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To the press

Copenhagen, 2 May 2007

**Exiqon A/S is considering a potential IPO on the Copenhagen Stock Exchange and elects Thorleif Krarup new Chairman**

*Exiqon is considering a potential IPO and elects Thorleif Krarup new Chairman of its Board of Directors. Exiqon is a biotechnology company whose core business is to develop, manufacture and market products for molecular biology analyses. Exiqon already markets a number of products and generated revenue of DKK 43 million in 2006. The customers primarily include companies in the pharmaceutical, diagnostic and agrotechnology industries and research institutions in the field of molecular biology.*

*Exiqon's Board of Directors today elected Thorleif Krarup, former President and CEO of Nordea, as its new Chairman.*

Exiqon A/S (the "Company") has decided to explore a potential listing of the Company's shares on the Copenhagen Stock Exchange. Exiqon is a biotechnology company whose core business is to develop, manufacture and market products for molecular biology analyses.

If the Company resolves to make an IPO on the Copenhagen Stock Exchange, the goal will be to use the capital raised to strengthen the organisation in areas such as sales and marketing and to increase the manufacturing capacity for the Company's existing product portfolio. Moreover, part of the capital raised will be used to fund the further development of the Company's pipeline of diagnostic products towards commercialisation.

Danske Markets and Handelsbanken Capital Markets are acting as financial advisers to Exiqon.

**Exiqon facilitates precise and sensitive measurement of gene activity**

Exiqon develops, manufactures and markets products for molecular biology analyses of genes for research purposes (existing product portfolio) and for clinical molecular diagnostics (diagnostic pipeline) which can improve clinical diagnoses and indicate more targeted and efficient therapies.



The customers are primarily molecular biologists in the pharmaceutical, diagnostic and agrotechnology industries and research institutions in the field of molecular biology. Exiqon's customers are typically involved in basic biological research, disease research such as cancer, metabolic diseases, neurological disorders, etc. as well as stem cells.

The Company markets its products and services worldwide directly from its headquarters in Denmark and via its own sales organisation in the United States. In addition, Exiqon has distributors in Asia and Australia and in parts of Europe. Most of the sales and marketing staff are experienced scientists with a natural science academic background in molecular biology or similar areas and with sales experience.

Exiqon's products are based on patented technology that facilitates very precise and sensitive measurement of gene activity. Based on its patented LNA (Locked Nucleic Acid) technology, consisting of a number of synthetic DNA/RNA molecules (DNA/RNA analogues), Exiqon has developed a portfolio of products for use in analysing mRNA as well as miRNA (MicroRNA, with RNA meaning Ribonucleic Acid), which in comparison with alternative technologies offers greater sensitivity, greater precision, more freedom in product design, enhanced product stability and in some cases even allows for the development of products that cannot be designed using other technologies.

Exiqon has entered into a number of license and distribution agreements with several highly recognised companies, including Roche Diagnostics and Luminex Corporation, to ensure rapid and effective dissemination of its technology and products in the market.

### **Exiqon has marketed a number of products and built a broad and strong product pipeline**

Based on its patented LNA technology, Exiqon has already built up a well-developed product portfolio for use in analysing mRNA as well as miRNA, and Exiqon currently supplies reagents and products (kits) for a growing number of scientists working in the biomedical industry and for research laboratories around the world. In addition, Exiqon also generates income from the sale of services involving biological analyses for its customers, as well as licence income from its patent portfolio.

Exiqon has enjoyed substantial growth in recent years and has more than doubled product sales each year over the past four years. In 2006, Exiqon's revenues reached DKK 43 million.

The market for mRNA analysis is well developed, and the annual rate of market growth is approximately 15-20%. The size of the 2007 market for mRNA analysis is estimated to be approximately DKK 6 billion. The market for miRNA is still in its infancy, and the annual growth rate is estimated at approximately 100%. The size of the 2007 market for miRNA analysis is estimated to be approximately DKK 120 million.

In addition to a well developed portfolio of research products, Exiqon expects to expand the scope of application of its existing miRNA-analysis-based product portfolio to include molecular biology diagnostics products. The research products and the diagnostic products could share the same patent platform and analysis technology, which is expected to provide major product development synergies.

Molecular diagnostics involves the profiling of DNA or RNA, which means that the diagnosis is made on the basis of gene structure and activity. The market for this type of diagnostics is expected to show substantial growth in the years to come.

The Company expects to generate revenues from its molecular biology diagnostics business already from 2008.

## **Exiqon's strategy and business model**

It is Exiqon's goal to become one of the leading suppliers in the market segments in which the Company markets its products.

Exiqon's patented technology is a highly focused product development strategy, and targeted marketing is to contribute to achieving the goal. Furthermore, the Company pursues a strategy of developing products that presently can only be developed using its patented LNA technology in order to distinguish the Company from its competitors.

As a result of its patent strategy, Exiqon owns an ever growing number of patents and patent applications currently exceeding 150 active patents and patent applications, including 75 issued patents.

It is Exiqon's strategy to supply complete solutions, i.e. products covering the working process from sampling to completed analysis and kits that cover complete laboratory processes whenever expedient. Furthermore, Exiqon supplies web-based software systems that support the use of the Company's products.

## **Company details**

Exiqon bases its business on the LNA technology, which was invented by scientists at the University of Copenhagen. The Company was founded in 1995 and launched its first product line in 2004. In 2006, Exiqon established its own sales organisation in the United States, so far with 11 employees.

Headquartered at Vedbæk, Denmark, Exiqon has approximately 70 employees. The Company's production is also located at Vedbæk, and the Company is certified to the ISO 9001 standard.

The largest shareholders of the Company are: Teknoinvest (approximately 26%), LD Pensions (approximately 18%), The Nobel Group (approximately 18%), Medicon Valley Capital (part of Scandinavian Life Science Venture) (approximately 16%), Bio Fund Ventures (approximately 8%), Danske Bank A/S (approximately 4%).

At the Annual General Meeting held today, the Company's Board of Directors elected Thorleif Krarup as its new Chairman. Thorleif Krarup is a member of the Boards of Directors of ALK-Abelló, H. Lundbeck, the Lundbeck Foundation, Group4Securicor, Dangaard Telecom and Bang & Olufsen. In addition, Thorleif Krarup has extensive business experience from his many years in the financial sector as CEO, first with Nykredit and later with Unibank and Nordea.

Moreover, former CEO of Biacore Erik Walldén was elected new member of the Board of Directors.

Members of the Board are now: Thorleif Krarup (Chairman), former President & CEO of Nordea; Henrik Lawaetz (Deputy Chairman), Managing Director and Partner of SLS Venture; Steinar J. Engelsen, partner of Teknoinvest AS; Michael Nobel, co-founder and Chairman of Medtime A/S and Erik Walldén, former CEO of Biacore AB (2004-2006).

The Executive Management consists of: Lars Kongsbak, Chief Executive Officer, and Hans Henrik Chrois Christensen, Chief Financial Officer.

**For additional information** on Exiqon A/S, please visit [www.exiqon.com](http://www.exiqon.com) or contact: Lars Kongsbak, Chief Executive Officer, tel +45 4566 0888 or +45 40 90 21 01

In addition, Exiqon's annual report for 2006 is available on the corporate website.

**DISCLAIMER****Forward-looking statements**

This announcement contains forward-looking statements regarding the Company's future development and financial performance and other statements which are not historical facts. Such statements are made on the basis of assumptions and expectations which, to the best of the Company's knowledge, are reasonable and well-founded at this time, but which may prove to be erroneous. The Company's operations are characterised by the fact that its actual results may deviate significantly from that described herein as anticipated, believed, estimated or expected.

This announcement is not an offer to sell or a solicitation to buy any of the shares that the Company may offer in connection with the potential IPO.

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