

Linc intends to list its shares on Nasdaq Stockholm

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Linc AB (publ) ("**Linc**" or the "**Company**"), a leading Nordic life science investor, today announces its intention to list its shares on Nasdaq Stockholm (the "**Listing**") and to carry out a new issue of shares corresponding to approximately SEK 1,200 million (the "**Offering**"). The Company has generated a compounded annual return of approximately 26 per cent during the period 2010 to 2020 and intends to use the net proceeds to continue to create value by investing in new and existing portfolio companies.

The main purpose of the Listing is to create better conditions for continued growth, to broaden Linc's shareholder base and to provide increased access to capital markets. Linc's board of directors and management consider the Listing as a logical and important step to facilitate the Company's and its portfolio companies' future growth and development. The Company also believes that the Listing will lead to increased awareness of Linc and thereby strengthen Linc's profile and brand.

Nasdaq Stockholm's listing committee has made the assessment that Linc fulfils the applicable listing requirements. Nasdaq Stockholm will approve an application for admission to trading of the Company's shares on Nasdaq Stockholm, provided that certain conditions are met, including that the Company submits such an application and that the distribution requirement for its shares is met. Dependent on market conditions, the Offering and Listing on Nasdaq Stockholm is expected to be completed during the second quarter of 2021.

Karl Tobieson, CEO, comments:

"I have had the privilege to develop MedCap in collaboration with Linc for the past 14 years, before I took over the role as CEO of Linc, and I have seen the benefits of working together with a long-term, knowledgeable and entrepreneurial owner with a broad network within the Nordic life science industry. Through broadening the shareholder base and strengthening our financial position, we can provide many more entrepreneurs and young teams with valuable access to Linc's structured, long-term and supportive ownership approach for value creation. It is with great joy, enthusiasm and humility that we now embark on the next stage in Linc's development, strengthened by our strong track record."

Bengt Julander, Chairman, Founder and main owner, comments:

"Linc's focus on investing in product-oriented companies within the Nordic life science industry has been the same ever since the start 30 years ago. Since then, we have learned enormously and have had the privilege of building Linc together with entrepreneurs, scientists, inventors and business leaders to where we are today. Since we have brought on an experienced management team and now strengthen our financial position in the planned Listing, we are creating a strong foundation from which we can accelerate our investment agenda and create additional value for both talented entrepreneurs as well as our future owners."

About Linc

Linc was founded in 1991 by the main owner and chairman of the board, Bengt Julander, and is an investor in product-oriented companies in the Nordic life science industry. The Company is mainly focused on investing in and developing small and medium-sized life science companies with global potential in the medical technology and pharmaceutical industries. Investments are made in both private and public companies, as well as in pre-clinical/clinical-stage companies and companies with established business operations.

During the period 2010–2020, Linc has generated an average total annual shareholder return of approximately 26 per cent and the Company's net asset value amounted to approximately SEK 2.5 billion as of 31 March 2021. At the same point in time, Linc's portfolio consisted of ten listed life science companies^[1] corresponding to 95 per cent of the net asset value and ten unlisted life science companies^[2] that accounted for the remaining five per cent of the net asset value. Calliditas Therapeutics, Sedana Medical and MedCap constitute Linc's three largest individual holdings based on their share of net asset value.

Bengt Julander is, directly and indirectly through his wholly-owned company Cronhamn Invest AB, the sole owner of Linc with 100.0 per cent of the capital and votes.

Investment philosophy and principles

Linc's goal is to be an active owner supporting well-managed Nordic life science companies in their development by contributing capital, expertise, experience and networks within each company's area of operation. According to the Company, the ownership in Linc's portfolio companies is exercised actively, professionally and with a sense of entrepreneurship. Linc ensures a meaningful influence by oftentimes being one of the major investors, and at the same time the Company values participation from management, employees and other long-term co-investors. In summary, Linc has the following focus for its investments:

- Investments are made in the size interval SEK 25 – 250 million
- Investments are made in both public and private companies
- Investments in pharmaceutical companies are made at early stages, while investments in medical technology companies are made in a somewhat later phase
- Investments are made with a flexible investment horizon without any constraints
- Investments are made with a focus on self-generated business flow
- Investments are primarily made in companies with headquarters in the Nordic region

Strengths

- *Strong history of value creation*

Since 31 December 2010, Linc's portfolio has generated a compounded annual return, including dividends, of approximately 26 per cent, which means that Linc has consistently outperformed relevant benchmark indices. During the period 2017–2020, the compounded annual return including dividends amounted to approximately 49 per cent.

- *Exposure to unlisted medical technology and pharmaceutical companies with potential for value realisation*

Linc has ownership in both listed and unlisted companies within the Nordic life science market. The Company focuses on active ownership in its portfolio companies, especially in the unlisted portfolio companies where Linc often is involved at an early stage and contributes to value creation. Linc's experience is that the result of the value creating activities in the unlisted portfolio companies often is made visible in connection to and after these companies become publicly listed. Linc believes that there is still strong potential for value development in the listed portfolio companies.

- *Active owner with broad network*

Linc has ownership in unlisted companies with strong potential for further value development. Typically, Linc takes one or more value-creating initiatives when investing in unlisted portfolio companies. Such initiatives may include the identification and appointment of management executives and board of directors, as well as making use of Linc's extensive network to create value. In addition, Linc assists its portfolio companies with advice on preclinical and clinical development.

- *The Nordic life science market is an attractive market with strong underlying trends*

The global demand for new pharmaceuticals and medical technology is expected to continue to increase for the foreseeable future, supported by factors such as population growth, an aging population and a growing middle class in developing countries. The pharmaceutical and medical technology industries are also expected to be positively affected by general economic growth and increased scope for and need for investments in innovation and digitalisation within healthcare.

- *Experienced board and management with a history of value creation*

Linc has an experienced board and management with a long history of value creation and extensive experience in the Nordic life science market. The chairman of the board, who is also the main owner, has over 30 years of experience from investing and driving value creation in the sector, and the Company's CEO has over 17 years of experience from investments and value creation in the sector.

- *Structured investment process with active ownership in a portfolio exposed to several interesting niche segments and a strategy for diversification*

Linc applies a structured process for selecting and implementing new investments, based on a combination of incoming proposals and outgoing "scouting". Following completion of an investment, Linc exercises active ownership, with a focus on strengthening the portfolio companies' existing operations by contributing industrial expertise, networks, commitment and resources. Furthermore, an important part of Linc's investment strategy is to achieve and maintain a well-diversified portfolio, comprising carefully selected companies in several interesting niche segments in the Nordic life science market.

- *Active work to achieve sustainable and positive impact*

Linc invests solely in life science, which means that the Company contributes to sustainable development. For Linc, this entails developing and growing the value of its portfolio companies that, in turn, can contribute to human well-being, prevention of exclusion due to illness or disabilities, and a reduction of social costs. Linc strives to be a strong contributing factor to ensuring healthy lives and promoting well-being for people at all ages.

The Offering in brief

The shares will be offered to qualified and institutional investors in Sweden, and internationally (excluding the U.S.) as well as to the general public in Sweden. All offers and sales outside the United States will be made in compliance with Regulation S under the U.S. Securities Act of 1933.

The Offering is intended to consist of newly issued shares of approximately SEK 1,200 million. Complete terms, conditions and instructions for the Offering will be described in a prospectus prepared by the Company in connection with the intended Offering and is expected to be published during the second half of May, including on Linc's website, www.linc.se.

Advisors

Skandinaviska Enskilda Banken AB (publ) ("**SEB**") is acting as Global Coordinator and Joint Bookrunner in connection with the Offering and ABG Sundal Collier ("**ABGSC**") is acting as Joint Bookrunner. The law firm Hammarskiöld & Co AB is acting as legal advisor to Linc AB and White & Case Advokat AB is acting as legal advisor to SEB and ABGSC. SEB and Avanza Bank AB (publ) are acting as Retail Distributors in connection with the Offering.

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[1] AdderaCare, Arcoma, Calliditas Therapeutics, FluoGuide, InDex Pharmaceuticals, MedCap, Medivir, OncoZenge, Sedana Medical, Stille

[2] Animal Probiotics, Cinclus Pharma, Epicyt Pharma, Gesynta Pharma, nWise Ägare, Part Production Sweden, Society, Sixera Pharma, SweVet, Synartro

Attachments

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