

Press release

The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 (as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018). Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

Oxford Biomedica and Institut Mérieux enter into exclusive negotiations with respect to the proposed acquisition by Oxford Biomedica of ABL Europe from Institut Mérieux as part of pure-play CDMO transformation

- **The Proposed Transaction, would:**
 - Provide multi viral vector CDMO capabilities across multiple sites in EU, US and UK.
 - Expand Oxford Biomedica’s capacity to address increased client demand
 - Reinforce Oxford Biomedica’s position as a world leading cell and gene therapy CDMO providing services in Adenovirus, Lentiviral vectors, AAVs and with this acquisition, Pox Virus, MVA and Vaccinia
 - Provide new facilities in France to enhance service for clients with manufacturing capacity and process development in the EU
- **Terms of the Proposed Transaction would include:**
 - Consideration of €15million, (including the value of €10million of pre-completion cash funding in ABL Europe from Institut Mérieux), in exchange for Oxford Biomedica shares at an issue price of not less than 407.4p per share
 - Additional €20million of committed future funding from Institut Mérieux to ABL Europe by way of subscription for Oxford Biomedica shares, with timing at Oxford Biomedica’s discretion; pricing at the 30-day VWAP to the day before the date of this subscription
 - Institut Mérieux to become a major shareholder in Oxford Biomedica

Oxford, UK – 20 September 2023: Oxford Biomedica plc (LSE:OXB) (“Oxford Biomedica” or “the Company”), a quality and innovation-led cell and gene therapy CDMO, and Institut Mérieux SA (“Institut Mérieux”) today announce that they have entered into exclusive negotiations with respect to the proposed acquisition by Oxford Biomedica of ABL Europe SAS (“ABL Europe”), a pure play European CDMO with specialised expertise in the development and manufacturing of solutions for biotechs and biopharma including viruses for gene therapy, oncolytic viruses and vaccine candidates, in exchange for Oxford Biomedica ordinary shares (the “Proposed Transaction”).

This Proposed Transaction would form part of Oxford Biomedica’s transformation to be a world-leading quality focused and innovation-led CDMO in the cell and gene therapy field.

Dr. Frank Mathias, Chief Executive Officer of Oxford Biomedica, commented: “As part of our transformation into a pure-play CDMO in 2023, this potential acquisition augments our position as a world-leading quality and innovation-led CDMO in the cell and gene therapy field. ABL Europe offers the opportunity to gain a footprint in the EU and free up Oxford Biomedica’s capacity to meet increasing client demand, as well as significantly increasing our capabilities and flexibility for clients. Our goal is to deliver excellent client experiences and accelerate the time it takes for our clients to get their products to market. We are excited about the possibility of welcoming ABL Europe staff to our group and Institut Mérieux as a long-term shareholder and turn to 2024 with great excitement and confidence.”

Michel Baguenault, Chief Executive Officer of Institut Mérieux, said: “*Institut Mérieux is delighted with this potential acquisition to partner with Oxford Biomedica, a CDMO world leader. We are giving ABL Europe’s teams and its French sites new development prospects and access to innovative technologies that will enable them to broaden their offering to biopharmaceutical companies. As a reference shareholder in Oxford Biomedica, and in keeping with its public health mission, Institut Mérieux intends to support the company’s development in fields of activity that present major challenges for patients.*”

Proposed Transaction Rationale

ABL Europe is a European CDMO specialised in viral vector development and manufacturing, with facilities in Lyon and Strasbourg. Focused on delivering GMP-compliant viral vectors from early-stage to market, ABL Europe plays a pivotal role in the success of client-focused gene and immunotherapy solutions. The company’s service suite includes the production of bulk drug substances, the precise fill-finish of drug products, robust process and assay development, bioanalytical testing for product release, and comprehensive regulatory guidance. ABL Europe currently works on more than 10 cell and gene therapy programs spanning disease areas including more than 6 different vector types.

In line with Oxford Biomedica’s strategy to be a world-leading quality focused and innovation-led CDMO in the cell and gene therapy field, the Proposed Transaction would, if completed:

- Together with Oxford Biomedica bring an established client-focused, quality and innovation led CDMO renowned for its expertise in viral vector development and manufacturing, particularly in areas including Pox Virus, MVA, Vaccinia, Adenovirus and AAVs, further expanding the Company’s international viral vector offering;
- Increase Oxford Biomedica’s capacity in process and analytical development and early stage manufacturing to enable the Company’s full growth potential and support the overall growth of the viral vector sector; addresses client needs for process development arising from increased client demand;
- Broaden the Company’s customer base in Europe in the cell and gene therapy space and offer cross-selling opportunities with ABL Europe’s existing customer base, forecasted revenues of c.€15million for the year ended 31 December 2023;
- Expand the Company’s international footprint into the European Union with sites in Lyon and Strasbourg, France, and allow Oxford Biomedica to achieve European batch release for clients and significantly improve its business development position with an enhanced ability for in-market QC release of drug product in the US, the EU and the UK;
- Unlock synergies from (i) the utilisation and optimisation of existing sites and (ii) the combined expertise and know-how of both companies to further develop cell lines, viral vector and vaccine platforms, with the addition of over 100 CDMO experts including scientists, engineers and commercial functions.

Proposed Transaction Terms

Under the Proposed Transaction, Oxford Biomedica would acquire ABL Europe for a consideration of €15million, (including the value of €10million of pre-completion cash funding from Institut Mérieux in ABL Europe for, amongst other things, development capex) in exchange for Oxford Biomedica new ordinary shares (the “Consideration Shares”). The Consideration Shares would be issued at a price being the higher of (i) **407.4p** per share being the 6-month Volume Weighted Average Price (“VWAP”) to market close on 19th September 2023; and (ii) the VWAP between date of this announcement and the day before the date of completion of the Proposed Transaction (the “Completion”).

As part of the Proposed Transaction, Institut Mérieux would also commit to provide Oxford Biomedica with €20 million of additional funding, to cover capex and potential future operating losses in relation to the proposed acquisition of ABL Europe by means of an equity subscription (the “Deferred Equity Subscription”). Pursuant to the Deferred Equity Subscription, Institut Mérieux would provide the additional funding by the end of Q3 2024, or such earlier date requested by Oxford Biomedica subject to a 10 business day notice to Institut Mérieux (the “Deferred Subscription Date”), in exchange for Oxford Biomedica ordinary shares (the “Deferred Subscription Shares”). The Deferred Subscription Shares would be issued at a price being the 30-day VWAP to closing on the day before the Deferred Subscription Date.

In addition, under the Proposed Transaction, Institut Mérieux would further build its ownership of Oxford Biomedica by acquiring up to €10million of additional Oxford Biomedica existing ordinary shares in the market from the date of this announcement to 31 March 2024. Institut Mérieux intends to build its ownership of Oxford Biomedica shares through purchases in the open market so as to reach, in aggregate, approximately 10.0 per cent of the Company’s enlarged issued share capital.

Further Information

Under the Proposed Transaction, the Consideration Shares would be issued on a non pre-emptive basis utilising the exemption under s565 (1) of the Companies Act 2006 which permits the issue of shares for non-cash consideration. The Deferred Subscription Shares would be issued on a non pre-emptive basis utilising the authority granted at the Group’s 2023 AGM which allows Oxford Biomedica to issue ordinary shares free of pre-emption rights for cash. Following the entry into definitive documents, applications would be made for the Consideration Shares and the Deferred Subscription Shares to be admitted to the premium listing segment of the Official List of the Financial Conduct Authority and to be admitted to trading on the main market for listed securities of the London Stock Exchange plc at the appropriate time.

The signature of definitive documents remains subject to certain customary conditions, including the completion of a French works council process by ABL Europe and the completion of due diligence by Oxford Biomedica. Subject to the entry into definitive transaction documents, Completion is currently expected to take place during the fourth quarter of 2023, conditional upon obtaining certain regulatory approvals. The market will be kept informed of the progress of discussions between the parties, and a further announcement will be made in due course, as appropriate.

The Proposed Transaction would be immediately revenue accretive to Oxford Biomedica. As at 31 December 2022, ABL Europe had earnings before interest tax and depreciation (EBITDA) of c.€(1.6)m and gross assets of c.€29m. Further financial guidance will be provided at Completion.

Currently, the Proposed Transaction would constitute a Class 2 transaction for the purposes of the UK Financial Conduct Authority’s Listing Rules.

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About Oxford Biomedica

Oxford Biomedica (LSE: OXB) is a quality and innovation-led cell and gene therapy CDMO with a mission to enable its clients to deliver life changing therapies to patients around the world.

One of the original pioneers in cell and gene therapy, the Company has more than 25 years of experience in viral vectors; the driving force behind the majority of gene therapies. The Company collaborates with some of the world's most innovative pharmaceutical and biotechnology companies, providing viral vector development and manufacturing expertise in lentivirus, adeno-associated virus (AAV) and adenoviral vectors. Oxford Biomedica's world-class capabilities span from early-stage development to commercialisation. These capabilities are supported by robust quality-assurance systems, analytical methods and depth of regulatory expertise.

Oxford Biomedica, a FTSE4Good constituent, is headquartered in Oxford, UK. It has locations across Oxfordshire, UK and near Boston, MA, US. Learn more at www.oxb.com, www.oxbsolutions.com, and follow us on [LinkedIn](#) and [YouTube](#).

About Institut Mérieux

As an independent family-owned company, Institut Mérieux is dedicated to the fight against infectious diseases and cancers, with a global and long-term vision.

Thanks to five companies - bioMérieux, Transgene, ABL, Mérieux NutriSciences and Mérieux Equity Partners - Institut Mérieux develops complementary approaches to meet today's public health challenges: from prevention of health risks to innovative disease treatment, including the key step of diagnosis.

Present in 45 countries, Institut Mérieux employs 22,000 people around the world and achieves a turnover of 4,3 billion euros.

www.institut-merieux.com