



XINTELA TO SPIN OUT ONCOLOGY BUSINESS

Lund, Sweden, August 29, 2018 - Xintela AB (publ) announces today that the company has made the decision to spin out its oncology business to a newly formed subsidiary company, Targinta AB.

The Xintela Board has decided to move the oncology business into a separate company, with plans to distribute shares to Xintela's owners and finance the business through an IPO. The background to the decision is the positive results obtained in the glioblastoma project and new exciting discoveries in other oncology indications with very high market potential.

"This is very positive for the oncology business, which now has the opportunity to continue to develop and grow within Targinta with its own financing and management and to focus on activities that create maximum value for our shareholders," says Xintelas CEO Evy Lundgren-Åkerlund.

Xintela AB (publ)

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About Xintela

Xintela develops medical products within regenerative medicine and oncology based on its proprietary marker technology, XINMARK®. Xintela uses the technology to isolate and quality assure stem cells for the treatment of the joint disease osteoarthritis. Studies on horses have shown that the stem cells are safe and that they have a therapeutic effect on the articular cartilage and the underlying bone after an injury. Xintela has recently established its own GMP-facility to produce stem cells for clinical studies. In the oncology program, XINMARK® is used for the development of an antibody-based treatment (Antibody Drug Conjugate, ADC) against specific tumors with first focus on the aggressive brain tumor glioblastoma. Positive preclinical results from cell studies and animal model have shown that the ADC treatment has a targeting and killing effect on specific tumor cells supporting further development of the company's oncology business. Xintela is listed on Nasdaq First North Stockholm since 22 March 2016. Xintela's Certified Adviser at Nasdaq First North is Erik Penser Bank AB, +46 8-463 80 00.

This information is such information that Xintela AB (publ) is obligated to publish in compliance with the EU market abuse regulation. The information was provided, through the above contact, for publication on the 29th of August 2018, at 09.45 CEST.