

CombiGene: Update about subsidiary CombiGene Vet AB

CombiGene Vet AB's preferred name change to Panion Animal Health AB has unfortunately been rejected by the Swedish Companies Registration Office, and as a consequence the record date for the distribution has been postponed. A new record date will be announced by CombiGene AB. A new and extended strategy for CombiGene Vet AB is also announced in this press release. The new strategy means that - in addition to developing and commercializing the canine application of CombiGene's epilepsy gene therapy - other, similar development projects or late stage products will be in-licensed or acquired for the animal health field.

Name change and record date have been postponed

At CombiGene Vet AB's Annual Shareholders' Meeting on May 12th it was decided that the company name should be changed to Panion Animal Health AB. In addition, a number of decisions were taken in order to enable the distribution of the CombiGene Vet AB to CombiGene AB's shareholders. On May 13th the Board of CombiGene AB announced that the record date for that distribution should be July 8th 2016, provided that the formal and necessary preparations have been made by then.

However, these preparations have been delayed and the record date will not occur July 8th. The main reason behind this delay is that the new company name was rejected by the Swedish Companies Registration Office (Bolagsverket). An appeal against the rejection was filed, but the appeal was also rejected. A new record date will be announced by CombiGene AB as soon as a new company name has been identified and has been approved by the Swedish Companies Registration Office, and subject to any other necessary preparations. As a consequence of the postponed name change, a website, www.combigenevet.com, has been launched, replacing www.panion-animalhealth.com.

Other information about the upcoming distribution

CombiGene AB's legal advisor, Fredersen Advokatbyrå AB, has prepared a document with information to shareholders regarding the distribution (Information till aktieägare angående utdelningen av CombiGene Vet AB). This document is posted on CombiGene AB's website (www.combigene.com) as well as CombiGene Vet AB's website (www.combigenevet.com).

A new and extended strategy for CombiGene Vet AB

With this press release, a new strategy for CombiGene Vet AB is for the first time announced.

Until now, CombiGene Vet AB's sole business goal has been described as the development and commercialization of the canine (dog) application of CombiGene AB's gene therapy against drug refractive epilepsy. During the strategy discussions following the distribution decision of April 4th it was however realized that CombiGene AB is not the only human health development company having an unexploited animal health asset.

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A number of other companies in the same situation were easily identified, i.e. companies having development projects or late stage products within the medicine, medical device or diagnostic fields and for which there is also a potential animal health commercialization opportunity. Typically, these companies have identified the opportunity but have not yet been able to exploit it. CombiGene Vet AB's new strategy will include acquisition and in-licensing of such projects. With this strategy, considerable synergies can be achieved, CombiGene Vet AB's capacity can be used in an optimal way, and the licensors and partners will be offered a convenient way to commercialize these otherwise unexploited assets.

One cornerstone of this strategy is that the out-licensing company (licensor) will continue supporting its project, for example, by sharing preclinical data, by maintaining and developing the patent applications, and by supplying products directly or via contract manufacturers.

CombiGene Vet AB's first in-licensed asset will be the animal health application of CombiGene AB's epilepsy project, but CombiGene Vet AB hopes that it will be able to announce further transactions during 2016.

Next steps for CombiGene Vet AB

Currently, CombiGene Vet AB's roadmap for July-Dec 2016 is:

- Identify and get approval for a new company name
- Determine the new record date
- Execute the distribution of the company to CombiGene AB's shareholders
- Negotiate and execute license agreement term sheets with one or more licensor, in addition to CombiGene AB
- Recruit CEO
- Conduct a share issue
- Convert the term sheets into license agreements
- Initiate and manage the in-licensed projects
- Prepare for an IPO
- Continue to execute the in-licensing and acquisition strategy

About CombiGene Vet AB

CombiGene Vet AB is a wholly owned subsidiary of CombiGene AB and was founded in July 2015 with the purpose to develop and commercialize the animal health application of CombiGene AB's technology. At CombiGene AB's Annual Shareholders' Meeting on April 4th 2016 it was decided to distribute CombiGene Vet AB to CombiGene AB's shareholders. The aim is to apply, before the end of 2016, for listing CombiGene Vet AB's share at a feasible marketplace. www.combigenevet.com.

About CombiGene AB

By combining modern neuroscience with recent advances in gene delivery, CombiGene has developed a method shown to suppress epileptic seizures in preclinical studies. The current focus is on continuing to develop this method into an effective and safe therapy for epilepsy patients, but the method may also have development potential as a means of treating other neurological disorders. Founded on the basis of scientific discoveries made at Lund University and the University of Copenhagen, CombiGene has offices at Medicon Village in Lund, Sweden. The company is public and listed on the Swedish marketplace AktieTorget. www.combigene.com

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