

Konstantynów Łódzki, February 6, 2023

## Press Release

### **Mabion has signed a loan agreement with the EBRD for \$15 million (about PLN 66 million)**

- > **Mabion S.A. (Company) and the European Bank for Reconstruction and Development (EBRD) entered into an agreement on 06.02.2023 to provide the Company with a loan in the amount of USD 15 million (approx. PLN 66 million, according to the average exchange rate of the National Bank of Poland on 06.02.2023: PLN 4.3833).**
- > **The loan will be used to finance the Company's strategic development plans, which include the modernization of the Mabion facility in Konstantynów Łódzki to support the expansion of the commercial contract manufacturing services (CDMO) offering currently performed for Novavax**
- > **The modernization of the Company's existing facility will significantly increase production capacity and expand the range of CDMO services provided, supporting Mabion's drive to diversify its business and attract more customers**
- > **Upon completion of the upgrade, the plant will change its characteristics and achieve the ability to carry out a variety of processes at the same time - manufacturing active substances and at the same time, producing finished products through automated, aseptic bottling and subsequent packaging into intermediate and bulk packages**
- > **Mabion is actively pursuing the development of new business in the areas of not only manufacturing, but also advanced analytics, development services, sterile liquid formulation bottling, among others, which can be provided in parallel to the ongoing service of the contract with Novavax**

*"The signing of the loan agreement with the EBRD is a major success, as it will provide us with funds from a renowned financial institution on favorable terms, which will allow us to carry out the planned expansion of Mabion's plant in Konstantynów Łódzki to significantly increase our production and service potential. We are pleased that the Company's consistently implemented transformation into a comprehensive CDMO biopharmaceutical company with diversified revenues and a large scale of operations, both in the area of manufacturing and a wide range of specialized services, has been positively evaluated by the EBRD, which decided to support our strategic development plans with a loan," - says **Krzysztof Kaczmarczyk, Chief Executive Officer of Mabion S.A.***

The EBRD loan was granted to the Company for a period of almost one and a half years from the date of signing the agreement, and the loan will be repaid

In four installments of varying amounts on September 30, 2023, December 31, 2023, March 31, 2024 and June 30, 2024. The loan will be disbursed at the Company's request in one lump sum or in amounts not less than \$5 million. The first disbursement of the loan shall take place no later than six months from the date of the loan agreement, upon fulfillment of the standard conditions precedent specified in the agreement. Disbursement of the remaining amount of the loan will take place no later than nine months from the date of the agreement with the EBRD. The loan's interest rate will be based on a floating interest rate at the Secured Overnight Financing Rate (SOFR), plus the bank's margin.

*"The loan will be used to cover expenditures on the expansion and equipping of Mabion's existing production facility, including the replacement of bioreactors with associated infrastructure, which is planned for mid-2023. We also intend to allocate the funds raised to the further development of the IT systems and infrastructure necessary to comprehensively support a wide range of CDMO contracts. We previously reported on the possibility of refinancing the outstanding loan from the Shareholder with a loan, while even before the date of the EBRD agreement, the Company repaid the commitment to the Shareholder in full from its own funds. Some of the above-mentioned investments and targets included in the project*

*financing under the loan agreement may also be financed from Mabion's own funds generated from current operations. Repayment of the loan will be made from the Company's own funds obtained from operating cash flows generated during the term of the loan agreement."* - **Grzegorz Grabowicz, Member of the Management Board for Finance of Mabion S.A., comments.**

Mabion is consistently taking steps to fully realize the potential in the area of commercialization of the current CDMO service offering and its future expansions. Preparatory work is currently underway for the modernization and expansion of the existing plant in Konstancin Łódzki, scheduled for 2023. The most important goal of the modernization is to increase and diversify the existing production capacity, as well as to increase the possibility of conducting various manufacturing activities at the same time. As planned, the plant's modernization is to include, among other things, the replacement of bioreactors and an increase in their number. The plant modernization process is aligned with the schedule of generation services provided by the Company to Novavax. At the same time, the Company maintains its investment plans related to the project to build a new second plant, the so-called Mabion II, in the coming years; it will provide more information in this regard with the updated development strategy, which is currently being advanced.

*"We will modernize the plant with all the needs for efficient and effective commercialization of current and future CDMO services, which is Mabion's strategic direction. The modernization concerns not only the bioreactors, but also the adaptation of the premises and infrastructure, including the remaining process and analytical equipment, and the launch of a line for sterile bottling of the finished product with high efficiency, i.e. the fill&finish stage. We see strong market demand for such services, which, together with gaining greater flexibility in providing services as a contract manufacturer, will give us the space to serve more customers. Their diversification is an important goal for us, which we are currently focusing on, engaging in multi-stage business development discussions. We believe that we will be able to finalize some of these processes in the next few quarters,"* **adds Adam Pietruszkiewicz, Mabion S.A. Board Member for Sales.**

Until 2021, the Company focused on developing its portfolio of proprietary biological products. The agreement with the US entity Novavax, concluded in October 2021, saw Mabion successfully begin to commercialize the competencies it had built and initiated its transformation into a fully integrated GLP and GMP certified biopharmaceutical company with CDMO services in the form of analytics and contract manufacturing. The successful execution of the \$372 million agreement with Novavax has been extended until the end of 2026 as a result of annexes concluded in September 2022, with guaranteed revenue levels until at least the second quarter of 2024. The annexes also expanded Mabion's remuneration arrangements with another component - the Company will receive remuneration for product batches manufactured or remuneration for readiness to manufacture a product (capacity reservation) under the annexes. The annexes also expanded cooperation with plans to transfer technology and manufacture the active substance for the Omicron version of the vaccine, this work is already underway and the Company expects to finalize it later in the first half of the year.

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## Information about Mabion S.A.

Mabion S.A. (WSE: MAB) is a fully integrated Polish biopharmaceutical company founded in 2007, whose main focus is the design and development of the latest generation of drugs based on recombinant protein technology (e.g. monoclonal antibodies). Mabion's competencies include the drug design phase, as well as 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's most advanced project is MabionCD20, a biosimilar drug to MabThera (rituximab) with therapeutic indications for non-Hodgkin's lymphoma, leukemia and rheumatoid arthritis (RA). In addition, since signing a contract with Novavax in October 2021 for commercial manufacturing of the vaccine for COVID-19, Mabion has been developing and expanding its existing platform to include CDMO activities, i.e. contract development services, GMP manufacturing and GMP/GLP analytical services across the full range of the above capabilities. Mabion is a public company, listed on the Warsaw Stock Exchange.

For more information about the Company, visit [www.mabion.eu](http://www.mabion.eu)