

## **FIT Biotech Ltd's Board of Directors has decided on a share offering and on an application for the admission of the Company's series K shares to trading on the First North Finland market**

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FIT Biotech Oy ('FIT Biotech' or the 'Company') is a Finnish company engaged in medical biotechnology. Pursuant to the authorisation granted by the Company's extraordinary general meeting on 18 May 2015, the Company's Board of Directors has today on 29 May 2015 decided on a share offering and on an application for the admission of the Company's series K shares to trading on the First North Finland multilateral trading facility maintained by NASDAQ OMX Helsinki Ltd.

### *FIT Biotech in brief*

FIT Biotech is a biotechnology company founded in 1995 focusing on DNA vaccines and gene therapy. The Company has developed a patented gene transfer technology, GTU® (Gene Transport Unit). The technology is used in developing DNA vaccines for preventive and therapeutic use in diseases such as HIV and tuberculosis. In gene therapy, FIT Biotech targets cancer as well as autoimmune diseases. Additional fields of use are being explored actively.

### *Listing in brief*

- The Company offers a maximum of 5,418,578 new series K shares in the Company (the 'Offer Shares') for subscription in an offering (the 'Offering') comprised of
  - an institutional offering, where Offer Shares are offered to institutional investors in Finland and internationally in certain jurisdictions subject to the fulfilment of requirements based on local laws (the 'Institutional Offering'),
  - a public offering, where Offer Shares are offered to the public in Finland (the 'Public Offering'), and
  - a conversion offering, where Offer Shares are offered to the holders of the Company's convertible capital loans and subordinated loans and to a holder of one loan (the 'Conversion Offering').
- A maximum of 2,811,859 Offer Shares are offered in the Institutional Offering and the Public Offering and a maximum of 2,606,719 Offer Shares are offered in the Conversion Offering. In the event of an oversubscription, the Company's Board of Directors is entitled to increase the number of Offer Shares by a maximum of 3,205,128 new series K shares in the Company (the 'Over-Allotment Option').
- The Offer Shares represent approximately 25.2% of the shares and votes in the Company after the Offering, provided that all Offer Shares offered in the Offering are subscribed for.
- The subscription price is EUR 1.56 per Offer Share. The subscription price must be paid in cash in accordance with the terms and conditions of the Institutional Offering and the Public Offering. In the Conversion Offering, the subscription price will be paid by setting it off against the subscriber's claims from the Company. The Company's board of Directors is entitled to reduce the subscription price during the subscription period.
- The subscription period for the Public Offering and the Conversion Offering will commence at 9:30 (Finnish time) on 1 June 2015 and expire on or about 17 June 2015 at 16:30 (Finnish time). The subscription period for the Institutional Offering will commence at 9:30 (Finnish time) on 1 June 2015 and expire on or about 18 June 2015 at 16:30 (Finnish time).

- If the Offering is oversubscribed, investors may not be allocated all of the Offer Shares subscribed for by them or any Offer Shares at all. If the Institutional Offering and the Public Offering are oversubscribed (including the Over-Allotment Option), the Company will approve the subscriptions made in the Public Offering in full within the limits of the maximum amount set out for the Institutional Offering and the Public Offering (including the Over-Allotment Option). After this, Offer Shares will be distributed to investors that made their subscriptions in the Institutional Offering in proportion to the amounts subscribed. The subscriptions made in the Conversion Offering will be approved in full.
- The place of subscription in the Offering is FIM Sijoituspalvelut Oy.
- The Company intends to file an application with the Helsinki Stock Exchange for the admission to trading on the First North Finland market ('First North') of the Offer Shares subscribed for in the Offering and all other series K shares in the Company.
- The trading symbol on First North is expected to be FITBIO. Trading in the listing shares on First North is expected to commence on or about 24 June 2015.

CEO Kalevi Reijonen: "This represents a significant new opportunity for our company. FIT Biotech's strategy is to leverage our unique vector technology in several different drug applications. We engage in extensive international research and development collaboration, and now is the time to capitalize on the results of our research on the growing global pharmaceutical market. We expect the listing to bring to the company financial resources, together with a stronger company profile, which will facilitate the commercialization of our technology to international partners."

#### *Background and reasons of the listing*

FIT Biotech focuses on developing biological drug candidates using its proprietary, patented vector technology (GTU). The drug candidates developed based on the Company's GTU technology are applied in various vaccines and gene therapies. GTU is the Company's main technology, which the Company leverages and licenses.

The Company's development projects focus on the prevention and treatment of diseases particularly for indications with unmet medical need or where pharmacotherapy is inadequate in terms of effectiveness or safety. FIT Biotech develops pharmacotherapies which, in the understanding of the Company's management, have lower R&D and production costs than traditional pharmacotherapies and offer a pharmacoeconomical advantage that has significance as healthcare costs continue to escalate.

The Company is primarily seeking to demonstrate preclinical efficacy of its drug candidates. It will then seek to finance the clinical development of its drug candidates by entering into cooperation or licensing agreements with large pharmaceutical companies. The Company's future revenue will be based on advance payments under these agreements, i.e. signing fees and milestone fees, and royalties of the licensing agreements.

The Company is carrying out the Offering in order to ensure the sufficiency of its working capital and the continuity of its operations. The purpose of the Offering is to raise funds for the Company to finance the research and development projects set out in its business plan and to commercialise the GTU technology. In addition, the purpose of the Offering is to create the prerequisites for listing the Company on First North. The Conversion Offering further has the purpose of strengthening the Company's capital structure, as it will reduce the Company's debts and off-balance sheet interest liabilities by EUR 13.2 million.

The Company expects that the First North listing will open a new channel for the Company for raising equity funding both from Finland and abroad, create liquidity for the listing shares and enhance the Company's reputation and recognition among potential clients, business partners and investors. Furthermore, the purpose of the Offering is to widen the Company's ownership base among both Finnish private investors and domestic as well as international institutions.

#### *Preliminary schedule of the Offering and the listing*

The subscription period commences	1 June 2015
The subscription period of the Offering and the Conversion Offering ends	On or about 17 June 2015
The subscription period of the Institutional Offering ends	On or about 18 June 2015
The result of the Offering is announced	On or about 22 June 2015
The Offer Shares are entered into book-entry accounts	On or about 23 June 2015
Trading with listing shares on First North is expected to begin	On or about 24 June 2015

### *Listing*

The Company intends to file an application with the Helsinki Stock Exchange for the admission to trading on First North of the Offer Shares subscribed for in the Offering and all other series K shares in the Company. In First North, these shares are expected to have the trading symbol FITBIO. Trading in the listing shares on First North is expected to commence on or about 24 June 2015.

### *Listing prospectus*

The Company has filed a Finnish-language listing prospectus with the Finnish Financial Supervisory Authority. The listing prospectus is expected to be approved on or about today 29 May 2015. The listing prospectus and the marketing brochure are expected to be available on the website of the subscription place of the Offering, FIM Sijoituspalvelut Oy, at [www.fim.com/FIT](http://www.fim.com/FIT) and on the Company's website at [www.fitbiotech.com](http://www.fitbiotech.com) as of 1 June 2015. In addition, the listing prospectus and the marketing brochure are expected to be available at the subscription place at Pohjoisesplanadi 33 A, 00100 Helsinki, Finland and at FIT Biotech's head office at Biokatu 8, 33520 Tampere, Finland, as of 1 June 2015.

The Company's financial advisor and the Company's certified advisor in accordance with the Rules of First North is Translink Corporate Finance Oy. The Company's legal advisor is Castrén & Snellman Attorneys Ltd.

### Additional information:

Kalevi Reijonen, CEO, FIT Biotech Oy  
Email: [kalevi.reijonen@fitbiotech.com](mailto:kalevi.reijonen@fitbiotech.com)  
Phone: +358 40 843 5695

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