



## PRESS RELEASE

*This information was submitted for disclosure on 10 February 2014 at 08:45 (CET).*

*This press release may not be distributed, directly or indirectly, in or into Australia, Japan, Canada, New Zealand, South Africa or USA, or any other jurisdiction in which the distribution of this press release would contravene applicable laws or regulations or require further documentation, filings or other actions in addition to those required under Swedish law.*

*Statement by the Board of Probi AB in relation to Symrise AG's mandatory public cash offer*

# **The Board of Probi unanimously recommends the shareholders in Probi not to accept Symrise's mandatory public cash offer**

## **Background**

This statement is made by the Board of Directors (the "Board") of Probi AB (publ) ("Probi" or the "Company") pursuant to section II.19 of the rules concerning public takeover offers on the stock market adopted by NASDAQ OMX Stockholm (the "Takeover Rules").

Symrise AG ("Symrise") has on 6 February 2014 announced a mandatory public cash offer to the shareholders in Probi to transfer all of their shares in Probi to Symrise for a price of SEK 40,10 in cash for each share in Probi<sup>1</sup> (the "Mandatory Offer"). Symrise has declared that it holds approximately 30.03 per cent of the capital and votes in Probi and states that the Mandatory Offer is launched in accordance with the special provisions regarding mandatory bids in the Stock Market Takeover Bids Act (2006:451).

The Mandatory Offer values the outstanding shares in the Company at approximately SEK 376 million based on 9,365,300 outstanding shares in Probi, including the 250,000 shares held by Probi as of the date of the Mandatory Offer. According to the indicative timetable included in the press release through which the Mandatory Offer was announced, the acceptance period is expected to commence around 13 February 2014 and end around 12 March 2014. Settlement is expected to take place around 20 March 2014.

Declan MacFadden, board member of Probi, is President of Symrise Asia Pacific, Flavor & Nutrition business based in Singapore. Due to conflict of interest, he will not participate in the Board's processing of or resolutions concerning the Mandatory Offer. Based on information from Symrise, Declan MacFadden is considered to participate in the Mandatory Offer. On this basis, the Company has an obligation in accordance with section III.3 in the Takeover Rules to obtain and make public a fairness opinion from independent expertise.

Symrise has stated that completion of the Mandatory Offer is conditional upon all necessary regulatory, governmental or other similar clearances, approvals and decisions to consummate the Mandatory Offer, including approvals and clearances from competition authorities, being obtained, in each case on terms which, in Symrise's opinion, are acceptable. Otherwise, the Mandatory Offer is not subject to any conditions. Symrise has declared that it is not dependent upon any external financing for completion of the Mandatory Offer.

For further information concerning the Mandatory Offer, reference is made to Symrise's press release which was made public on 6 February 2014.

Symrise has not conducted any due diligence investigation prior to the announcement of the Mandatory Offer. Neither has Symrise otherwise received any unpublished information which could reasonably be expected to affect the price of the Company's shares.

The Board has engaged Mannheimer Swartling as legal adviser in relation to the Mandatory Offer. No financial adviser has been engaged. The Board has retained Erik Penser Bankaktiebolag ("Penser") to issue a fairness opinion concerning the Mandatory Offer.

---

<sup>1</sup> The offered price will be subject to adjustment should Probi pay any dividend or make any other value transfer prior to the settlement of the Mandatory Offer, and will accordingly be reduced by a corresponding amount per share of each such dividend or value transfer.



### **The Board's recommendation**

The Board's statement is based on an assessment of a number of factors that the Board has considered relevant for the evaluation of the Mandatory Offer. These factors include, but are not limited to, the Company's present position, the expected future development of the Company and possibilities and risks related thereto.

The Board notes that the price per share offered by Symrise represents a premium of approximately 0.38 per cent compared to the volume weighted average share price of SEK 39.95 for Probi's share on NASDAQ OMX Stockholm during the last 90 trading days up to and including 5 February 2014 (i.e. the last trading day prior to the announcement of the Mandatory Offer). Compared to the closing share price of SEK 40.30 per share in Probi on NASDAQ OMX Stockholm on 5 February 2014 the Mandatory Offer represents a discount of approximately 0.50 per cent.

The Board's assessment is also based on a fairness opinion from Penser as to the fairness from a financial perspective of the Mandatory Offer for the shareholders in Probi, which the Board has obtained in accordance with section III.3 in the Takeover Rules. According to the fairness opinion, attached to this press release, Penser's opinion is that the Mandatory Offer, with reservation for the conditions and assumptions stated in the opinion, is not considered fair from a financial perspective for the shareholders in Probi.

In light of the above, the Board unanimously recommends the shareholders in Probi not to accept the Mandatory Offer.

Under the Takeover Rules, the Board must, taking into account the information given by Symrise in its announcement of the Mandatory Offer, give its opinion regarding the impact that the completion of the Mandatory Offer may have on Probi, particularly in terms of employment, and its opinion regarding Symrise's strategic plans for Probi and the effects such plans could be expected to have on employment and sites where Probi conducts its business. In this respect, the Board notes that Symrise has stated that the completion of the Mandatory Offer is not expected to entail any significant impact for Probi's management or employees and that Symrise currently does not intend to make any significant changes in relation to the terms of employment for the employees of Probi. In summary, according to the information in Symrise's press release regarding the Mandatory Offer, only limited effects of the completion of the Mandatory Offer for the employment and the sites where the Company currently conducts its business are expected. The Board assumes that this description is correct and has in relevant respects no reason to take a different view.

This statement shall be governed by and construed in accordance with Swedish law. Any dispute arising out of or in connection with this statement shall be settled exclusively by Swedish courts.

Lund on 10 February 2014  
Probi AB (publ)  
The Board

*This information is such that Probi AB is required to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act.*

*This is a translation of the Swedish version of the press release. In case of discrepancies, the Swedish wording prevails.*

**FOR MORE INFORMATION, PLEASE CONTACT:**

Per Lundin, Chairman of the Board, Probi, mobile +46 705 74 11 71, e-mail: [per.lundin@transit.se](mailto:per.lundin@transit.se)

### **ABOUT PROBI**

*Probi is a leading player in probiotic research and the development of efficient and well-documented probiotics. Its research areas include: gastrointestinal tracts, immune system, metabolic syndrome and stress and recovery. Probi's customers are leading companies in the Functional Food and Consumer Healthcare segments. Total income for 2013 totalled MSEK 103,6. Probi's share is listed on the NASDAQ OMX Stockholm, Small Cap. Probi has approximately 4,000 shareholders. Read more at [www.probi.se](http://www.probi.se).*

**To the independent board members of**

Probi AB (publ)  
Ideon Gamma  
223 70 Lund

**Fairness Opinion regarding mandatory offer**

On 6 February 2014 Symrise AG ("Symrise") announced through a press release an offer to the shareholders in Probi AB ("Probi" or the "Company") to transfer all of their shares in the Company to Symrise for cash payment of SEK 40.10 for each share (the "Offer"). According to the press release Symrise holds 30.03 percent of the voting rights in Probi before the Offer.

On 10 January 2014 Symrise announced through a press release that an additional 11,010 shares had been acquired and that the threshold of 30 percent of the voting rights had therefore been exceeded. The Offer is being made in accordance with the provisions regarding mandatory bids, which, under certain circumstances, force a shareholder that has acquired more than 30 percent of the voting rights in stock market listed companies to make a cash offer for all remaining outstanding shares.

In view of the above, the Board of Directors of Probi has instructed Erik Penser Bankaktiebolag ("EPB") to provide an opinion ("Opinion") on the fairness of the Offer from a financial perspective, called a fairness opinion. Probi has since 10 January 2014 been aware of the requirement for Symrise to make a mandatory offer and EPB has had reasonable time to prepare this Fairness Opinion.

EPB bases this Opinion with regard to the Offer on the following information:

- i. Press release dated 6 February 2014 in which Symrise made public the Offer and associated terms and conditions
- ii. Publicly available financial information about the Company, including publicly available annual reports for the most recent financial years and the most recent publicly available interim reports
- iii. Briefings with representatives of the Company's management in which the Company's business, financial position, earnings performance, strategy and prospects were discussed
- iv. Statistics for the Company's share with regard to price performance and trading volumes
- v. Publicly available information about other comparable public offers
- vi. Other information deemed relevant in the process of evaluating the Offer

EPB has relied upon the accuracy, completeness and reliability of the information received from Probi and obtained from third parties. No independent in-

vestigation or verification has thus been made to ensure the accuracy of the information. Furthermore EPB has assumed that the forecasts and prospects as explained by representatives of Probi are well-founded and based on accurate and reasonable assumptions.

The Opinion is based on the market, economic, financial and other circumstances concerning Probi, directly and indirectly, that EPB had knowledge of and access to on the date of this Opinion. Events that occur or become known after the date of this Opinion may make the Opinion obsolete. EPB's instruction does not include updating or revising the Opinion during the period of validity of the Offer.

Based on and subject to the foregoing, it is the opinion of EPB, as of this date, that the Offer should **not be considered to be fair from a financial perspective for the holders of shares in Probi.**

EPB conducts securities operations in accordance with Swedish Law. In the ordinary course of business, EPB may take positions for its own accounts or for the accounts of its customers in securities that may, directly or indirectly, be affected by or affect the Offer.

EPB will receive a fixed fee for the preparation of this Opinion.

This valuation opinion is intended only for the use of the Board of Directors of Probi in their evaluation of the Offer and shall as such not be construed as a recommendation to the shareholders in Probi. Neither is the Opinion an assessment of the prices at which the Probi share may trade in the future. EPB permits the Board of Directors of Probi to refer to the Opinion and allows the Opinion to be published in its whole in an offer document relating to the Offer or as a separate press release. Otherwise the Opinion may not be used, quoted, copied or otherwise reproduced without written consent from EPB.

EPB shall not be liable for the content of the Opinion towards any person other than the Board of Directors of Probi. Swedish substantive laws shall apply to this Opinion and any disputes in respect of the Opinion shall be settled exclusively by Swedish courts.

Stockholm, 7 February 2014

Erik Penser Bankaktiebolag  
Corporate Finance