

Press Release
Lund, January 28, 2016

Enzymatica signs acquisition agreement and prepares for international expansion with new share issue

Enzymatica has signed an agreement to acquire Icelandic company Zymetech via a non-cash issue. This acquisition gives Enzymatica international exclusive rights to a patent-protected enzyme, a key ingredient in ColdZyme® Mouth Spray, as well as control over production of the enzyme, access to international research and development expertise and Zymetech's portfolio. The capital contributed by the subsequent cash issues will enable a stronger focus on commercial investments and international geographic expansion.

Enzymatica AB (publ) ("Enzymatica") has signed an agreement to acquire 99.5 percent of the shares of Zymetech ehf. The purchase price consists of approximately 20,9 million new shares in Enzymatica and approximately 4 million new warrants to subscribe for additional shares in Enzymatica. The new shares will be the same type as the Enzymatica shares already issued.

As a result, it is proposed that the acquisition be completed via a non-cash issue of shares in Enzymatica offered to Zymetech's shareholders. As of January 27, the 20,9 million shares were equal to a price of SEK 3.35 per share and a value of approximately SEK 70 million, while the premium for the 4 million new warrants was valued at approximately SEK 3.2 million. Each warrant entitles the holder to subscribe for one new share in Enzymatica at a subscription price of SEK 5 during a period of between 18 and 24 months from completion of the transaction. Standard conversion provisions will be applicable to the warrants in the event of transactions such as share issues. As part of the deal Enzymatica also acquires the right to trademarks on selected markets for SEK 3.1 million in cash from one of the principal owners of Zymetech.

Enzymatica will publish a notice of extraordinary general meeting on February 15, 2016 in a separate press release to approve the transaction with Zymetech. The transaction is subject to the necessary governmental approvals and other customary closing conditions as well as at least half of the votes cast at the meeting approving the transaction and voting for the non-cash issue.

Several major Enzymatica shareholders, representing approximately 25.6 percent of all Enzymatica votes, are supportive of the proposal and have committed to vote for execution of the transaction at the extraordinary general meeting.

Enzymatica has an outstanding 2013/2017 employee share ownership plan. Enzymatica has issued warrants to a subsidiary to secure its obligations under the employee share ownership plan. All participants in Enzymatica's employee share ownership plan have opted to waive their rights to the employee share ownership plan prior to the date the agreement is entered into and Enzymatica's board of directors will therefore ensure that the warrants held by the subsidiary are cancelled prior to the extraordinary general meeting.

Preemptive right issue of SEK 60 million

In addition, Enzymatica's board of directors will, subsequent to the closing of the transaction, propose a cash issue of new shares in the first half of 2016 with preemptive rights for existing shareholders amounting to approximately SEK 60 million and an extended mandate for a future private placement

of up to SEK 40 million. The preemptive right issue and the extended mandate provide a decision at a separate extraordinary general meeting. The main reason for the preemptive rights issue is to create financial sustainability for the company to enable it to pursue commercial opportunities more aggressively and thus foster a substantial long-term future increase in the sales of cold product ColdZyme. The reason for the extended mandate for a private placement is to take advantage of future opportunities to bring in strong long-term owners and provide additional financing for the company's growth strategy.

"We are excited about the acquisition of Zymetech, which I see as a key strategic complement to Enzymatica's business and crucial for making our planned geographic expansion a reality. The acquisition gives Enzymatica patent-protected exclusivity for ColdZyme throughout Europe and about ten additional countries, which enables us to retain our lead over competitors until at least 2020," says Fredrik Lindberg, CEO of Enzymatica, who continues:

"We can now increase our rate of expansion and pursue opportunities to sign major, exclusive distribution agreements. In addition, the expertise added to the company through Zymetech's R&D organization in Iceland will give us a renewed drive toward the growth targets we have for our product portfolio."

"As major shareholder and representative for Zymetech's largest shareholders, representing 73,5 percent of ownership, we are highly positive to the transaction and the growth strategy for Enzymatica," says Gudmundur Palmason, Chairman of the Board at Zymetech.

This group of shareholders has expressed a desire to be long-term owners of Enzymatica. As a result, they have entered into a lock-up agreement stipulating that they cannot dispose of shares they have received as payment until at least 360 days have passed from completion of the transaction.

Background of acquisition

Enzymatica has had a commercial agreement with Zymetech for a few years which has guaranteed an unlimited supply of enzymes, but which also has given Enzymatica exclusive rights to sell proprietary products in the Nordic region. Enzymatica has had non-exclusive distribution rights outside of the Nordic region.

Acquisition effects

Following the acquisition of Zymetech, Enzymatica will have patent protection for its own products and Zymetech's products, including ColdZyme and existing pipeline products, in the EU, China, Australia, Russia, Canada and other countries. Given that Zymetech is the only producer of the relevant deep-sea enzyme, the acquisition also gives Enzymatica global control over the enzyme production, which could substantially slow down competition in important countries where Enzymatica does not have full patent protection, such as the US. After the acquisition, Enzymatica will thus have exclusive rights in countries with patent protection until 2020 and a technological lead of several years over the rest of the world.

Zymetech has advanced knowledge in enzyme technology, applied enzyme research, as well as in refinement and formulation of the relevant enzyme, which also enables the area of application for ColdZyme to be broadened and facilitates the development of new products based on the combined technology platform of both companies. In addition, Zymetech and Enzymatica have each applied for patents in additional areas of application and production processes, which is estimated to extend the protection of parts of the technology and their use as well as put pressure on competitors even after 2020. Zymetech focuses its research and development into upper respiratory tract infections and

brings to the table a pipeline of products in an early phase. In addition, the company is broadening its research into other therapeutic areas.

The acquisition of Zymetech will also enable optimization of the enzyme solution's production process.

The combined companies had total assets of approximately SEK 57 million and equity of approximately SEK 43 million as of September 30 2015. Translated to Swedish currency, their combined sales for the period January-September 2015 were just over SEK 20 million. The head office of the combined company will be in Lund. Zymetech currently has about ten employees who will be integrated into Enzymatica. After the acquisition, Enzymatica will thus have approximately 25 employees. The company's organization for R&D and production will remain in Reykjavik. Management estimates that no significant staff changes will be made as a result of the transaction and that the bolstered financial resources of the combined companies will enable them to aggressively pursue commercial investments and international expansion. The liquidity of the combined companies has been secured in the short term with a loan from ALMI in the amount of SEK 5 million, with an option for an additional SEK 2 million following a resolution at the meeting to conduct the planned share issues.

Advisers

ABG Sundal Collier has served as the financial adviser and Setterwalls as the legal adviser to Enzymatica in connection with the transaction. HDR Partners has served as the financial adviser and Roschier as the legal adviser to Zymetech in connection with the transaction.

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About Enzymatica AB

Enzymatica is a life science company whose business concept is to offer effective help against some of our most common diseases where viruses or bacteria play a decisive role. Over a short period the company has developed a unique oral spray for colds, ColdZyme®, and launched it on six markets. Since launch the product has become one of the leading articles for colds in Swedish pharmacies. Development includes medical devices in upper respiratory infections and oral health, and veterinary products. The company is headquartered in Lund, Sweden and is listed on Nasdaq First North. For more information, please visit www.enzymatica.com.

Enzymatica's certified adviser is Erik Penser Bankaktiebolag.

About Zymetech

Zymetech is a globally leading company in research, development, production and sales of marine-derived enzymes for therapeutic application. The company's technology of developing and manufacturing formulations containing marine-derived enzymes is called the Penzyme® technology and is at the core of its intellectual property.

Zymetech's use of cod enzymes (called Penzyme®) for therapeutic application is patented-protected in 27 countries. Core and clinical research has demonstrated effectiveness of Penzyme® against a variety of skin conditions, wound healing and viral and bacterial infections. For more information, please visit www.zymetech.com