

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE TO  
(Amendment No. 1)

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934

**XBIOTECH INC.**  
(Name of Subject Company (Issuer) and Filing Person (Offeror))

**Common Stock, no par value**  
(Title of Class of Securities)

**98400H102**  
(CUSIP Number of Class of Securities)

**John Simard**  
**President and Chief Executive Officer**  
**5217 Winnebago Lane**  
**Austin, TX 78744**  
**(512) 386-2900**

(Name, address and telephone number of person authorized to  
receive notices and communications on behalf of filing persons)

**Copy To:**  
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**Calculation of Filing Fee**

<b>Transaction Valuation*</b>	<b>Amount of Filing Fee**</b>
\$420,000,000	\$54,516

\* The transaction value is estimated only for purposes of calculating the filing fee. This amount is based on the offer to purchase up to \$420,000,000 in value of common shares, no par value.

\*\* The amount of the filing fee, calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, equals \$129.80 per million dollars of the value of the transaction.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: **\$54,516**  
Form or Registration No.: **Schedule TO**

Filing Party: **XBiotech Inc.**  
Date Filed: **January 14, 2020**

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.  
 issuer tender offer subject to Rule 13e-4.  
 going-private transaction subject to Rule 13e-3.  
 amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)  
 Rule 14d-1(d) (Cross-Border Third Party Tender Offer)

## INTRODUCTION

This Amendment No. 1 (this “Amendment No. 1”) amends and supplements the Tender Offer Statement on Schedule TO originally filed with the Securities and Exchange Commission (the “Commission”) on January 14, 2020, (the “Schedule TO”), relating to the offer by XBiotech Inc., a British Columbia corporation (“XBiotech” or the “Company”), to purchase up to \$420,000,000 in value of its common shares, no par value per share (the “Shares”), at a price not greater than \$33.00 nor less than \$30.00 per Share, to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions described in the Offer to Purchase, dated January 14, 2020 (the “Offer to Purchase”), a copy of which was filed as Exhibit (a)(1)(i) to the Schedule TO, and in the related Letter of Transmittal (the “Letter of Transmittal” and, together with the Offer to Purchase, as they may be amended or supplemented from time to time, the “Offer”), a copy of which was filed as Exhibit (a)(1)(ii) to the Schedule TO.

This Amendment No. 1 to the Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4(c)(3) and Rule 13e-4(d) under the Securities Exchange Act of 1934, as amended.

The information in the Offer to Purchase and the Letter of Transmittal is incorporated herein by reference in response to all of the items of Schedule TO, except that such information is hereby amended and supplemented to the extent specifically provided in this Amendment No. 1. You should read this Amendment No. 1 together with the Schedule TO, the Offer to Purchase and the Letter of Transmittal.

The Schedule TO is hereby amended and supplemented as follows:

### **Item 1. Summary Term Sheet.**

In the “Summary Term Sheet” section of the Offer to Purchase, under the question and answer entitled, “Will the Company’s directors and executive officers tender Shares in the Offer?” the first paragraph of the answer is hereby amended and restated as follows:

Our directors and executive officers are entitled to participate in the Offer on the same basis as all other shareholders. The Affiliate Holders, who consist of John Simard, a director and our Chief Executive Officer; W. Thorpe McKenzie, a member of our Board of Directors; and Jan-Paul Waldin, a member of our Board of Directors, have advised us that, although no final decision has been made, they may tender up to 6,327,060, 4,557,839 and 300,000 Shares, respectively, that they beneficially own in the Offer. The Affiliate Holders beneficially owned an aggregate of 12,920,316 Shares as of January 13, 2020, representing approximately 29.30% of our outstanding Shares as of January 13, 2020. Assuming that the Affiliate Holders tender the 11,184,899 Shares referred to above and all such Shares are purchased in the Offer, the Affiliate Holders will beneficially own an aggregate of 1,735,417 Shares immediately following the Offer. Sushma Shivaswamy, our Chief Scientific Officer, and Queena Han, our Vice President, Finance and Human Resources and Secretary, and all of our other directors have advised us that they do not intend to tender any of their Shares in the Offer, and we are not aware of the intentions of other our 5% shareholders with respect to the Offer. There can be no assurance that the persons described above will in fact tender or sell the number of shares indicated, nor can there be any assurance that other directors or other affiliates of the Company will not decide to tender or sell shares. If the Affiliate Holders properly tender Shares in the Offer, the Affiliate Holders’ tenders could influence the price at which all of the Shares accepted for payment are purchased. It is anticipated that as a result of the expected high level of participation and the resulting proration, the proportional beneficial ownership of the Company will not change significantly as a result of the Offer.

### **Item 3. Identity and Background of Filing Person.**

The third paragraph of the “Beneficial Ownership” subsection of Section 12 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares”) of the Offer to Purchase is hereby amended and restated as follows:

Our directors and executive officers are entitled to participate in the Offer on the same basis as all other shareholders. The Affiliate Holders, who consist of John Simard, a director and our Chief Executive Officer; W. Thorpe McKenzie, a member of our Board of Directors; and Jan-Paul Waldin, a member of our Board of Directors, have advised us that, although no final decision has been made, they may tender up to 6,327,060, 4,557,839 and 300,000 Shares, respectively, that they beneficially own in the Offer. The Affiliate Holders beneficially owned an aggregate of 12,920,316 Shares as of January 13, 2020, representing approximately 29.30% of our outstanding Shares as of January 13, 2020. Assuming that the Affiliate Holders tender the 11,184,899 Shares referred to above and all such Shares are purchased in the Offer, the Affiliate Holders will beneficially own an aggregate of 1,735,417 Shares immediately following the Offer. Sushma Shivaswamy, our Chief Scientific Officer, and Queena Han, our Vice President, Finance and Human Resources and Secretary, and all of our other directors have advised us that they do not intend to tender any of their Shares in the Offer, and we are not aware of the intentions of other our 5% shareholders with respect to the Offer. There can be no assurance that the persons described above will in fact tender or sell the number of shares indicated, nor can there be any assurance that other directors or other affiliates of the Company will not decide to tender or sell shares. If the Affiliate Holders properly tender Shares in the Offer, the Affiliate Holders’ tenders could influence the price at which all of the Shares accepted for payment are purchased. It is anticipated that as a result of the expected high level of participation and the resulting proration, the proportional beneficial ownership of the Company will not change significantly as a result of the Offer.

### **Item 4. Terms of the Transaction.**

The seventh paragraph on the cover page of the Offer to Purchase is hereby amended and restated as follows:

**Our directors and executive officers are entitled to participate in the Offer on the same basis as all other shareholders. The Affiliate Holders, who consist of John Simard, a director and our Chief Executive Officer; W. Thorpe McKenzie, a member of our Board of Directors; and Jan-Paul Waldin, a member of our Board of Directors, have advised us that, although no final decision has been made, they may tender up to 6,327,060, 4,557,839 and 300,000 Shares, respectively, that they beneficially own in the Offer. The Affiliate Holders beneficially owned an aggregate of 12,920,316 Shares as of January 13, 2020, representing approximately 29.30% of our outstanding Shares as of January 13, 2020. Assuming that the Affiliate Holders tender the 11,184,899 Shares referred to above and all such Shares are purchased in the Offer, the Affiliate Holders will beneficially own an aggregate of 1,735,417 Shares immediately following the Offer. Sushma Shivaswamy, our Chief Scientific Officer, and Queena Han, our Vice President, Finance and Human Resources and Secretary, and all of our other directors have advised us that they do not intend to tender any of their Shares in the Offer, and we are not aware of the intentions of other our 5% shareholders with respect to the Offer. There can be no assurance that the persons described above will in fact tender or sell the number of shares indicated, nor can there be any assurance that other directors or other affiliates of the Company will not decide to tender or sell shares. If the Affiliate Holders properly tender Shares in the Offer, the Affiliate Holders’ tenders could influence the price at which all of the Shares accepted for payment are purchased. It is anticipated that as a result of the expected high level of participation and the resulting proration, the proportional beneficial ownership of the Company will not change significantly as a result of the Offer.**

The changes described above in Item 3 above and below in Item 6 of this Amendment No. 1 are hereby incorporated into this Item 4 by reference.

### **Item 5. Past Contracts, Transactions, Negotiations and Agreements.**

The changes described above in Item 3 of this Amendment No. 1 are hereby incorporated into this Item 5 by reference.

**Item 6. Purposes of the Transaction and Plans or Proposals.**

The fifth paragraph of the “Certain Effects of the Offer” subsection of Section 2 (“Purpose of the Offer; Certain Effects of the Offer”) of the Offer to Purchase is hereby amended and restated as follows:

Our directors and executive officers are entitled to participate in the Offer on the same basis as all other shareholders. The Affiliate Holders, who consist of John Simard, a director and our Chief Executive Officer; W. Thorpe McKenzie, a member of our Board of Directors; and Jan-Paul Waldin, a member of our Board of Directors, have advised us that, although no final decision has been made, they may tender up to 6,327,060, 4,557,839 and 300,000 Shares, respectively, that they beneficially own in the Offer. The Affiliate Holders beneficially owned an aggregate of 12,920,316 Shares as of January 13, 2020, representing approximately 29.30% of our outstanding Shares as of January 13, 2020. Assuming that the Affiliate Holders tender the 11,184,899 Shares referred to above and all such Shares are purchased in the Offer, the Affiliate Holders will beneficially own an aggregate of 1,735,417 Shares immediately following the Offer. Sushma Shivaswamy, our Chief Scientific Officer, and Queena Han, our Vice President, Finance and Human Resources and Secretary, and all of our other directors have advised us that they do not intend to tender any of their Shares in the Offer, and we are not aware of the intentions of other our 5% shareholders with respect to the Offer. There can be no assurance that the persons described above will in fact tender or sell the number of shares indicated, nor can there be any assurance that other directors or other affiliates of the Company will not decide to tender or sell shares. If the Affiliate Holders properly tender Shares in the Offer, the Affiliate Holders’ tenders could influence the price at which all of the Shares accepted for payment are purchased. It is anticipated that as a result of the expected high level of participation and the resulting proration, the proportional beneficial ownership of the Company will not change significantly as a result of the Offer.

**Item 8. Interest in Securities of the Subject Company.**

The changes described above in Item 3 of this Amendment No. 1 are hereby incorporated into this Item 8 by reference.

**Item 11. Additional Information.**

The changes described above in Items 3 and 6 of this Amendment No. 1 are hereby incorporated into this Item 11 by reference.

**Item 12. Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
(a)(1)(i)*	Offer to Purchase, dated January 14, 2020.
(a)(1)(ii)*	Letter of Transmittal.
(a)(1)(iii)*	Notice of Guaranteed Delivery.
(a)(1)(iv)*	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(v)*	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(2)	Not Applicable.
(a)(3)	Not Applicable.
(a)(4)	Not Applicable.
(a)(5)(i)*	Press Release, dated January 14, 2020.
(a)(5)(ii)*	Summary Advertisement, dated January 14 2020.
(b)	Not Applicable.
(d)(i)	XBiotech 2005 Incentive Stock Option Plan (incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form S-1 filed with the SEC on February 2, 2015).
(d)(ii)	XBiotech Inc. 2015 Equity Incentive Plan (incorporated by reference to Exhibit 10.11 to the Company's Registration Statement on Form S-1 filed with the SEC on March 10, 2015).
(d)(iii)	Executive Employment Agreement dated as of March 22, 2005 between XBiotech and John Simard (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 filed with the SEC on February 2, 2015).
(d)(iv)	Change in Control Agreement dated as of March 22, 2005 between XBiotech and John Simard (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1 filed with the SEC on February 2, 2015).
(d)(v)	Form of indemnification agreement between XBiotech and each director of XBiotech (incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form S-1 filed with the SEC on February 2, 2015).
(d)(vi)	Board Member Agreement, dated as of July 10, 2019, by and between XBiotech Inc. and Peter Libby (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on July 16, 2019 (File No. 001-37347) and incorporated herein by reference).
(g)	Not Applicable.
(h)	Not Applicable.

\* Filed as an exhibit to the Schedule TO

**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

XBIOTECH INC.

By: /s/ John Simard  
Name: John Simard  
Title: President and Chief Executive Officer

Dated: February 5, 2020