PRESS RELEASE

Stockholm, Sweden, 24 January 2019

Sobi™ completes acquisition of Synagis® US rights from AstraZeneca and exercises authorisation to issue shares

Swedish Orphan Biovitrum AB (publ) (Sobi™) (STO:SOBI) announced today that it has completed the acquisition from AstraZeneca of rights to Synagis® (palivizumab) in the US as well as rights to participate in 50 per cent of the future earnings of the candidate drug MEDI8897 in the US, as announced on 13 November 2018.

Synagis is a medicine for the prevention of serious lower respiratory tract infections (LRTI) caused by respiratory syncytial virus (RSV) in high-risk infants and is the only approved preventative medicine for the condition. MEDI8897 is a follow-on candidate to Synagis and a monoclonal antibody (mAb) being investigated for the prevention of LRTI caused by RSV in a broad infant population.

Highlights of the acquisition

- **Diversifies Sobi's revenue base in Specialty Care – Immunology;** Synagis, the only approved RSV prophylaxis for high-risk infants, complements Sobi's expertise in paediatrics and immunology. Synagis bolsters the importance of Sobi's Immunology franchise (consisting of Kineret®, emapalumab and Synagis), and Immunology will constitute the majority share of total Specialty Care sales;
- **Accelerates build-up of US commercial platform;** The acquisition of Synagis is expected to more than double both the revenue and size of Sobi's US organisation, enhancing the financial contribution of the US to Sobi's overall revenues to approximately one third. Access to a proven US sales & marketing organisation will establish a critical scale to drive sustainable growth in the US;
- **Enhances financial capacity;** Significant top line addition is expected to give Sobi substantial recurring earnings to further advance the US expansion and enable future strategic acquisitions over the mid-term, positioning the company well for its next phase of growth. Synagis sales for LTM[1] 30 June 2018 were USD 269 M (SEK 2.4 B[2]). Sobi expects the product to generate an EBITA[3] margin in excess of 60 per cent and that the transaction will be accretive to earnings per share in 2019.

Terms of the transaction

The upfront consideration payable at closing of the acquisition corresponds to approximately USD 1.5 B (SEK 13.5 B) consisting of cash and 24,193,092 newly issued Sobi common shares. Sobi will also pay USD 20 M

[1] Last twelve months

[2] All figures in this press release in USD have been converted to SEK (and vice versa) at a USD/SEK exchange rate of 9.05, the average exchange rate as published by the Swedish Central Bank during a period of five business days prior to the announcement of the acquisition on 13 November 2018.

[3] Financial measure not defined according to IFRS (alternative performance measure). EBITA is earnings before interest, tax and amortization.

(SEK 181 M) in cash, per year, for the three years 2019-2021 as consideration for MEDI8897. Sobi may pay up to USD 470 M (SEK 4.3 B) for Synagis sales-related milestones from 2026 onwards, plus, USD 175 M (SEK 1.6 B) following submission of the Biologics License Application (BLA) to the US Food and Drug Administration (FDA) for MEDI8897. The agreement also includes potential net payments of approximately USD 110 M (SEK 1.0 B) on achievement of other MEDI8897 profit and development-related milestones. MEDI8897 associated payments, if payable, are expected from 2023 onwards.

Following completion of the acquisition, AstraZeneca will hold 8.1 per cent of the total shares and votes in Sobi.

The Board of Directors of Sobi has, by way of set-off of claim, issued the 24,193,092 common shares to AstraZeneca by exercising the authorisation granted by the Annual General Meeting in May 2018. The subscription price (SEK 187.0133) is based on the daily volume weighted average price paid for the Sobi common share on Nasdaq Stockholm during a period of five trading days immediately prior to entering into the agreement concerning the acquisition.

Forward looking statements
This press release contains forward-looking statements, including statements regarding the potential benefits that may be derived from the acquisition of U.S. rights to Synagis and profit participation rights to MEDI8897, plans and expected timing with respect to the potential approval of MEDI8897 in the US, as well as potential future sales of Synagis and MEDI8897. These forward-looking statements are based on management expectations and assumptions as of the date of this press release, and actual results may differ materially from those in these forward-looking statements as a result of various factors. Forward-looking statements speak only as of the date of this press release and Sobi does not undertake any obligation to update or revise these statements, except as may be required by law or regulation.

About Synagis
Synagis (palivizumab) is indicated for the prevention of serious LRTI caused by RSV in infants and young children at high risk of RSV disease. RSV is the most prevalent cause of LRTI among infants and young children. Synagis is a RSV F protein inhibitor monoclonal antibody that acts as a prophylaxis against serious RSV disease. It is the only medicine approved for the prevention of serious RSV disease. AstraZeneca has a partnership agreement with AbbVie Inc. for the rights to Synagis outside the US.

About MEDI8897
MEDI8897 is a single dose extended half-life anti-RSV F mAb being developed for the prevention of LRTI caused by RSV in all infants entering their first RSV season and children with chronic lung disease or congenital heart disease entering their first and second RSV season. MEDI8897 is being developed for the passive immunisation of a broad infant population and has been engineered to have a long half-life so that only one dose will be needed for the entire RSV season. The current development plan includes initiation of a phase 3 study in healthy full-term and late pre-term infants. MEDI8897 has received Fast Track Designation from the US FDA in March 2015.
In March 2017, AstraZeneca and Sanofi Pasteur announced an agreement to jointly develop and commercialise MEDI8897. Under the agreement, AstraZeneca is responsible for all development activity through initial approvals, as well as manufacturing of MEDI8897, while Sanofi Pasteur leads commercialisation activities. The two companies share all costs and profits equally.

About Sobi™
Sobi™ is an international biopharmaceutical company dedicated to rare diseases. Our vision is to be recognised as a global leader in providing access to innovative treatments that transform lives for individuals with rare diseases. The product portfolio is primarily focused on treatments in Haemophilia and Specialty Care. Partnering in the development and commercialisation of products in specialty care is a key element of our strategy. Sobi has pioneered in biotechnology with world-class capabilities in protein biochemistry and biologics manufacturing. In 2017, Sobi had total revenues of SEK 6.5 billion and approximately 850 employees. The share (STO:SOBI) is listed on Nasdaq Stockholm. More information is available at www.sobi.com.

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