

Konstantynów Łódzki, July 11, 2023

Press Release

Mabion with agreement to buy new bioreactors, diversifies technology and opens to new customers

- > **Mabion entered into an agreement on July 11, 2023 with a Cytiva Group company (Global Life Sciences Solutions Polands Sp. z o.o.) for the purchase of Xcellerex XDR bioreactor kit with conventional mixing technology, the net value of the agreement is EUR 3.2 million**
- > **The supplier will manufacture and install a set of bioreactors at Mabion's Konstantynów Łódzki plant, delivery of which is scheduled for Q3 2023, followed by installation, commissioning, qualification testing and acceptance of the equipment**
- > **The Xcellerex XDR bioreactor set is based on technology using a conventional mixing system, as opposed to Mabion's current orbital shaking technology, which will help achieve technological diversification, according to Strategy 2023-2027 in April this year.**
- > **The expansion of the panel of available bioreactor technologies will result in greater flexibility for Mabion in discussions with potential customers as part of the CDMO services offered, which will translate into a stronger competitive position for the Company and enable it to reach new potential customers**
- > **Mabion intends to complete the modernization of its existing plant in Konstantynów Łódzki by the end of the year, which will result in increased production capacity and allow it to run different processes at the same time, as well as increase the flexibility of its offerings**
- > **Estimated CAPEX in 2023 will amount to about PLN 60 million and relates in large part to the plant's modernization, the source of financing will be own funds (the balance of funds at the end of Q1 2023 amounted to PLN 69.5 million), current operating cash flow and a loan from the EBRD signed in February for \$15 million**

"The conclusion of a contract for the supply of a set of bioreactors with conventional mixing technology is a significant milestone and another element of the implementation of our Strategy 2023-2027, which we announced in April this year. The agreement is intended to increase Mabion's technological diversification, which will allow us to target a wider range of potential customers interested in our CDMO service offering. We are actively working to diversify and attract new business partners, and the broader panel of available bioreactor technologies, as well as the planned modernization of our existing plant in Konstantynów Lodz, significantly support this direction of our activities. We have secured funds for the purchase of bioreactors and the modernization of the plant, which we are carrying out according to schedule - by the end of the year we will have completed the process and put the new bioreactors into operation. We stand by our estimate of this year's CAPEX of about PLN 60 million, and in the coming weeks we intend to start using debt financing from the loan agreement we concluded at the beginning of the year with the EBRD. At the same time, we want to expand the available financing options and have submitted an application in the second quarter of this year under the European Funds for Modern Economy (FENG) program." - Krzysztof Kaczmarczyk, Chief Executive Officer of Mabion S.A., comments.

Mabion in April this year unveiled its long-term Strategy 2023-2027, which aims to transform Mabion into a fully integrated biologics CDMO company and build its position as a recognized player in the global contract drug development and contract manufacturing market.

One of the key elements of the Strategy is the technological diversification of the existing plant in Konstantynów Łódzki and retrofitting it with a set of bioreactors using conventional mixing technology, as part of the initiated

modernization. The goal is to increase the attractiveness of CDMO's service offerings by providing greater flexibility and a more complete fit for potential customers, who will be able to use both the Company's bioreactors with orbital shaking technology and new bioreactors with conventional mixing technology.

The contract with Global Life Sciences Solutions Poland Sp. z o.o., a company in the group of the globally recognized and established Cytiva company, is for the manufacture, sale, delivery and installation of a set of bioreactors with conventional mixing technology for Mabion's existing plant in Konstaktyńów Łódzki. The ordered set of bioreactors includes 7 units with a total capacity of 4,510 liters, with the two largest units having a capacity of 2,000 liters each. According to the contract, the bioreactors are to be delivered in mid-October this year. The net value of the contract is €3.2 million.

Currently, Mabion has two orbital shaking technology bioreactors with a capacity of 2,500 liters each at its Konstaktyńów Łódz plant. According to an addendum concluded on May 22, 2023 with Adolf Kühner AG of Switzerland, the partner will supply Mabion with two state-of-the-art bioreactors using orbital shaking technology with a capacity of 2,500 liters each, which will replace the bioreactors previously used. The value of the contract with Adolf Kühner AG is €1.8 million. By the end of the year, the Company will therefore have four modern commercial-scale bioreactors with a total capacity of nearly 10,000 liters: two orbital shaking bioreactors and two bioreactors with conventional mixing technology.

"The orbital shaking technology we have used so far has a lot of advantages and has allowed us to build a wide range of CDMO services that we can provide to many customers. The addition of new bioreactors to the plant and the technological diversification of bioreactor farming, on the other hand, will significantly increase our flexibility in providing CDMO services, especially since the bioreactors from both technologies are single-use. The direction of this technological diversification is in line with our internal analyses and the feedback we received, among other things, during meetings with potential business partners at the BIO International Convention in Boston, USA. We went to this largest and most important event in the biotechnology industry in the world with a strong team of 8 people, holding a total of more than 100 business meetings, which we evaluate very positively." - **says Adam Pietruszkiewicz, Chief Business Development Officer of Mabion S.A.**

Financing for the plant's modernization is provided by the company's cash holdings, which amounted to PLN 69.5 million as of March 31, 2023, current cash flows from operations, and a loan agreement signed on February 6, 2023 with the European Bank for Reconstruction and Development (EBRD) for \$15 million, the first tranche of which will be disbursed in the coming weeks.

According to Mabion's Strategy 2023-2027, the Company is focusing entirely on the CDMO area, where it has identified the greatest potential for business and financial growth. Mabion has a team of specialists and a state-of-the-art facility to meet the needs of small and medium-sized companies, which are potential clients. The complete range of services offered by Mabion, from the development and structural and functional characterization of the product and process, to full GMP-compliant commercial scale production, makes the Company an ideal partner for companies that lack the in-house expertise and assets necessary to carry out product development and commercial scale production.

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Information about Mabion S.A.

Mabion S.A. (WSE: MAB) is a Polish biopharmaceutical company founded in 2007, which is undergoing a transformation into a fully integrated contract development and manufacturing organization (CDMO) providing a broad spectrum of services in the segment of small and medium-sized projects at various stages of development (from early stage discovery to commercial manufacturing). Mabion's competencies include the selection of protein expression technologies, their purification, GMP-standard manufacturing activities (obtaining Active Substances "Drug Substance" and Finished Products "Drug Product"), development of analytical tools (for structural, functional, physicochemical characterization), clinical development, clinical analytics and a full range of regulatory activities in the development and operational areas. The company signed a record contract with Novavax in October 2021 for the commercial production of antigen for the vaccine for COVID-19, which it has since steadily expanded through further services under SOWs (Statements of Work) concluded and annexes signed, adding, among other things, another vaccine product based on the Omicron variant. According to the Strategy, announced in April 2023, the Company's goal is to establish itself as a recognizable player in the global contract manufacturing and contract drug development market and to complete Mabion's full transformation into an integrated biologics CDMO company. Mabion is a public Company, listed on the Warsaw S t o c k Exchange.

For more information about the Company, visit www.mabion.eu