

Performance VS OMXS30



ExpreS2ion Biotech: Rights issue outcome – SEK31.8m raised

Redeye comments on the announced outcome of ExpreS2ion's recent rights issue, which was subscribed to ~60% including guarantors and will provide gross proceeds of SEK31.8m. While the financing strengthens near-term funding and supports continued progress of ES2B-C001, the lower-than-expected subscription implies a tighter cash runway and continued reliance on future funding.

Share Information

Share Price SEK	1.975
Number of shares (M)	23.4
Marketplace	First North Stockholm
CEO	Bent U. Frandsen
Chairman	Martin Roland Jensen

Key Stats

Market Cap	46.2m SEK
Entprs. Value (EV)	-1.3m SEK
Net Debt (2025Q4)	-47.5m SEK
30 Day Avg Vol	82 K
Dividend Yield	N/A

Top Holders

Name	Ownership
Avanza Pension	1.69%
Johnnie Nicklas Lagard	1.56%
Mai-Britt Markmann	1.31%
Jacob Lorents Tingleff	1.23%
Lars Ebbeskov Abrahamsen	0.94%
Danica Pension	0.88%
Martin Roland Jensen	0.86%
Allan H. Pedersen	0.81%
Bent Ulrich Frandsen	0.71%
Nordnet Pensionsförsäkring	0.69%

ExpreS2ion has announced the final outcome of its recently completed rights issue, which was carried out at a subscription price of SEK1.60 per unit (one share and one free TO13 warrant). The issue was subscribed to approximately 43% by shareholders (with and without unit rights), with an additional ~17% taken up by guarantors, resulting in a total subscription level of ~60%. Consequently, the company will receive gross proceeds of approximately SEK31.8m, corresponding to roughly SEK23m net based on the previously communicated transaction costs estimated at around SEK9m. If fully exercised, the attached TO13 warrants could provide an additional SEK31.8m later in September 2026, although the realized amount will depend on share price development and subscription levels as the subscription price must not be lower than the quota value of the Company's share (i.e. SEK1.6).

We are encouraged to see that the company has managed to strengthen its cash position, securing near-term funding and supporting continued execution of the company's strategy. Primarily, we judge that this will enable advancing ES2B-C001 through Phase I and maintaining ongoing and planned platform and CRO activities. However, the subscription level came in below our prior assumptions. This implies a tighter cash runway than initially anticipated and increases reliance on the warrant exercise and/or additional financing. The relatively high participation from guarantors may also create some near-term share overhang if these investors choose to sell. At the same time, the lower-than-expected subscription means that dilution for non-participating shareholders is somewhat less severe than initially implied, although still substantial at ~85% (and up to ~92% including warrants).

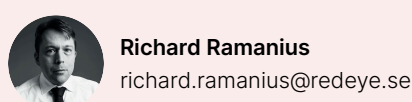
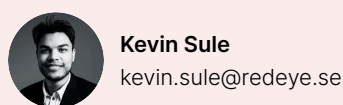
The finalized outcome has a mixed impact on our valuation. On one hand, the lower proceeds reduce financial flexibility and increase the likelihood that ExpreS2ion will require additional capital ahead of a potential Phase II study, particularly in the absence of a near-term licensing deal. On the other hand, the lower subscription level results in fewer new shares issued than in our previous assumptions, partially offsetting the dilution impact.

Incorporating the outcome of the rights issue, along with assumptions around partial warrant exercise and a likely future capital raise, we arrive at a slightly revised base case valuation of SEK6 per share (previously SEK7). Overall, while the rights issue outcome does not fully satisfy the company's funding needs, the financing enables continued progress toward key upcoming inflection points. Primarily, we see the Phase I topline results for ES2B-C001 expected in late 2026 as the main potential catalyst ahead.

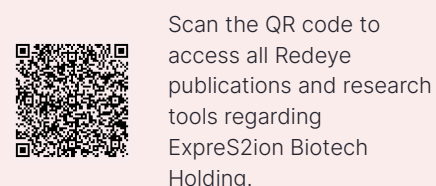
Valuation summary (SEKm) - Base case

Program	Indication	Stage	Launch	Peak sales (\$m)	Probability (LoA)	Value, r-adj (SEKm)
ES2B-C001	HER2+ breast cancer	I	2033	2250	9%	289
Platform/CRO						76
AdaptVac (34% ownership)						72
Tech Value (SEKm)						437
Est. net cash						48
Shared costs						-162,7
Equity Value						322
Shares outstanding						23,4
Est. Increase in shares (from future share issue & warrants)						36,1
Est. Increase in cash (from future share issue & warrants)						48
WACC: 16%						Base case
						6,0

Redeye Equity Analysts



More research on ExpreS2ion Biotech Holding



redeye.se/company/expres2ion-biotech-holding

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