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Xintela intends to carry out a directed share issue through an accelerated book building procedure

INSIDE INFORMATION: Xintela AB (publ) ("Xintela" or the "Company") hereby announces the Company's intention to carry out a new share issue, with deviation from the shareholders' preferential rights of approximately SEK 25 million, with an option to upsize the new share issue, through an accelerated bookbuilding procedure (the "Directed Issue"). The purpose of the Directed Issue is to finance the start of a clinical phase I/IIa study for stem cell treatment of knee osteoarthritis and within Oncology continue preclinical studies of the Company's targeted antibodies for the treatment of glioblastoma and triple negative breast cancer. The Directed Issue is intended to be carried out based on the authorization from the Annual General Meeting on 7 May 2021. The Directed Issue will be offered to professional investors. The Company has mandated Vator Securities to investigate the conditions for carrying out the Directed Issue.

Xintela today announces the Company's intention to carry out a directed new issue, deviating from existing shareholders' preferential rights, to professional investors of approximately SEK 25 million, with an option to upsize the new share issue, based on the authorization from the Annual General Meeting on 7 May 2021. Xintela has commissioned Vator Securities to investigate the conditions for carrying out the Directed Issue through an accelerated bookbuilding procedure in which the subscription price will also be determined.

The accelerated bookbuilding procedure will begin immediately after the publication of this press release and end before trading on the Nasdaq First North Growth Market commences on 17 June 2021. The Directed Issue is subject to the Board of Director's decision, which together with pricing and allotment is expected to take place before the commencement of trading on the Nasdaq First North Growth Market on 17 June 2021. The Board of Directors may at any time decide to suspend, shorten or extend the bookbuilding procedure and to refrain in whole or in part from conducting the Directed Issue. The Company will announce the outcome of the Directed Issue when the bookbuilding procedure is completed.

The Company intends to use the net proceeds from the Directed Issue for the following activities: (i) approximately 55 percent to finance the stem cell therapy business area, including the start of a clinical phase I/IIa study on knee osteoarthritis patients (ii) approximately 35 percent to finance the cancer therapy business area, including the continuation of preclinical studies with Xintela's targeted antibodies in models for glioblastoma and triple negative breast cancer (iii) approximately ten percent to finance the Company's operations and strengthen Xintela's working capital.

The reasons for the deviation from the shareholders' preferential rights are to raise capital in a time- and cost-effective manner on favorable terms and to diversify the shareholder base with qualified and institutional investors.

In connection with the Directed Issue, Board members and members of the Company's management who own shares have undertaken not to sell any shares in the Company for a period of 180 calendar days from the date of admission to trading of the new shares, with customary terms and exemptions from Vator Securities.

Advisors

Vator Securities is the Sole Bookrunner and Baker McKenzie Advokatbyrå KB is legal advisor to Xintela in connection with the Directed Issue.

This information is such information that Xintela AB (publ) is obliged to make public under the EU Market Abuse Regulation 596/2014. The information was provided by the contact person below for publication at the point in time specified by Xintela's news distributor beQuoted at the publication of this press release.

The below person may be contacted for further information.

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For more information, please visit: www.xintela.se

About Xintela

Xintela develops innovative and patent protected cell therapies and targeted cancer therapies based on the marker technology platform XINMARK. The platform is built on specific cell surface proteins (integrins) and more than 25 years of research and development. Xintela uses the marker technology to select and quality assure stem cells (XSTEM) to develop stem cell therapies for diseases that today lack efficient treatment options, including the joint disease osteoarthritis (OA). Xintela has built an in-house GMP-facility for manufacturing of stem cell products and is preparing a First in Human clinical study on patients with knee OA. In the oncology program, Xintela develops antibody-based therapies for treatment of aggressive tumors including glioblastoma and triple-negative breast cancer. Xintela is listed on Nasdaq First North Growth Market Stockholm since 22 March 2016. Xintela's Certified Adviser at Nasdaq First North Growth Market is Erik Penser Bank AB, +46 8-463 80 00, certifiedadviser@penser.se.

Important information

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. Xintela has not approved any offer to the public of shares or other securities in any of the EEA countries and no prospectus has been or will be prepared in connection with the Directed Issue. In all EEA Member States, this notice is addressed and is addressed only to qualified investors in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "**qualified investors**" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Company's shares. Any investment decision to acquire or subscribe for shares in connection with the Directed Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Sole Bookrunner. The Sole Bookrunner is acting for the Company in connection with the Directed Issue and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Directed Issue or any other matter referred to herein.

This press release does not constitute a recommendation for any investors' decisions regarding the Directed Issue. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Premier Growth Market rule book for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Xintela have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Xintela may decline and investors could lose all or part of their investment; the shares in Xintela offer no guaranteed income and no capital protection; and an investment in the shares in Xintela is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Xintela.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Xintela and determining appropriate distribution channels.