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## SynAct Pharma AB announces intention to carry out directed share issues in total of approximately 48 MSEK

**SynAct Pharma AB ("SynAct Pharma" or the "Company") has engaged Sedermera Corporate Finance AB ("Sedermera") to explore the conditions for carrying out a share issue of approx. 45 MSEK directed to Swedish and international professional and institutional investors, as well as a limited number of non-qualified investors (the "Directed Issue 1"), with deviation from the shareholders' preferential rights, through an accelerated bookbuilding procedure (the "Bookbuilding procedure"). The Company's major shareholder Thomas Ringberg has further proposed a directed share issue of up to 2 MSEK to the board members of the Company at the same subscription price as determined through the Bookbuilding procedure (the "Directed Issue 2"). Furthermore, the board of directors intends to resolve on a directed share issue of up to 0.8 MSEK to the management of the Company at the same subscription price as determined through the Bookbuilding procedure, provided that the Bookbuilding procedure is completed (the "Directed Issue 3" and together with the Directed Issue 1 and the Directed Issue 2 the "Directed Issues"). All of the Directed Issues are subject to approval or resolution by the general meeting of SynAct Pharma.**

### **Background and motive to the Directed Issues**

The proceeds from the directed share issues will make it possible to continue development into a phase 2b study in RA with the Company's lead asset resomelagon. The planned study is a dose-determining proof-of-concept study. The plan is to submit an application for a clinical trial, as part of the existing IND application, during the second quarter this year. The results of the study are expected to be presented in the second half of 2025.

### **The Directed Issue 1 and the Bookbuilding procedure**

The subscription price and the total number of new shares in the Directed Issue 1 will be determined through the Bookbuilding procedure, which will be initiated immediately after the publication of this press release. The pricing of the new shares is expected to take place before the commencement of trading on Nasdaq Stockholm at 09:00 CET on 27 March 2024. As the subscription price in the Directed Issue 1 is determined through an accelerated bookbuilding procedure, it is the board of directors' assessment that the marketability of the subscription price is ensured. The board of directors may decide to extend, shorten or cancel the Bookbuilding procedure at any time and thus refrain from carrying out the Directed Issue 1. SynAct Pharma will announce the result of the Bookbuilding procedure through a press release after it has been completed.

The Directed Issue 1 is intended to be carried out with deviation from the shareholders' preferential rights and is decided by the board of directors with the subsequent approval of the general meeting. The reason for the deviation from the shareholders' preferential rights is that the board of directors, after an overall assessment, considers that an issue carried out with deviation from the shareholders' preferential rights is a better alternative for the Company and the Company's shareholders than a rights issue and that it is objectively in the interest of both the Company and its shareholders to carry out the directed issue. The reasons for this are as follows: A rights issue would take longer to implement and thus entail an increased risk of a negative impact on the share price, especially in view of the current market volatility. With a rights issue comes the risk that the issue would not be fully subscribed, whereby a possible guarantee consortium would have to be procured. A directed new issue, on the other hand, is deemed to be able to be carried out at a lower cost and with less complexity, which enables the board of directors and management to focus on the implementation of the Company's new business strategy, which is intended to be implemented as soon as possible. A directed issue also means, unlike a rights issue, that one or several new reputable owners and strategic investors are added to the Company. Existing shareholder Thomas Ringberg is intended to be included in the directed issue, which is motivated by the fact that the owner has shown a long-term interest in the Company, which the board of directors believes contributes to stability for both the Company and its shareholders. In light of the above, it is the board of directors' overall assessment that the reasons for the directed issue outweigh the reasons for a rights issue according to the main rule and the directed issue is thus deemed to be in the interest of both the Company and all shareholders.

The Directed Issue 1 requires, inter alia, that the board of directors of SynAct Pharma, after the completion of the Bookbuilding procedure, resolves on the Directed Issue 1 and resolves to convene an extraordinary general meeting to subsequently approve the board of directors' resolution.

## **The Directed Issue 2**

The board of directors of SynAct Pharma has received a proposal from the Company's major shareholder Thomas Ringberg on the Directed Issue 2. The reasons for the deviation from the shareholders' preferential rights are that Thomas Ringberg, after an overall assessment and careful consideration, considers that an issue carried out with deviation from the shareholders' preferential rights is a better alternative for the Company and the Company's shareholders than a rights issue and that it is objectively in the interest of both the Company and its shareholders to carry out the directed issue. The reasons for this are, inter alia, the following. A rights issue would take longer to carry out and thus entail an increased risk of a negative impact on the share price, especially considering the current market volatility. With a rights issue comes the risk that the issue would not be fully subscribed, whereby a possible guarantee consortium would need to be procured. A directed new issue, on the other hand, is deemed to be able to be made at a lower cost while providing significant capital to the Company for further development and implementation of the Company's new business strategy, which is intended to be implemented as soon as possible. A directed share issue to the Company's board of directors is further motivated by aligning the board's interest with that of the shareholders and further strengthen their commitment to the Company, and enables the board to focus on the implementation of the Company's business strategy, which is considered to contribute to

stability for both the Company and its other shareholders. Thomas Ringberg's overall assessment is that the reasons for the directed issue outweigh the reasons for a rights issue according to the main rule and the directed issue is thus considered to be in the interest of both the Company and all shareholders.

Assuming that the board of directors resolves on the Directed Issue 1, the board of directors intends to convene an extraordinary general meeting in order for the general meeting to decide on Thomas Ringberg's proposal. The subscription price in the Directed Issue 2 shall in accordance with Thomas Ringberg's proposal shall correspond to the subscription price determined in the Bookbuilding procedure. The Directed Issue 2 shall, in accordance with the proposal be directed to the members of the board of directors Anders Kronborg, Sten Scheiby, Sten Sørensen, via his company Bridge Consulting AB, and Jeppe Øvlesen, via his company Quantass ApS.

The board members intend to subscribe for the shares if the Directed Issue 2 is carried out.

### **The Directed Issue 3**

The board of directors further intends, provided that the board of directors resolves on Directed Issue 1, to resolve on Directed Issue 3 subject to the subsequent approval by the general meeting. The reasons for the deviation from the shareholders' preferential rights are that the board of directors, after an overall assessment and careful consideration, believes that an issue carried out with deviation from the shareholders' preferential rights is a better alternative for the Company and the Company's shareholders than a rights issue and that it is objectively in the interest of both the Company and its shareholders to carry out the directed issue. The reasons for this are, inter alia, the following. A rights issue would take longer to carry out and thus entail an increased risk of a negative impact on the share price, especially considering the current market volatility. With a rights issue comes the risk that the issue would not be fully subscribed, whereby a possible underwriting consortium would need to be procured. A directed new share issue, on the other hand, is deemed to be able to be carried out at a lower cost and with less complexity, while at the same time providing significant capital to the Company, which enables the board of directors and management to focus on the implementation of the Company's new business strategy, which is intended to be implemented as soon as possible. A directed share issue to the management is further motivated by further aligning the management's interest with that of the shareholders and strengthen their commitment to the Company, which is considered to contribute to stability for both the Company and its other shareholders. The board of directors' overall assessment is that the reasons for the directed issue outweigh the reasons for a rights issue according to the main rule and the directed issue is thus considered to be in the interest of both the Company and all shareholders.

The board of directors' intention is that the subscription price in the Directed Issue 3 shall correspond to the subscription price determined in the Bookbuilding procedure. The board of directors intends that the Directed Issue 3 shall be directed to Thomas Jonassen (CSO), via his company TJ Biotech Holding ApS, Thomas Boesen (COO), via his company Boesen Biotech ApS and Björn Westberg (CFO), via his company BTB Consult AB.

These members of the management of the Company have indicated that they intend to subscribe for the shares if the Directed Issue 3 is completed.

### **Lock-up commitments**

In connection with the Directed Issues, Anders Kronborg, Sten Scheibye, Sten Sörensen, Jeppe Øvlesen, Thomas Jonassen, Thomas Boesen and Björn Westberg intend to contractually undertake towards Sedermera, with customary exceptions, not to sell or carry out other transactions with equivalent effect to a sale without, in each case, first obtaining a written consent from Sedermera. The decision to provide such written consent is decided by Sedermera and an assessment is made in each individual case. Granted consent can be based on both individual and business reasons. The lock-up commitments are intended to cover the shares held prior to the Directed Issues and shares received in connection with the Directed Issues. The lock-up period lasts for 180 days from this announcement of the Directed Issues.

### **Advisers**

In connection with the Directed Issues, the Company has engaged Sedermera as Sole Bookrunner and Advokatfirma DLA Piper Sweden KB as legal advisor. Nordic Issuing act issuing agent.

**Lund, Sweden, March 26, 2024**

SynAct Pharma AB

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### **About SynAct Pharma AB**

SynAct Pharma AB (publ) (Nasdaq Stockholm: SYNACT) is a clinical stage biotechnology company focused on resolving inflammation through selective activation of the melanocortin system. The company has a broad portfolio of oral and injectable selective melanocortin agonists aimed at inducing anti-inflammatory and anti-inflammatory activity in autoimmune and inflammatory diseases to help patients achieve immune balance and overcome their inflammation. For more information: [www.synactpharma.com](http://www.synactpharma.com).

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*This information is information that SynAct Pharma is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-03-26 19:14 CET.*

### **Attachments**

[SynAct Pharma AB announces intention to carry out directed share issues in total of approximately 48 MSEK](#)