The warrants of series TO 10 and the warrant of series TO 11 are intended to be admitted to trading on the Nasdaq First North Growth Market and will then be traded under the short name EXPRS2 TO 10 and ISIN code SE0022088100, EXPRES2 TO 11 and ISIN code SE0022088118 respectively. The new shares and warrants of series TO 10 and warrants of series TO 11 are intended to be admitted to trading in connection with the conversion of BTU into shares and warrants of series TO 10 and warrants of series TO 11, which is expected to take place around week 30, 2024.

Irrevocable subscription

A subscription to Units is irrevocable and the subscriber cannot cancel or modify a subscription of Units. The Company's board of directors does not have the right to cancel, revoke or temporarily withdraw the Rights Issue.

Incomplete subscription

If too large an amount has been paid by a subscriber for subscribed Units, Vator Securities will attend to the repayment of the surplus amount. In such an instance, Vator Securities will contact the subscriber for information about the bank account into which Vator Securities can deposit the amount. No interest will be paid on the surplus amount. Subscription of Units is irrevocable, and the subscriber cannot cancel or modify a subscription of Units.

Any application forms that are incomplete or incorrectly filled in may be disregarded. If the payment for subscribed Units is late, insufficient, or paid in an incorrect manner, the application for subscription may be disregarded, or subscription may be made at a lower amount. Any payment that is not used will be repaid. If several application forms of the same category are submitted, only the last application form received by Vator Securities will be considered. Payments of less than SEK 100 that are received too late will only be repaid upon request.

Subscription and guarantee commitments

Subscription commitments

The Company has obtained subscription commitments from several members of the Company's board of directors and management, totalling approximately SEK 0.3 million, corresponding to approximately 0.5 percent of the Rights Issue. The subscription commitments do not qualify for any remuneration. The subscription commitments are not secured through bank guarantees, blocked funds, pledging of collateral or similar, so there is a risk that the commitments, fully or partly, not will be fulfilled.

Persons who made subscription commitments are listed in the table below. All persons who have entered into subscription commitments can be reached via the Company's address, c/o Mindpark, Rönnowsgatan 8c, 252 25 Helsingborg.

Name	Subscription commitments (SEK)	Share of Rights Issue, %
Bent U. Frandsen	196,812	0.33
Martin Roland Jensen	100,000	0.17
Jakob Knudsen	34,860	0.06
Keith Alexander	10,000	0.02
Max Søgaard	5,000	0.01
Total	**346,672**	**0.58**

Guarantee commitments

Through agreements entered with ExpreS2ion, external investors have committed to subscribe for Units in the Rights Issue up to a value of approximately SEK 29.7 million, corresponding to approximately 49.5 percent of the Rights Issue, if the Rights Issue is not subscribed in full. The guarantee commitments were entered into in May 2024. Guarantee compensation will be paid in cash at thirteen (13) percent of the guaranteed amount, or fifteen (15) percent of the guaranteed amount in the form of newly issued Units in the Company. The cash compensation is intended to be paid with the issue proceeds and has therefore been calculated as a transaction cost when calculating net proceeds of the Rights Issue. The subscription price per any share issued to guarantors as guarantee compensation shall correspond to the subscription price in the Rights Issue, provided that the subscription price is deemed by the Company to correspond to market terms at the time for the resolution. The warrants of series TO 10 and warrants of series TO 11 that are issued to guarantors as guarantee compensation shall be issued free of charge. The guarantee commitments are not secured by bank guarantee, pledging or in any other way in order to ensure that the payment involved in the commitment will be injected in the Company, see the section "*Risk factors*" under the header "*Subscription and guarantee commitments received are not secured*".

Thus, the Rights Issue is covered by subscription and guarantee commitments amounting to approximately SEK 30.0 million in total, corresponding to approximately 50.1 percent of the Rights Issue. The individuals and legal entities who have entered into guarantee commitments can be contacted at the addresses listed in the table below.

Name	Address	Guarantee commitments (SEK)	Share of Rights Issue, %
Formue Nord Markedsneutral	Grev Turegatan 30, 114 38 Stockholm	12,000,000	20.01
Buntel AB	Ingmar Bergmans gata 2, 114 34 Stockholm	5,000,000	8.34
Oliver Molse*	-	4,000,000	6.67
Martin Jonsson*	-	3,100,000	5.17
Philip Ohlsson*	-	3,100,000	5.17
Selandia Alpha Invest A/S	Snaregade 10A 2. 1205 Copenhagen	2,500,000	4.17
Total		**29,700,000**	**49.52**

* Physical persons who have entered into an agreement on guarantee commitments can be reached via Vator Securities at the address Kungsgatan 34, 111 35 Stockholm, or the Company's address, c/o Mindpark, Rönnowsgatan 8c, 252 25 Helsingborg.

Obligation to refrain from selling financial instruments (lock up)

All members of the board of directors and management holding financial instruments in ExpreS2ion have entered into agreements with Vator Securities, with customary exemptions, not to sell or conduct other transactions with the corresponding effect to selling, without, in each case, first obtaining written consent from Vator Securities. The decision to grant such written consent rests with Vator Securities and will be considered on a case-by-case basis. Granted consent can depend on both individual as well as business reasons. The lock-up period will last for 90 days following announcement of the outcome in the Rights Issue.

Signed lock-up obligations comprise approximately 2.1 percent of the shares and votes in the Company before the Rights Issue. The lock-up obligations only comprise financial instruments that were held before the Rights Issue. The customary exemptions include internal group transfers, redemption of shares in the Company, as well as acceptance of a public takeover bid conducted in accordance with applicable take-over rules. Upon expiry of the lock-up period, the shares may be offered for sale, which may affect the market price of the share.

Restrictions on share transferability

In accordance with the terms in the Prospectus, the Rights Issue in ExpreS2ion is aimed solely at the Swedish public. The Rights Issue in the Company is not aimed at people residing in the US, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa, South Korea, or any other country where participation in the Rights Issue would require additional prospectuses, registrations or measures other than those prescribed by Swedish law, or that may be in breach of local regulations. Consequently, the Prospectus, application forms and other documents pertaining to the Rights Issue cannot be distributed in or to the aforementioned countries or other jurisdiction where such distribution of or participation in the Rights Issue would require additional prospectuses, registrations or other measures.

No BTUs, Units or other securities issued by ExpreS2ion have been registered or will be registered in accordance with the United States Securities Act 1933, or in accordance with securities legislation in any American state or Canadian province. Thus, no BTUs, Units or other securities issued by ExpreS2ion may be transferred or offered for sale in the US or Canada except in such exempted cases as do not require registration. Any application for subscription of Units in breach of the aforementioned may be regarded as invalid and be disregarded.

By signing the application form for the Rights Issue you confirm that the transferee has read the Prospectus and understood the risks associated with an investment in the financial instruments.

Important information for subscription

NID number for individuals

National ID (NID number) or National Client Identifier (NIC number) is a global identity code for individuals. According to directive 2014/65/EU ("**MiFID II**"), from January 3, 2018, all individuals have an NID number, and this number is required to be able to make a securities transaction.

If no such number is submitted, Vator Securities may be prevented from conducting the transaction on behalf of the individual in question. If you only have Swedish citizenship, your NID number consists of "SE" followed by your personal ID number. If you have several citizenships or a citizenship other than a Swedish one, your NID number may be some other type of number. For more information about obtaining an NID number, contact your bank. Find out about your NID number well in advance, as it needs to be included on the application form.

LEI code requirement for legal entities

Legal Entity Identifier (LEI) is a global identity code for legal entities. According to MiFID II, from January 3, 2018, legal entities are required to have an LEI code to conduct a securities transaction. If no such number is submitted, Vator Securities cannot conduct the transaction on behalf of the legal entity in question.

Subscription from accounts covered by special rules

Subscribers with accounts that are covered by specific rules for securities transactions, such as IPS accounts, ISK accounts or depots/accounts in an endowment insurance must check with their portfolio how they can subscribe for Units in the Rights Issue.

Board of directors and senior management

Board of directors

According to the Company's articles of association, the board of directors shall consist of a minimum of three and a maximum of eight members. The members of the board of directors are elected annually at the annual general meeting for the period until the end of the next annual general meeting. As of the date of the Prospectus, the Company's board of directors consists of four directors, including the chairman of the board, elected until the end of the 2025 annual general meeting.

The members of the board of directors, their position and year of entry into office are described in the table below. The board of directors and senior executives of ExpreS2ion can be reached at the following contact details: C/o Mindpark, Rönnowsgatan 8C, 252 25 Helsingborg, +45 2222 1019, info@expres2ionbio.com.

			Independent in relation to:	
Name	**Position**	**Board member since**	**The Company and its management**	**Major shareholders**
Dr. Martin Roland Jensen	Chairman of the Board	2010	Yes	Yes
Jakob Knudsen	Board member	2017	Yes	Yes
Karin Garre	Board member	2021	Yes	Yes
Sara Sande	Board member	2021	Yes	Yes

Dr. Martin Roland Jensen

Chairman of the Board

Education: Dr. Martin Roland Jensen holds a Master of Science, and PhD. Molecular and Cellular biology from University of Copenhagen, Denmark.

Previous assignments/engagements: Dr. Martin Roland Jensen has leadership experience from the biopharmaceutical industry and has as serial entrepreneur founded and co-founded several biotech companies. He also has experience with scientific work, mainly in immunology, cell biology and development of cancer vaccines. Dr. Martin Roland Jensen is one of the co-founders of the Company. Furthermore, Dr. Martin Roland Jensen was previously the CEO of CytoVac A/S.

Other material ongoing assignments: Founder and CEO of Medic-Advice ApS and Martin Roland Holding ApS. Co-founder, chairman of the board and CBO in Cell2Cure ApS and co-founder of Unikum Therapeutics ApS.

Holdings in the Company: As of the date of the Prospectus, Dr. Martin Roland Jensen owns, privately and through companies, 602,457 shares in the Company.

Jakob Knudsen

Board member

Education: Jakob Knudsen holds a Master of Law from the University of Copenhagen, and a MBA from Imperial College London, UK.

Previous assignments/engagements: Jakob Knudsen has previous experience in commercial operations, including business development, marketing and finance. He has held various positions at ALK-Abelló A/S, a listed mid-sized biotechnology company in Denmark, where he a.o. headed Corporate Business Development. Furthermore, he has held positions as CCO and CFO at the Danish pharmaceutical company Egalet Ltd.

Other material ongoing assignments: CEO and member of the board of management in ViroGates A/S (Listed on Nasdaq First North Growth Market in Copenhagen). Board member in P.V. Fonden and Ingeniørsystem A/S.

Holdings in the Company: As of the date of the Prospectus, Jakob Knudsen owns 29,880 shares in the Company.

Karin Garre

Board member

Education: Karin Garre holds a Doctor of Medicine from Copenhagen University, Denmark.

Previous assignments/engagements: Karin Garre has leadership, change management and drug development experience from over 30 years in life science, both in the pharmaceutical and biotech industries such as Astra A/S, Novo Nordisk A/S, and Genmab, where she served in either line or corporate functions. Karin Garre also was Executive Head of Center of Capital Region of Copenhagen. Most recently, she was also General Manager and executive of Symphogen A/S.

Other material ongoing assignments: Advisor to Unique Human Capital. Chairman of the board at Bioneer A/S. Board member of Cervello A/S.

Holdings in the Company: As of the date of the Prospectus, Karin Garre does not own any financial instruments in the Company.

Sara Sande

Board member

Education: Sara Sande holds a Master of Science in Economics from University of Copenhagen, Denmark.

Previous assignments/engagements: Sara Sande has leadership and top management experience from high-tech B2B companies. Sara Sande was previously Vice President of Cooper Surgical and Head of Grain & Beverages Sales, Europe of Novozymes.

Other material ongoing assignments: Sara is a board member in Agreena, Biosyntia, Monta and Reduced, and observer of the board of directors in Cellugy and Chromologics. Furthermore, Sara is Partner in The Export and Investment Fund of Denmark.

Holdings in the Company: As of the date of the Prospectus, Sara Sande owns 8,440 shares in the Company.

Senior management

Bent U. Frandsen

Chief Executive Officer since 2019, employed since 2016

Education: Bent U. Frandsen holds a master's degree in finance and strategic planning from Copenhagen Business School, Denmark.

Previous assignments/engagements: Bent U. Frandsen has 30 years of professional experience in management, finance, and business development positions in multinational companies, including more than 25 years life science experience at public listed companies such as Lundbeck, ALK-Abelló, Coloplast, and private companies such as NsGene, CMC Biologics, and Amphidex. Bent U. Frandsen was previously a board member in AdaptVac Aps.

Other material ongoing assignments: CEO of ExpreS2ion Biotechnologies ApS.

Holdings in the Company: As of the date of the Prospectus, Bent U. Frandsen owns 337,392 shares and 720,000 warrants in the Company.

Keith Alexander

Chief Financial Officer since 2020

Education: Keith Alexander holds an MBA from The Wharton School of the University of Pennsylvania, and a B.Sc. in Industrial Management, with a minor in Biological Sciences, from Purdue University.

Previous assignments/engagements: Keith Alexander has over 25 years of professional experience in the investment industry, investor communications, corporate strategy, and business development from American and Danish banks. Over his career, he has served in leadership, analytical and commercial functions at J.P. Morgan Securities and J.P. Morgan Asset Management in New York, the US, Danske Bank Asset Management (formerly Danske Capital) in Lyngby, Denmark and Accenture (formerly Andersen Consulting) in Chicago, the US.

Other material ongoing assignments: -

Holdings in the Company: As of the date of the Prospectus, Keith Alexander owns 38,060 shares and 280,000 warrants in the Company.

Dr. Farshad Guirakhoo

Chief Scientific Officer since 2023

Education: Dr. Farshad Guirakhoo holds a PhD in Virology from the Medical University of Vienna, Austria, a M.Sc. in Genetics from the International Institute for Biophysics and Biochemistry at the University of Tehran, Iran, and B.Sc. in Biology from National University of Iran.

Previous assignments/engagements: Dr. Farshad Guirakhoo has over 30 years of broad translational research experience in the vaccine development field. He joined the Company from his recent positions as Senior Advisor Vaccine Research and Development and CSO of Vaxxinity Inc., headquartered in Dallas, the US. In 2024, Dr. Guirakhoo was ranked as number 22 on the list of the most influential persons in vaccines. He is the co-inventor of the ChimeriVax™-technology platform, the world's first recombinant viral vector platform that was approved for any human vaccine. Dr. Guirakhoo has experience in the application of genetics, gene expression technologies and molecular virology for the construction and production of recombinant proteins, human antibodies and attenuated viral vectored vaccines for prevention and treatment of infectious diseases and cancers. He is the author of over 100 peer-reviewed publications including book chapters and holds dozens of issued patents.

Other material ongoing assignments: -

Holdings in the Company: As of the date of the Prospectus, Dr. Farshad Guirakhoo owns 230,000 warrants in the Company.

Dr. Max M. Søgaard

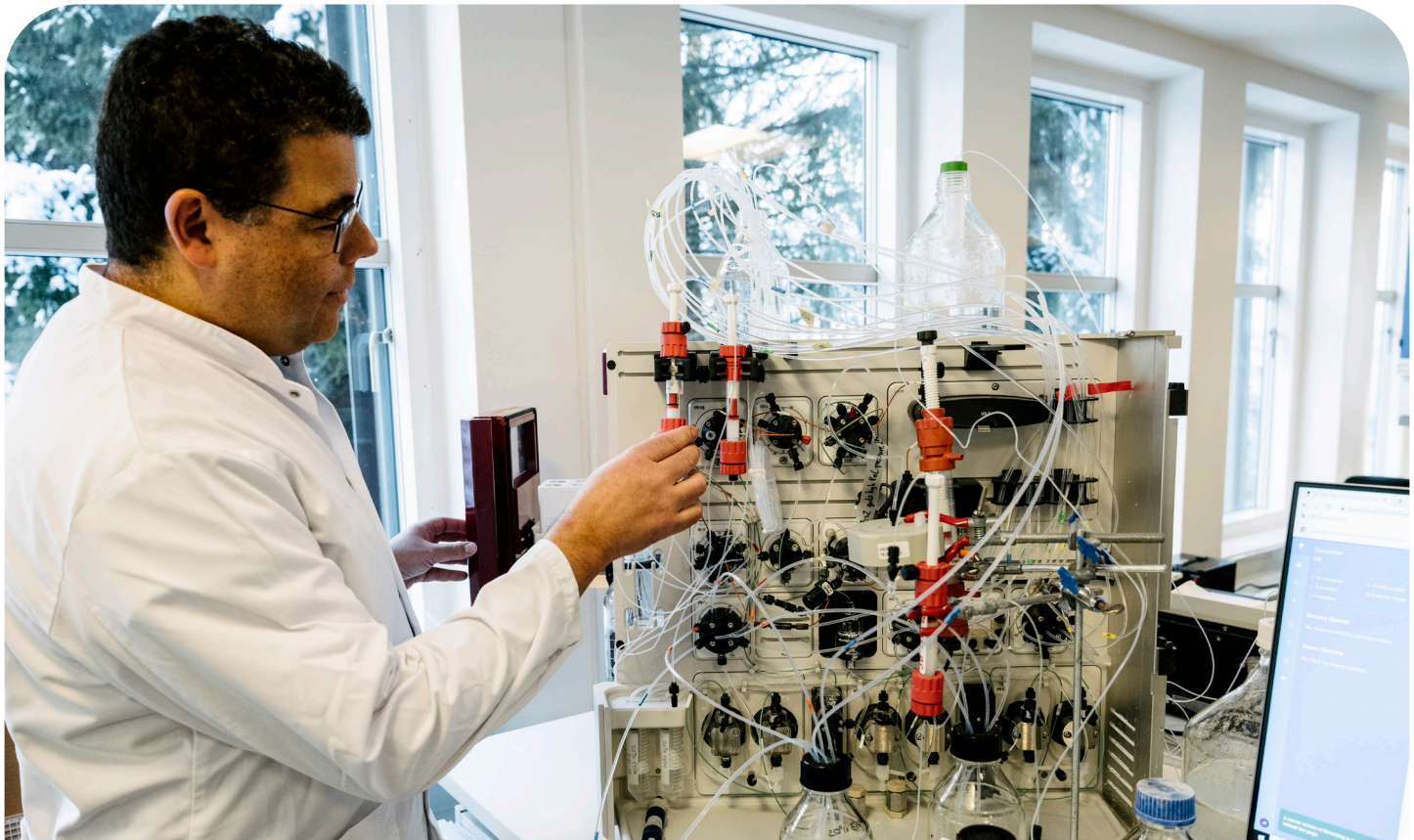
Senior Vice President of Research & Development and Technology, employed since 2013

Education: Dr. Max M. Søgaard holds a PhD in Biochemistry from University College London, UK, and a M.Sc. in Molecular Biology from Aarhus University, Denmark.

Previous assignments/engagements: Dr. Søgaard has 20 years of scientific research and process development experience, having served the last eleven years at ExpreS2ion in roles ranging from Senior Scientist (Downstream) to Vice President, and prior to those 12 years of academic research focused on structural biology and molecular biophysics with an emphasis on infectious disease applications. Dr. Søgaard heads internal R&D in order to extend ExpreS2ion's capabilities and know-how in applying ExpreS2™ technology for customers and the company's own vaccine development.

Other material ongoing positions: -

Holdings in the Company: As of the date of the Prospectus, Dr. Max M. Søgaard owns 74,589 shares and 280,000 warrants in the Company.



Other information about the board of directors and the management

No board member or member of the senior executive management has any family ties to any other board member or member of the senior executive management.

None of the directors or executive officers of the Company has, within the last five years, (i) been convicted in fraud-related cases, (ii) been bound by, or been subject to sanction by, a regulatory or supervisory authority (including recognised professional bodies) for any offence, or (iii) been prohibited by a court from being a member of the administrative, management or supervisory bodies of an issuer or from exercising managerial or executive functions of an issuer.

Remuneration to the board of directors, CEO and management

Remuneration to the board of directors

The chairman of the board and the members of the board of directors are paid remuneration in accordance with the resolution of the general meeting.

At the annual general meeting on 5 June 2024, it was resolved that remuneration to the members of the board of directors shall amount to SEK 625,000 in total and shall be paid to the board of directors as follows:

» SEK 250,000 to the chairman of the board and SEK 125,000 to the other members of the board of directors.

The Company's board members are not entitled to any benefits after they have resigned as members of the board of directors.

Remuneration during 2023

The table below presents the remuneration paid during the 2023 financial year to board members and CEO.

SEK thousand	Basic salary/ board fees	Variable remuneration[1]	Pension costs	Other social costs	Total
Board of directors					
Dr. Martin Roland Jensen	305	0	0	0	305
Jakob Knudsen	162	0	0	0	162
Karin Garre	162	0	0	0	162
Sara Sande	162	0	0	0	162
Total board of directors	**791**	**0**	**0**	**0**	**791**
Bent U. Frandsen, CEO	2,528	105	252	3	2,888
Other senior executives (five individuals)[2]	8,913	163	677	13	9,766
Total CEO and senior executives	**11,441**	**268**	**929**	**17**	**12,655**
Total board of directors and senior management	**12,232**	**268**	**929**	**17**	**13,446**

1) Variable remuneration refers to bonuses under employment contracts and is linked to the individual senior executives' achieved goals for the financial year, with specific goals related to R&D development and other operational goals.
2) Other senior executives were comprised of five individuals in 2023.

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

The historical financial information of ExpreS2ion has been incorporated in the Prospectus by reference. Incorporated documents and cross-references to the respective parts incorporated are presented in the section "*Documents incorporated by reference*". The incorporated historical financial information consists of the Group's audited annual reports for the financial years 2022 and 2023 and the Group's unaudited interim report for the period 1 January – 31 March 2024 with comparative figures for the corresponding period in 2023. The Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidance BFNAR 2012:1 (K3). No information in the Prospectus has been audited unless expressly stated otherwise. The annual reports for the financial years 2022 and 2023 have been audited by the Company's auditor.

The historical financial information presented below should be read in conjunction with ExpreS2ion's audited annual reports with accompanying notes and auditor's reports for the financial years 2022 and 2023 as well as the unaudited interim report for the period 1 January - 31 March 2024, which are incorporated into the Prospectus by reference as follows:

ExpreS2ion's interim report for the period 1 January – 31 March 2024	**Page**
Consolidated income statement	16
Consolidated balance sheet	17
Consolidated changes in equity	18
Cash flow statement	19

ExpreS2ion's interim report for the period 1 January – 31 March 2024 is available through the following link:
https://investor.expres2ionbio.com/wp-content/uploads/2024/05/240516-ExpreS2ion-Q1-2024-Report.pdf

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ExpreS2ion's annual report for the financial year 2023 is available through the following link:
https://investor.expres2ionbio.com/2024/05/08/4518/

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ExpreS2ion's annual report for the financial year 2022 is available through the following link:
https://investor.expres2ionbio.com/wp-content/uploads/2023/05/2022-Annual-Report-ExpreS2ion-Biotech-Holding-AB.pdf

Copies of the Prospectus and the documents incorporated by reference may be obtained from ExpreS2ion electronically via the Company's website, https://investor.expres2ionbio.com/.

The Group's key performance measures

ExpreS2ion believes that the alternative key performance measures presented below provide a better understanding of the Group's financial condition and are widely used by the Company's management, investors, equity analysts and other stakeholders as supplemental measures of performance. The alternative key performance measures presented below, as defined by ExpreS2ion, should not be compared to other similarly performance measures used by other companies. This is because such performance measures are not always defined in the same way and other companies may calculate them differently.

The table below shows the Group's key performance measures for the financial years 2022, 2023 and the period 1 January – 31 March 2024, with comparative figures for the corresponding period 2023. The financial key performance measures for the financial years 2022 and 2023 have been audited, unless stated otherwise. The key performance measures for the period 1 January – 31 March 2024 have not been audited.

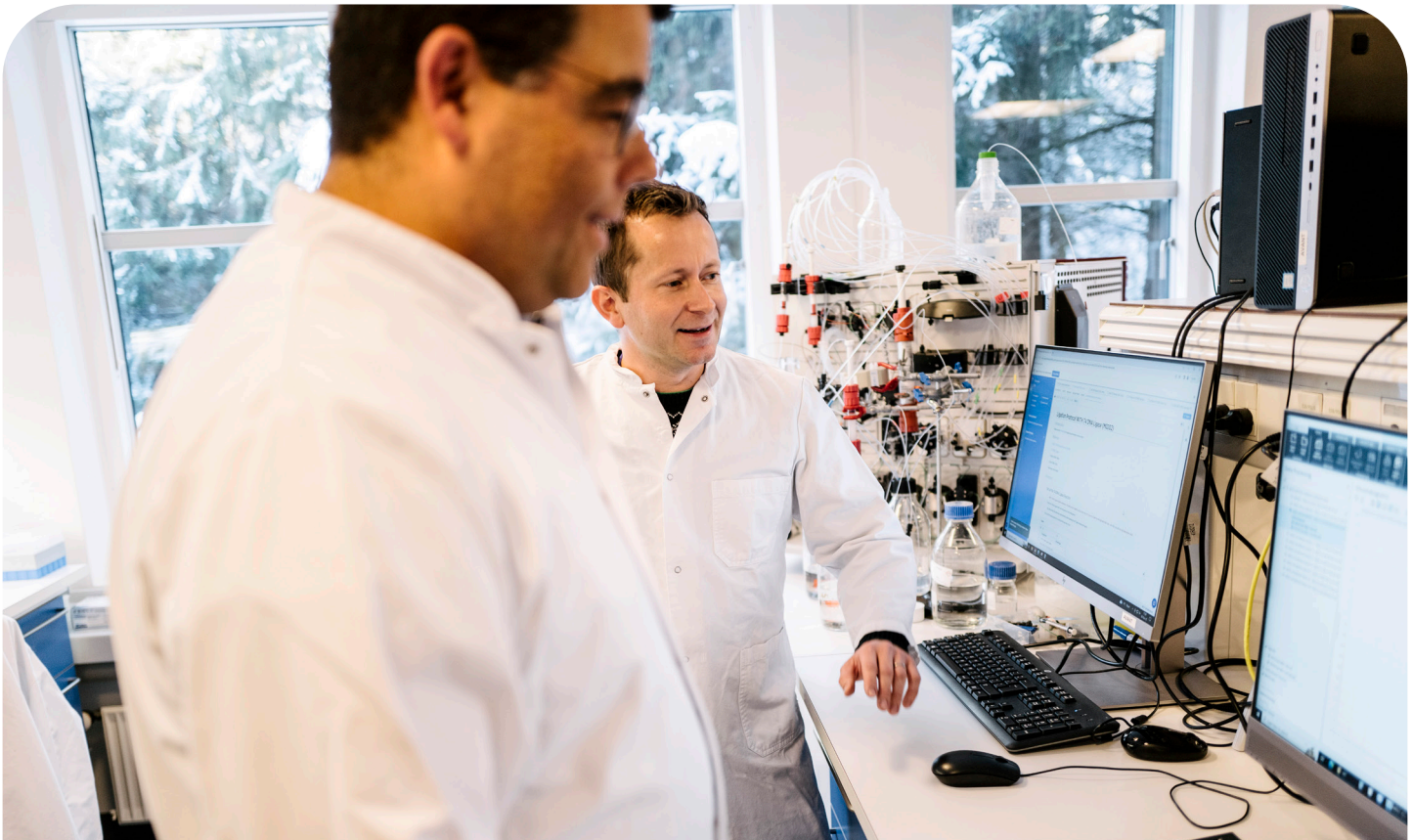
SEK thousand (unless stated otherwise)	1 January – 31 March		1 January – 31 December	
	2024	**2023**	**2023**	**2022**
Total operating income	1,558	2,590	8,799	6,150
Profit/loss after financial items	-13,839	-30,282	-99,967	-126,581
Total assets	86,145	103,125	78,692	137,363
Equity/assets ratio, %[1]	61	77	83	75
Operational key figures				
Average numbers of employees[1]	19	30	29	30

1) Not audited. The period 1 January – 31 March, refers to employees at the end of the respective period.

Reconciliation table

SEK thousand (unless stated otherwise)	1 January – 31 March		1 January – 31 December	
	2024	**2023**	**2023**	**2022**
Total equity	52,308	79,469	65,364	103,327
/ Total assets	86,145	103,125	78,692	137,363
= Equity/assets ratio, %[1]	61	77	83	75

1) Not audited.



Definitions of alternative key figures not defined by the applicable accounting standard

Key figures	Definition	Purpose
Total operating income	The key figure consists of the sum of net sales and other operating income.	Total operating income is the sum of all revenue streams and is used by management to monitor total income.
Profit/loss after financial items	The key figure shows the Group's result after deduction of financial items and before taxes.	The key figure is used to show the Company's financial result before taxes.
Total assets	The key figure consists of the sum of all assets.	Assets can be used to generate cash flow, reduce expenses, or improve turnover.
Equity/assets ratio, %	The key figure shows equity as a percentage of total assets.	The key figure is used by the Company to show the proportion of total assets financed by equity and is used by management to monitor the Company's long-term financial position.

Dividend policy

ExpreS2ion has not paid any dividends for the period covered by the historical financial information and does not intend to pay any dividends in the foreseeable future, therefore no dividend policy has been adopted. Future dividends, to the extent proposed by the board of directors and approved by the Company's shareholders, will be dependent upon and based upon the requirements of the nature, scope and risks of the business on the Company's equity and the Company's consolidation needs, liquidity and financial position.

Disclosure of particular importance in the annual report for the financial year 2022

The auditor's report can be found in its entirety in the annual report for the financial year 2022, which is incorporated into the Prospectus by reference. In the auditor's report for the financial year 2022, the Company's auditor has provided the following disclosure of particular importance.

"Material uncertainty relating to going concern

The financial statements have been prepared on a going concern assumption. We draw attention to note 2 in the financial statements, which describes that the Company has continuing losses and has stated that material uncertainty exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in note 2. The Financial Statement do not include any adjustments that might result from the outcome of this uncertainty. We have not modified our opinion in respect of this matter."

Disclosure of particular importance in the annual report for the financial year 2023

The auditor's report can be found in its entirety in the annual report for the financial year 2023, which is incorporated into the Prospectus by reference. In the auditor's report for the financial year 2023, the Company's auditor has provided the following disclosure of particular importance.

"**Remark**

On a number of occasions during the financial year, the tax debited has not been paid on time."

Significant changes in the Company's financial position after 31 March 2024

ExpreS2ion has, during May 2024, received an approximately SEK 22.5 million dividend payment from AdaptVac ApS.

In addition to what is stated above, no significant changes to the Company's financial position have occurred since 31 March 2024 up to the date of the Prospectus.

Legal information and ownership structure

General information about the share

According to the Company's articles of association, the share capital may not be less than SEK 3,000,000 and may not exceed SEK 12,000,000, and the number of shares may not be less than 27,250,000 and not exceed 109,000,000. The Company has issued one class of shares. As of 31 December 2023, and as of the date of the Prospectus, the Company's share capital amounted to SEK 5,711,662.010363, in both cases divided among 51,404,958 shares, resulting in a nominal value of SEK 0.111111 per share. As of 1 January 2023, the Company's share capital amounted to SEK 4,178,532.896470 divided among 37,606,796 shares. All issued shares are fully paid and freely transferable.

Following the completion of the Rights Issue, subject to full subscription the Company's share capital will amount to SEK 12,375,267.689120 divided into 111,377,409 shares. The Company's shares are traded on Nasdaq First North Growth Market under the ticker EXPRS2 (ISIN code: SE0008348262). Upon full subscription in the Rights Issue and upon full exercise of warrants of series TO 10 and TO 11 in addition to the maximum number of shares that may be issued within the framework of the guarantee compensation, the number of shares in the Company will increase by 193,282,353 from 51,404,958 shares to 244,687,311.

The shares in the Company are denominated in SEK and have been issued in accordance with Swedish law.

Ownership structure

All shares in the Company have the same voting rights. Below is a list of all shareholders with holdings exceeding five percent of the shares and votes in the Company as of 31 December 2023, including any changes thereafter known to the Company until the date of the Prospectus. The Company is not directly or indirectly controlled by any shareholder, either individually or in concert with several others.

Shareholders	Number of shares	Percentage of shares, %
Saxo Bank A/S Client Assets	4,733,611	9.21
BNY Mellon SA/NV for Jyske Bank	2,866,619	5.58
The Bank of New York Mellon SA/NV	2 684 947	5.22
Other shareholders	**41,119,781**	**79.99**
Total	**51,404,958**	**100**

Shareholder agreements

To the best of the board of director's knowledge, there are no shareholders' agreements or other arrangements between the Company's shareholders aimed at joint influence over the Company. To the best of the board of director's knowledge, there are no other agreements or similar arrangements that could lead to a change or prevention of control over the Company.

Warrants

As of the date of the Prospectus, the Group has four outstanding incentive programs directed at employees and key personnel with the objective of ensuring alignment of incentives between shareholders and individuals operating in the Company, described in more detail below. In addition, there are no other outstanding warrants, convertibles or similar financial instruments that may entitle the holder to subscribe for shares or otherwise affect the share capital of the Company.

Incentive programme 2020/2024 (T06)

On 23 September 2020, the extraordinary general meeting resolved to implement an incentive program for management and key persons and issue a maximum of 1,000,000 warrants. All warrants were subscribed for by the Company's subsidiary ExpreS2ion Biotechnologies ApS. As of the date of the Prospectus, 841,999 warrants have been acquired by the employees. One warrant entitles the holder to subscribe for one share in the Company. The warrants can be utilized for subscription of new shares from and including 1 October 2024 up to and including 31 December 2024.

If all warrants that have been allotted to those eligible for subscription (i.e. 841,999 warrants) are utilized for subscription of new shares, it will entail that the share capital and number of shares in the Company increase of approximately SEK 93,555 and 841,999 shares and a dilution of approximately 1.61 percent based on the number of shares and votes in the Company as of the date of the Prospectus.

Incentive programme 2021/2024 (T07)

On 26 May 2021, the annual general meeting resolved to implement an incentive program for senior executives, employees and other key persons not included in the TO6 program and issue a maximum of 1,050,000 warrants. All warrants were subscribed for by the Company's subsidiary ExpreS2ion Biotechnologies ApS. As of the date of the Prospectus, 624,459 warrants have been acquired by the employees. One warrant entitles the holder to subscribe for one share in the Company. The warrants can be utilized for subscription of new shares from and including 1 June 2024 up to and including 31 August 2024.

If all warrants that have been allotted to those eligible for subscription (i.e. 624,459 warrants) are utilized for subscription of new shares, it will entail that the share capital and number of shares in the Company increase of approximately SEK 69,384 and 624,459 shares, respectively, and a dilution of approximately 1.20 percent based on the number of shares and votes in the Company as of the date of the Prospectus.

Incentive programme 2023/2026 (T09)

On 9 November 2023, the extraordinary general meeting resolved to implement an incentive program for senior executives, employees and other key persons and issue a maximum of 2,000,000 warrants. All warrants were subscribed for by the Company's subsidiary ExpreS2ion Biotechnologies ApS. As of the date of the Prospectus, 1,640,000 warrants have been acquired by the employees. One warrant entitles the holder to subscribe for one share in the Company. The warrants can be utilized for subscription of new shares from and including 15 November 2026 up to and including 15 December 2026.

If all warrants that have been allotted to those eligible for subscription (i.e. 1,640,000 warrants) are utilized for subscription of new shares, it will entail that the share capital and number of shares in the Company increase of approximately SEK 182,222 and 1 640 000 shares, respectively, and a dilution of approximately 3.09 percent based on the number of shares and votes in the Company as of the date of the Prospectus.

Incentive programme 2024/2027

On 5 June 2024, the annual general meeting resolved to implement an incentive program for senior executives, employees and other key persons and issue a maximum of 2,000,000 warrants. All warrants will be subscribed for by the Company's subsidiary ExpreS2ion Biotechnologies ApS. As of the date of the Prospectus, ExpreS2ion Biotechnologies ApS has not yet subscribed for the warrants and thus no warrants have been acquired by the employees. One warrant entitles the holder to subscribe for one share in the Company. The warrants can be utilized for subscription of new shares from and including 15 November 2027 up to and including 15 December 2027.

If all warrants that are issued are utilized for subscription of new shares, it will entail that the share capital and number of shares in the Company increase of approximately SEK 222,222 and 2,000,000 shares, respectively, and a dilution of approximately 3.74 percent based on the number of shares and votes in the Company as of the date of the Prospectus.

Material agreements

The Company nor any other company within the Group has, in addition to agreements entered into within the scope of the normal operations, not entered into any agreement that individually is of significant importance to the Group during a period of one year immediately preceding the publication of the Prospectus.

Legal and arbitration proceedings

The Company is not, and has not been, a party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering the previous 12 months which may have or have had in the recent past significant effects on the Company's and/or the Group's financial position or profitability.

Related party transactions

During the period commencing on 1 January 2022 until the date of the Prospectus, related party transactions have consisted of a DKK 3,125,000 payment to AdaptVac ApS, an associated company, related to the license of the breast cancer vaccine, and a DKK 14,450,000 dividend payment from AdaptVac ApS.

In addition to the above, there have been no related party transactions during the period commencing on 1 January 2022 until the date of the Prospectus.

Conflicts of interest

Jakob Knudsen, member of the board of directors of the Company, is the CEO of ViroGates A/S which has been a customer of ExpreS2ion's in the past and may be a customer in the future. Jakob Knudsen is not involved in the customer relationship and is kept at arm's length to all aspects of the customer relationship.

In addition to the above, there are no conflicts of interest or potential conflicts of interest between the directors' and officers' commitments to ExpreS2ion and their private interests and/or other commitments (although several directors and officers have certain financial interests in ExpreS2ion as a result of their direct or indirect share and warrant holdings in the Company). None of the directors or officers has been elected or appointed pursuant to a special agreement with major shareholders, customers, suppliers or other parties.

Available documents

The following documents are available in electronic form on ExpreS2ion's web page https://investor.ExpreS2ionbio.com/.

- ExpreS2ion's certificate of incorporation;
- ExpreS2ion's articles of association;
- Terms and conditions for warrants of series TO 10; and
- Terms and conditions for warrants of series TO 11.

expreS2ion
BIOTECH