

# Revokes outstanding convertibles to Yorkville Announces a new share issue after the Annual General Meeting

## Revoke of Yorkville

"Panion Animal Health has, by mutual agreement, revoked the remaining convertibles that were held by US-based Yorkville Advisors; Yorkville then has no outstanding convertibles."

"It is a joint decision where both parties concur that the agreed financial model is not optimal for the parties."

"When Panion entered into the agreement with Yorkville, Panion was aiming to secure the current Phase 2 studies in the United States. We now believe that we have come so far that we can terminate the funding via Yorkville. By clarifying the value of Panion's research and development, there are other possibilities to achieve financing that strengthen the shareholders' interest."

## Clarification of refund to Yorkville

Yorkville's convertible loan of SEK 1,880,000 is repaid with SEK 2,000,000. After that, there are no outstanding claims from Yorkville at Panion. The fee of 6% is a cost that existed when the agreement was established, so there are no extra costs that have arisen because the transaction with Yorkville is terminated.

## New share issue

In conjunction with the Annual General Meeting on April 23, the Board of Directors proposes that the AGM decides to change the number of shares in order to enable a new share issue.

### New share issue

The Board of Directors Panion Health AB proposes, based on the Annual General Meeting's approval on April 23, 2019, to issue a rights issue of a maximum of 24,399,487 units at a subscription price of SEK 0.50 per unit and to increase the share capital by a maximum of SEK 2,274,221.45. Through the issue, the Company may be added a total of approximately SEK 12.2 million. The number of shares increases to a maximum of 48,798,974 shares and the share capital to a maximum of SEK 2,274,221.45. In case of great interest, the Company's Board of Directors can increase the issue by an additional SEK 4 million. The company has received guarantees and subscriptions corresponding to 67% of the issue amount. Of these, approximately SEK 6 million are guarantees and approximately SEK 2 million are subscription commitments. Financial advisor is Gothenburg Corporate Finance.

This press release contains information which Panion Animal Health AB is obliged to publish according to the EU market abuse regulation (MAR). This information was submitted by Panion's CEO, Anja E. H. Holm, for publication on Mars 18 2019.

## For additional information, contact:

Anja E. H. Holm, CEO | +45-22 94 66 00  
anja.holm@panion-animalhealth.com

## Panion Animal Health AB

info@panion-animalhealth.com

**Developing animal health** – In Panion, we want to improve the quality of life for animals suffering from chronic diseases. We are convinced that gene therapy has promising prospects. Our aim is to develop and commercialize a gene therapy treatment for dogs with drug refractory epilepsy, based on CombiGene AB's technology and platform. Panion Animal Health AB is listed at Spotlight Stock Market.

[linkedin.com/company/panion-animalhealth](https://www.linkedin.com/company/panion-animalhealth) 

[twitter.com/panionanihealth](https://twitter.com/panionanihealth) 

[panion-animalhealth.com/newsletter](https://panion-animalhealth.com/newsletter) 

[panion-animalhealth.com](https://panion-animalhealth.com) 

#### Summary of the issue conditions:

- One (1) existing share entitles one (1) unit right . One (1) unit right is required to subscribe for one (1) new unit . Each unit consists of one new share and one warrant.
- Subscription price: SEK 0.50 per unit.
- The subscription period is expected to be from May 20 to June 10, 2019.
- The terms of the warrants: The exercise period is calculated between May 25, 2020 and June 12, 2020. The last day for trading in warrants is June 10, 2020. Last day for subscription of shares via the warrants are June 12, 2020. Two warrants entitle the holder to subscribe for one new share for SEK 1.

#### Additional information regarding the issue and preliminary dates

- Last day for trading including unit rights : May 14
- First day for trading excluding unit rights : May 15
- Trading in unit rights will take place from May 20 - June 5
- Trading in BTU will take place from May 20 until the issue is registered

#### Bridge loan

*The Board of Directors today, March 18, 2019, signed an agreement on bridge financing with Formue Markedsneutral A / S of SEK 4 million. Lånet löper med 2,5 % ränta per månad fram tom den 15 juli 2019 då lånet ska återbetalas. The loan runs at 2.5% interest per month until July 15, 2019, when the loan is repaid.*

*- It feels safe that we have now secured the opportunity to continue working on securing Panion's Phase 2 projects in the US for the next 6 months, says Lars Thunberg, Chairman of the Board. The funding also gives the Board and management the opportunity to focus on the important capital procurement process we are simultaneously carrying out in order to be able to complete and implement the development of the company's long-term business plan with the forthcoming final study in the US in 2020, the so-called Regulatory Target Animal Safety Study (TAS).*

**Note: This is a translation of the original press message and in case of discrepancy, the Swedish text prevails.**

This press release contains information which Panion Animal Health AB is obliged to publish according to the EU market abuse regulation (MAR). This information was submitted by Panion's CEO, Anja E. H. Holm, for publication on Mars 18 2019.

#### For additional information, contact:

Anja E. H. Holm, CEO | +45-22 94 66 00  
anja.holm@panion-animalhealth.com

**Panion Animal Health AB**  
info@panion-animalhealth.com

**Developing animal health** – In Panion, we want to improve the quality of life for animals suffering from chronic diseases. We are convinced that gene therapy has promising prospects. Our aim is to develop and commercialize a gene therapy treatment for dogs with drug refractory epilepsy, based on CombiGene AB's technology and platform. Panion Animal Health AB is listed at Spotlight Stock Market.

[linkedin.com/company/panion-animalhealth](https://www.linkedin.com/company/panion-animalhealth)   
[twitter.com/panionanihealth](https://twitter.com/panionanihealth)   
[panion-animalhealth.com/newsletter](https://panion-animalhealth.com/newsletter)   
[panion-animalhealth.com](https://panion-animalhealth.com) 