

Symphogen announces new capital raise and explores strategic options

Copenhagen, 15 May 2019 – Today, Symphogen called for an ordinary shareholders meeting to be held on 29 May 2019. At the meeting, Symphogen’s Board of Directors will propose to raise new capital through a pre-emptive issue of new preferred shares and warrants to existing shareholders.

A group of existing shareholders being: Novo Holdings, Essex Woodlands Healthcare, Sunstone and PKA have underwritten to subscribe for up to DKK 572 million in the pre-emptive offer and by way of exercise of warrants of which DKK 182 million will be subscribed for through conversion of debt.

Use of capital and strategic review

The purpose of the capital raise is to support the Company’s business strategy, which going forward will focus on commercialization of Symphogen’s unique technology platform and productive research engine that have already successfully delivered high quality antibodies with unique functional properties and efficiently brought them into clinical development. Concurrently, the Board will explore other strategic options, including spinoffs or a potential sale of the Company.

Mr. Bernhard Ehmer, Chairman of the Board of Symphogen said: *“Throughout 2018 and in the beginning of 2019, we have made a thorough review of Symphogen’s strategic strengths and options. Symphogen has already generated multiple drug candidates representing first or best-in-class antibodies from its world-class discovery and research platform. However, conducting large late-stage clinical trials demand significant resources and extensive timelines, which, given the core capabilities and heritage of Symphogen, is not a preferred route going forward. Instead, Symphogen will focus on its productive discovery and research platform that has generated five IND’s in the past three years. Clinical development will be done through partnerships. The continued financial support from our investors provides the foundation for finding the best right long-term solution for the Company.”*

Capital raise and share capital

In connection with the proposed pre-emptive offer, the existing share capital is proposed to cover losses through a full write down of the existing share capital. Following the implementation and immediately before the proposed pre-emptive offer, the existing share capital will therefore be nullified and all share classes except one be cancelled. Due to the cancellation of share classes all outstanding warrants will lapse and become void.

Through the proposed pre-emptive offer, all the Company’s existing shareholders will be offered to participate in the capital raise and thus maintain their ownership. As part thereof, existing shareholders who subscribe for shares in the pre-emptive issue will be granted warrants which may be exercised into shares. Additionally, existing shareholders will be granted warrants in a 10:1 ratio to subscribe for common shares at DKK 1 per share. Such warrants may be exercised through and including June 2021 in the event of an IPO or a sale of the Company above a certain price.

Further, subject to the completion of the financing the Company has entered into an agreement to potentially defer the repayment of convertible loans amounting to DKK 371 million from ultimo 2019 until ultimo 2023.

Changes to Board of Directors

Subject to approval by the shareholders, the Company’s Board of Directors will be reduced from 8 members to 5 members.



Mr. Bernhard Ehmer is proposed re-elected as Chairman of the Board. Mr. Ehmer is independent and brings more than 30 years of experience from the global, pharmaceutical industry to the Company, mainly within oncology.

In addition, the following persons are proposed re-elected to Symphogen's Board of Directors: Peter Haahr, CFO in Novo Holdings; Mads Krogsgaard Thomsen, EVP and Chief Science Officer in Novo Nordisk A/S; Søren Lemonius, founding partner in Sunstone and Ron Eastman, managing director in Essex Woodlands.

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About Symphogen

Symphogen is a private biopharmaceutical company focused in the field of discovery and early clinical development of antibody therapeutics for use in oncology and other significant diseases. Symphogen intends to commercialize its unique platform for generation of high-quality therapeutic antibodies with rare functionalities through partnerships, out-licensing or sale. The Company has collaborations for the development of antibody therapeutics in immuno-oncology with Servier and in the infectious disease area with Genentech.