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PRESS RELEASE

Oasmia resolves on a rights issue of approximately SEK 399 million

The Board of Directors of Oasmia Pharmaceutical AB (publ) ("Oasmia" or the "Company") has, by virtue of an authorization from the extraordinary general meeting on 6 November 2019, resolved to carry out a new issue of shares with preferential rights for Oasmia's shareholders of approximately SEK 399 million (the "Rights Issue"). The subscription price in the Rights Issue is set to SEK 2.00. The Company's major shareholder Per Arwidsson through Arwidstro Investment AB and related parties ("Arwidstro") has undertaken to subscribe for its pro rata share in the Rights Issue, corresponding to approximately SEK 98 million or 25 percent of the Rights Issue.

The Rights Issue in brief

- Shareholders in Oasmia have preferential right to subscribe for four (4) new shares per five (5) existing shares.
- The subscription price is SEK 2.00 per new share, which, provided that the Rights Issue is fully subscribed, amounts to proceeds of approximately SEK 399 million before deduction of costs related to the Rights Issue.
- The last day of trading in the Oasmia share including the right to obtain subscription rights is 14 November 2019 and the first day of trading in the Oasmia share excluding the right to obtain subscription rights is 15 November 2019.
- The record date for participation in the Rights Issue is 18 November 2019. Subscription rights will be traded on Nasdaq Stockholm from and including 20 November 2019 up to and including 2 December 2019.
- Subscription will take place during the subscription period from and including 20 November 2019 up to and including 4 December 2019.
- The prospectus for the Rights Issue is expected to be published on 19 November 2019.
- Oasmia's major shareholder Arwidstro has undertaken to subscribe for its pro rata share of approximately SEK 98 million or 24.7 percent of the Rights Issue. No compensation is paid to Arwidstro for this subscription commitment.

"The Rights Issue is the next logical step for Oasmia to commercialize its key assets. It enables Oasmia to launch Apealea, first in Europe and then in the US, as well as to introduce the Company's technology platform XR17 in the market. It is very important that Oasmia now gets the financial strength needed to be able to invest in market access activities necessary to realize the Company's true potential," comments Sven Rohmann CEO of Oasmia.

"A lot has been achieved in the last eight months. I am very grateful for all who supported Oasmia in the turnaround and will continue to support Oasmia and be part of the exciting future", comments Jörgen Olsson, Chairman of the Board.

Background and reasons in summary

Oasmia is an integrated pharmaceutical company that develops, manufactures and markets an enhanced generation of drugs within human and veterinary oncology. The Company's products and product candidates are based on the proprietary technology platform XR17, which allows for the production of water soluble nano-sized particle formulations of otherwise non-soluble active pharmaceutical ingredients (API). Oasmia has been successful in driving its first product candidate, Apealea, through clinical development and achieving market authorization in the EU and other countries. Oasmia has strengthened its management team to accelerate commercialization and initiated a commercialization phase for the product Apealea with the aim of making the product accessible to patients and to create value for the Company and its stakeholders.

The US is by far the largest oncology market in terms of value, mainly due to the acceptance of high prices for innovative drugs, followed by the EU and the Asia-Pacific region. In the short term, Oasmia's ambition is to commercialize Apealea on the European market. Simultaneously, the Company's goal is to start the discussions with the US Food and Drug Administration (FDA) regarding a market authorization application of Apealea in the US. Further, Oasmia intends to find a strategic partner to ensure market approval and distribution in both the US and China. The Company also intends to continue to invest in medical development aiming for further use and other cancer indications for Apealea in order to gain higher market penetration as well as continue clinical development of the drug candidates in the portfolio.

Oasmia's oncology products intend to represent a range of cytostatic drugs adapted to be combined with so-called targeted treatment such as immuno-oncology drugs, which is the leading form of treatment based on the number of cancer treatments performed.

The Board of Directors has, by virtue of an authorization from the extraordinary general meeting on 6 November 2019, resolved to carry out a new issue of shares with preferential rights for Oasmia's shareholders of approximately SEK 399 million before deduction of costs related to the Rights Issue. The Company has used SEK 45 million for repayment of a convertible loan, which was repaid on 31 October 2019 with cash from the advance payment from the Company's major shareholder Arwidsro. The receivable of SEK 45 million that arose through the advance payment from Arwidsro will be set-off in the Rights Issue.

The Company primarily intends to use the remaining portion of the net proceeds from the Rights Issue for the following activities:

- Finance and accelerate the commercialization of Apealea, which among others include marketing, market access, sales, manufacturing, technology transfer, machinery and equipment.
- Explore new business opportunities based on the Company's proprietary XR17 platform.
- Further development of the product portfolio, such as Docecal, and new partnerships.
- Continued expansion into new markets, which primarily includes initiating discussions with the FDA for market access.
- Working capital for operations.
- The remaining part of the issue proceeds intends to be used to improve the Company's financial position, which further enables expansion in new areas as well as a stable flow of new projects. The Board's assessment is that, through the Rights Issue, the Company will be given sufficient working capital for the next twelve months.

Terms for the Rights Issue

Shareholders who are registered shareholders of Oasmia on the record date, 18 November 2019, have preferential right to subscribe for new shares in proportion to the number of shares held on the record date. Shareholders will obtain one (1) subscription right for each share held on the record

date. Five (5) subscription rights entitle to subscribe for four (4) new shares. Further, investors are offered the opportunity to subscribe for shares without subscription rights.

In the event that not all new shares are subscribed for by exercise of subscription rights, the Board of Directors shall, within the limits of the maximum amount of the Rights Issue, resolve on allotment of new shares subscribed for without subscription rights. Allotment of shares subscribed for without exercise of subscription rights shall, primarily, be allotted to those who have subscribed for shares by exercise of subscription rights and, in addition, have applied for subscription without subscription rights, irrespective of whether the subscriber was a shareholder on the record date or not and, in the event of oversubscription, pro rata in relation to the number of subscription rights each subscriber has exercised for subscription of shares. Secondly, shares subscribed for without subscription rights will be allotted to others who have applied for subscription without subscription rights and, in the event of oversubscription, pro rata in relation to the number of shares stated in each subscription application. To the extent that allotment of shares according to the above cannot be made pro rata, allotment shall be made by drawing of lots.

The Company's share is traded including the right to obtain subscription rights up to and including 14 November 2019. Subscription will take place during the subscription period from and including 20 November 2019 up to and including 4 December 2019. Trading in subscription rights on Nasdaq Stockholm will take place from and including 20 November 2019 up to and including 2 December 2019, and trading in paid subscribed shares (BTA) will take place on Nasdaq Stockholm from and including 20 November 2019 up to and including 16 December 2019.

The share capital may be increased by a maximum of SEK 19,927,535.20 and the maximum number of new shares that may be issued is 199,275,352. The subscription price is SEK 2.00 and, provided that the Rights Issue is fully subscribed, the proceeds are expected to amount to SEK 398,550,704 million before deduction of costs related to the Rights Issue.

Shareholders who choose not to participate in the Rights Issue will have their shareholding diluted by approximately 44 percent, but have the opportunity to obtain financial compensation for this dilution by selling their subscription rights.

Subscription commitments and support from major shareholders

Oasmia's major shareholder Arwidsro has undertaken to subscribe for its pro rata share of approximately SEK 98 million or 24.7 percent of the Rights Issue. No compensation is paid to Arwidsro for this subscription commitment.

Preliminary timetable for the Rights Issue

14 November 2019	Last day of trading in the Oasmia share including the right to obtain subscription rights
15 November 2019	First day of trading in the Oasmia share excluding the right to obtain subscription rights
18 November 2019	Record date, i.e. shareholders registered in the share register on this day will obtain subscription rights for participation in the Rights Issue
19 November 2019	Estimated date for publication of the prospectus
20 November – 2 December 2019	Trading in subscription rights
20 November – 4 December 2019	Subscription period
20 November – 16 December 2019	Trading in paid subscribed shares (BTA)
10 December 2019	Estimated date of announcement of the outcome of the Rights Issue

Advisors

ABG Sundal Collier is the financial advisor to Oasmia and Hannes Snellman is the legal advisor to Oasmia in connection with the Rights Issue. Baker McKenzie is the legal advisor to ABG Sundal Collier in connection with the Rights Issue.

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About Oasmia Pharmaceutical AB

Oasmia Pharmaceutical AB develops, manufactures and markets new generations of drugs in the field of human and veterinary oncology. The company's product development aims to create and manufacture novel nanoparticle formulations and drug-delivery systems based on well-established cytostatics which, in comparison with current alternatives, show improved properties, reduced side-effects, and expanded applications. The company's product development is based on its proprietary in-house research and company patents. Oasmia is listed on Nasdaq Stockholm (OASM) and Frankfurt Stock Exchange (OMAX.GR).

This information constitutes inside information in accordance with the EU Market Abuse Regulation 596/2014 that Oasmia Pharmaceutical AB is obliged to make public. The information was submitted for publication through the agency of the contact person set out above, at the time stated by Oasmia Pharmaceutical AB's news distributor GlobeNewswire at publication of this press release.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in Oasmia. Any invitation to the persons concerned to subscribe for shares in Oasmia will only be made through the prospectus which Oasmia expects to publish on the Company's website (www.oasmia.com) on or about 19 November 2019.

This press release may not be released, published or distributed, directly or indirectly, in or into Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa and the United States or any other jurisdiction where participation would require additional prospectuses, registration or measures besides those required by Swedish law. Nor may this press release be distributed in or into such countries or any other country or jurisdiction in which distribution requires such measures or otherwise would be in conflict with applicable regulations. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations.

The subscription rights, paid subscribed shares and shares in Oasmia have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities legislation of any state or other jurisdiction in the United States and no subscription rights, paid subscribed shares or shares may be offered, subscribed for, exercised, pledged, sold, resold, granted, delivered or otherwise transferred, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States. There will be no public offering of such securities in the United States.

The securities referred to herein have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the rights issue or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

This press release contains certain forward-looking information that reflects Oasmias's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking

information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.

ABG Sundal Collier is financial advisor to Oasmia and not to anyone else, in relation to the rights issue. ABG Sundal Collier is not responsible to anyone else but Oasmia for advising in relation to the Rights Issue.