

BBS-Bioactive Bone Substitutes Plc: Final results of the successful rights issue - oversubscribed by 49 percent

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According to the final results of the rights issue ("the Share Issue") of BBS-Bioactive Bone Substitutes Plc ("BBS" or "the Company") that ended on 16 June 2020 in Sweden and on 18 June 2020 in Finland, the Share Issue was oversubscribed (1,936,385 shares) corresponded to 49% of the offered shares. Of the 1,301,205 new shares offered in the Share Issue ("the Offer Shares") 1,059,634 were subscribed using subscription rights (approximately 81.4% of the Offer Shares), so that the remaining Offer Shares, i.e. 241,571 Offer Shares (approximately 18.6% of the Offer Shares) were allocated in compliance with the terms and conditions of the Share Issue by those having subscribed on the basis of subscription rights or without subscription rights. According to the final results of the Share Issue, no Offer Shares were allocated to anyone subscribing Offer Shares without subscription rights.

Subscription commitments had been issued for a total of EUR 1.58 million. The final results indicate that the parties making subscription commitments, i.e. Finha Capital Oy, Jukka Halonen, Irma Halonen, Jyrki Halonen, EAKR Aloitusrahasto Oy, Panvest Oy, as well as Chairman of the Board of Directors Jarmo Halonen and related parties mentioned above, have subscribed a total of 465,336 shares, corresponding to approximately EUR 1.95 million. No Offer Shares were allocated to the underwriters.

BBS raised with the Share Issue gross funds of approximately EUR 5.47 million, which, after deduction of the fees and expenses of the Share Issue, amounted to approximately EUR 4.80 million.

CEO Ilkka Kangasniemi:

We are very pleased and grateful to our shareholders for a very successful rights issue. The full realisation of the rights issue enables the development of the company as planned. The obtained funds secure the liquidity of the company for the coming two years.

The most important goal is to obtain the CE marking for the first product, ARTEBONE® Paste. An updated CE marking application will be submitted as soon as we receive the final contract from the Notified Body. The animal test related to the CE marking is at a stage where we are still waiting for the results of the last monitoring time point. The results of the first two time points are promising and the test should be able to demonstrate the additional evidence of product performance required by the authorities.

The funds received will also be used to promote the marketing and sales of the product, so that once the CE marking has been obtained, the product can be sold in Europe. At the same time, we are also promoting the FDA (Food and Drug Administration) approval required in America as part of our market strategy.

The Share Issue in brief

- In the rights issue of BBS, the Company's shareholders had the primary right of subscription.

- Each BBS shareholder received one (1) subscription right of book-entry format (“Subscription Right”), entitling them to the subscription of Offer Shares for each Company share held on the record date of the Share Issue, 28 May 2020 “the Record Date”).
- Four (4) Subscription Rights entitled the holder to the subscription of one (1) Offer Share at the subscription price of EUR 4.20 or SEK 44.42 per Offer Share (“the Subscription Price”).
- Therefore, in the Share Issue, the Company offered its shareholders a maximum of 1,301,205 new shares of the Company for subscription.
- The subscription period of the Offer Shares began on 2 June 2020 in Finland and Sweden.
- The Subscription Rights are freely transferable and traded in the Nasdaq First North Growth Market Finland trading facility, maintained by Nasdaq Helsinki Oy under the trading symbol BONEHU0120, and in the First North Growth Market Sweden market facility, maintained by Nasdaq Stockholm AB under the trading symbol BONES TR, from 2 June 2020 to 12 June 2020.
- The subscription period of the Offer Shares ended on 16 June 2020 in Sweden and on 18 June 2020 in Finland.

Approval of the subscriptions and allocation of the Offer Shares

In the Share Issue, subscriptions were made for a total of 1,936,385 shares, which means that the number of share oversubscriptions corresponded to 49% of Offer Shares. Approximately 81.4% of all Offer Shares were subscribed using Subscription Rights.

On 24 June 2020, the Board of Directors of BBS approved the subscriptions made in the Share Issue using Subscription Rights for a total of 1,059,634 Offer Shares as well as the secondary subscriptions by those having subscribed on the basis of Subscription Rights, approved on the basis of the terms and conditions of the Share Issue, for a total of 241,571 Offer Shares. For the part that the Company did not allocate the Offer Shares subscribed and paid for in compliance with the investor’s subscription order to the investor concerned due to the fact that the Share Issue was oversubscribed, the Company will refund the investor the subscription price corresponding to the Offer Shares not received in compliance with the terms and conditions of the Share Issue.

Registration of the Offer Shares and commencement of trading

The Offer Shares will produce the shareholder’s rights in the Company once they are registered with the Trade Register, which is expected to take place on approximately 29 June 2020. The delivery and combination will take place on approximately 30 June 2020 in the book-entry system maintained by Euroclear Finland, and the Offer Shares are expected to be subject to trading together with the Company’s existing shares on approximately 30 June 2020 on First North Growth Market Finland. The delivery and combination will take place approximately on 1 July 2020, in the book-entry system maintained by Euroclear Sweden, and the Offer Shares will be subject to trading together with the Company’s existing shares approximately on 1 July 2020 on First North Growth Market Sweden.

As a result of the Share Issue, the number of the Company’s shares will increase by 1,301,205 shares from 5,204,820 shares to a total of 6,506,025 shares.

BBS-BIOACTIVE BONE SUBSTITUTES PLC

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This is information that BBS-Bioactive Bone Substitutes Plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on 24 June 2020 at 4:15 pm (UTC +3.00).

About BBS

BBS-Bioactive Bone Substitutes Plc is a Finnish orthobiologic biotech company. We have developed a new product for healing of difficult bone fractures and for solving the problems in bone healing. Our mission is to offer new generation medicinal products for the orthopedic surgery. The research and development in the field of medicine requires perseverance and courage to develop new things. We have over 20 years of expertise in this. Our operations are characterised by top expertise, innovativeness and dedicated and committed employees. The first product, ARTEBONE® paste, is ready and the application process for the CE-marking enabling commercialization is in progress.

More information: www.bbs-artebone.fi.

BBS-Bioactive Bone Substitutes Plc shares are listed on the Nasdaq First North Growth Market Finland and Nasdaq First North Growth Market Sweden. The company's Certified Adviser is Stockholm Certified Advisers AB, p. +46 70 5516 729, info@certifiedadviser.se

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