

## **BERGENBIO ASA – CONTEMPLATED PRIVATE PLACEMENT**

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**Bergen, 29 January 2020:** BerGenBio ASA (OSE:BGBIO) ("BerGenBio" or the "Company"), a clinical-stage biopharmaceutical company developing novel, selective AXL kinase inhibitors for multiple cancer indications, has retained Arctic Securities AS and Carnegie AS as Joint Bookrunners and H.C. Wainwright & Co., LLC as Financial Advisor (together the "Managers") with respect to a contemplated private placement of up to 12,215,318 new shares (the "Offer Shares") (representing up to 20% of the outstanding share capital of the Company) directed towards certain investors, including existing shareholders and new potential investors, subject to and in compliance with applicable exemptions from relevant prospectus or registration requirements (the "Private Placement"). The Company have been indicated pre-commitments from existing shareholders including pro-rate subscription from Meteva AS.

The Company will release unaudited fourth quarter and full year 2019 financials 11 February 2020. The cash position at year end 2019 was NOK 253.6 million (USD 28.9 million).

The Company intends to use the net proceeds from the Private Placement to continue advancing its clinical trial programs with its lead candidate bemcentinib in patients with Acute Myeloid Leukaemia (AML) and Non Small Cell Lung Cancer (NSCLC), manufacturing scale-up of bemcentinib, biomarker and companion diagnostic development, and phase 1b development of tilvestamab (formerly BGB149), as well as for general corporate purposes.

The subscription price for the Offer Shares will be determined by the Board of Directors based on an accelerated bookbuilding process. The application period for the Private Placement will commence today, 29 January 2020 at 16:30 hours (CET) and is expected to close on 30 January 2020 at 08:00 hours (CET). The Company may, however, at any time resolve to close or extend the application period at its own discretion and for any reason without further notice. If the application period is shortened or extended, any other dates referred to herein may be amended accordingly.

The minimum application and allocation amount in the Private Placement will be the NOK equivalent of EUR 100,000 per investor, provided that the Company may, at its sole discretion, allocate an amount below EUR 100,000 to the extent exemptions from the prospectus requirements pursuant to applicable regulations, including the Norwegian Securities Trading Act and ancillary regulations, are available.

The allocation of Offer Shares will be determined at the sole discretion of the Board of Directors, in consultation with the Managers, following the expiry of the bookbuilding process, where the Board of Directors will focus primarily on inter alia existing shareownership, timeliness of application, price leadership, relative order size, sector knowledge, perceived investor quality and investment horizon.

The allocation of Offer Shares and completion of the Private Placement by delivery of Offer Shares to the applicants will be divided in two Tranches. Tranche 1 will consist of up to 5,475,136 Offer Shares ("Tranche 1") and is subject to approval by the Board of Directors, and is expected to be delivered Delivery Verses Payment (DVP) on a T+2 basis (on or about 3 February 2020). Tranche 2 will consist of up to 6,740,182 Offer Shares ("Tranche 2") and is subject to (i) approval by the Board of Directors and an extraordinary general meeting of the Company expected to take place on 20 February 2020, and (ii) that the placing agreement between the Company and the Managers has not been terminated prior to the EGM, Offer Shares in Tranche 2 are expected to be delivered DVP on a T+2 basis following (and subject to approval by) the EGM (on or about 25 February 2020). Applicants in the Private Placement will receive a pro rata portion of Offer Shares in Tranche 1 and Tranche 2

based on their overall allocation in the Private Placement, with the exception of Meteva AS which has agreed that Offer Shares allocated to it shall be delivered solely in Tranche 2.

Applicants being allocated Offer Shares in the Private Placement and who hold shares in the Company as of the date of the EGM undertake to vote in favour of Tranche 2 of the Private Placement at the EGM. Tranche 1 is not conditional upon completion of Tranche 2, and acquisition of Offer Shares in Tranche 1 will remain final and binding and cannot be revoked or terminated by the respective applicants if Tranche 2 is not completed. If Tranche 2 is not completed (e.g. due to non-approval by the EGM), applicants will not be delivered Offer Shares in Tranche 2 and the Company will hence not receive the proceeds from Tranche 2.

The Offer Shares is expected to be settled with existing and unencumbered shares in the Company that are already listed on Oslo Børs, pursuant to a share lending agreement between Meteva AS as lender, Arctic Securites AS as borrower (on behalf of the Managers) and the Company in order to facilitate delivery of listed shares in the Company to applicants on a DVP basis. Arctic Securities AS will settle the share loan with Offer Shares. The Offer Shares re-delivered to Meteva AS in Tranche 2 will be issued on a separate ISIN and will not be tradable on Oslo Børs until a listing prospectus has been approved by the Norwegian Financial Supervisory Authority, expected late February 2020 (the "Prospectus").

Subject to successful completion of the bookbuilding process for the Private Placement, the Company will announce the subscription price and the final number of Offer Shares placed in the Private Placement in a stock exchange announcement expected to be published before opening of trading on Oslo Børs tomorrow, 30 January 2020.

In connection with the Private Placement, the Company, Meteva AS, the members of the Board of Directors and certain of the Company's primary insiders have entered into lock-up undertakings for a period of 90 days from the payment date for Tranche 1, subject to customary exceptions.

The contemplated transaction will be carried out as a Private Placement in order to complete the share issue in today's market conditions in an efficient manner and to allow for participation from new investors. As a consequence of the transaction structure, the shareholders' preferential rights will be deviated from. The Board of Directors has considered the Private Placement in light of the equal treatment obligations under relevant acts and regulations, and is of the opinion that the proposed Private Placement is in compliance with these requirements. Following careful considerations, the Board of Directors is of the view that it will be in the common interest of the Company and its shareholders to raise equity through a Private Placement setting aside the pre-emptive rights of the existing shareholders to subscribe for Offer Shares. By structuring the transaction as a Private Placement, the Company will be in a position to raise capital in an efficient manner, with a lower discount to the current trading price and with significantly lower completion risks compared to a rights issue. In addition, the Private Placement shall be marketed through a publicly announced bookbuilding process. The Company will also consider to carry out a subsequent offering towards the existing shareholders who did not participate in the Private Placement.

#### Potential Subsequent Offering

Subject to inter alia (i) completion of the Private Placement, (ii) relevant corporate resolutions including approval by the Board of Directors and the EGM, (iii) prevailing market price of the Company's shares being higher than the subscription price, and (iv) approval of the Prospectus, the Company will consider carrying out a subsequent offering (the "Subsequent Offering") of new shares in the Company. A Subsequent Offering will be, if made, and on the basis of a prospectus to be approved by the Financial Supervisory Authority of Norway, be directed towards eligible shareholders in the Company who (i) are shareholders in the Company as of the day of the expiry of the bookbuilding period for the Private Placement, as registered as shareholders in the Company's register of shareholders with the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) (the "VPS") as of [31] January 2020, (ii) are not allocated Offer Shares in the Private Placement, and (iii) are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action (the "Eligible Shareholders"). The Eligible Shareholders are expected to be granted non-tradable allocation rights. The subscription period in the Subsequent Offering is

expected to commence shortly after publication of the Prospectus, and the subscription price in the Subsequent Offering will be the same as in the Private Placement. The Company will issue a separate stock exchange notice with further details on the Subsequent Offering if and when finally resolved.

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#### **About BerGenBio ASA**

BerGenBio is a clinical-stage biopharmaceutical company focused on developing transformative drugs targeting AXL as a potential cornerstone of therapy for aggressive diseases, including immune-evasive, therapy resistant cancers. The company's proprietary lead candidate, bemcentinib, is a potentially first-in-class selective AXL inhibitor in a broad phase II oncology clinical development programme focused on combination and single agent therapy in lung cancer and leukaemia. A first-in-class functional blocking AXL antibody, tilvestamab (BGB149), and an AXL-ADC (ADCT-601) are undergoing phase I clinical testing. In parallel, BerGenBio is developing a companion diagnostic test to identify those patient populations most likely to benefit from bemcentinib: this is expected to facilitate more efficient registration trials supporting a precision medicine-based commercialisation strategy.

BerGenBio is based in Bergen, Norway with a subsidiary in Oxford, UK. The company is listed on the Oslo Stock Exchange (ticker: BGBIO). [www.bergenbio.com](http://www.bergenbio.com)

This information is subject to the disclosure requirements pursuant to section 5 -12 of the Norwegian Securities Trading Act.

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