

PRESS RELEASE

15 February 2024 16:00:00 CET

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, BELARUS, CANADA, HONG KONG, JAPAN, NEW ZEALAND, RUSSIA, SINGAPORE, SOUTH AFRICA, SOUTH KOREA, SWITZERLAND OR ANY OTHER JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION OF THIS PRESS RELEASE WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OR ANY OTHER MEASURES PURSUANT TO APPLICABLE LAW. PLEASE REFER TO "IMPORTANT INFORMATION" AT THE END OF THE PRESS RELEASE.

Saniona resolves on a directed issue of units to guarantors in connection with the completed rights issue and a directed issue of convertibles of SEK 10 million

The board of directors of Saniona AB ("Saniona" or the "Company") has today, based on the authorization granted by the extraordinary general meeting on 16 January 2024, resolved on a directed issue of 1,984,438 units to guarantors who have entered into guarantee commitments in the rights issue of units announced on 14 December 2023 (the "Rights Issue") and who have chosen to receive guarantee compensation in the form of newly issued units in Saniona (the "Compensation Issue"). The subscription price in the Compensation Issue amounts to SEK 4.23 per unit, corresponding to SEK 2.115 per share. The subscription price per unit corresponds to the volume-weighted average price of the Company's share on Nasdaq Stockholm during the subscription period in the Rights Issue, multiplied by two (2). The warrants are issued free of charge. One (1) unit consists of two (2) shares and one (1) warrant series TO 4. Payment is made by offsetting claims. The board of directors of Saniona has also, based on the authorization granted by the extraordinary general meeting on 16 January 2024, resolved to carry out a directed issue of convertibles (the "Convertibles") to Formue Nord Fokus A/S ("Formue Nord") for a total nominal amount of SEK 10 million (the "Convertible Issue"), in accordance with what was communicated in a press release on 14 December 2023. The consideration for the Convertible Issue is paid by offsetting the corresponding amount of the outstanding loan that the Company has previously obtained from Formue Nord and which was renegotiated in connection with the Rights Issue.

Terms for the Compensation Issue

In connection with the announcement of the Rights Issue, it was communicated that the Rights Issue was covered by guarantee commitments amounting to a total of approximately SEK 78.4 million. In accordance with the guarantee agreements, guarantee commitments entitled to guarantee compensation corresponding to eleven (11) per cent of the guaranteed amount in cash or fourteen (14) per cent of the guaranteed amount in units. In total, two guarantors have chosen to receive guarantee compensation in the form of newly issued units in accordance with the below.

Guarantor/subscriber	Number of subscribed units	Total subscription amount (SEK)
Fredrik Lundgren	992,219	4,197,086.81
Wilhelm Risberg	992,219	4,197,086.81
Total	1,984,438	8,394,173.62

Due to this, the board of directors of Saniona has today, based on the authorization granted by the extraordinary general meeting on 16 January 2024, resolved on the Compensation Issue, which comprises a total of 1,984,438 units, corresponding to approximately SEK 8.4 million. The cash component of the guarantee compensation amounts to approximately SEK 2.0 million.

Each unit consists of two (2) shares and one (1) warrant series TO 4. A total of 1,984,438 units are subscribed for, corresponding to 3,968,876 shares and 1,984,438 warrants series TO 4. The subscription price in the Compensation Issue amounts to SEK 4.23, which corresponds to a subscription price per share of SEK 2.115. The subscription price per unit corresponds to the volume-weighted average price of the Company's share on Nasdaq Stockholm during the subscription period in the Rights Issue, multiplied by two (2). The basis for calculating the subscription price was determined through negotiations between the guarantors and the Company, in consultation with financial advisors and through analysis of a number of market factors. In light of this, it is the board of directors' assessment that the subscription price is at market. The warrants are issued free of charge.

The reasons for the deviation from the shareholders' preferential right are as follows. In accordance with the executed guarantee agreements, guarantee compensation shall be paid either in cash at an amount corresponding to eleven (11) per cent of the guaranteed amount or fourteen (14) per cent of the guaranteed amount in the form of newly issued units in the Company, in accordance with the terms and conditions stated above. As a result of the guarantee commitments, each subscriber thus has a claim on the Company regarding guarantee compensation. Each subscriber has declared its willingness to allow the Company to offset the debt regarding guarantee compensation by carrying out an offset issue. The Compensation Issue is thus carried out in order to fulfil the Company's obligations to the guarantors as a result of the guarantee agreements entered into. The Company's alternative to carrying out the Compensation Issue is to instead settle the guarantee compensation through cash payment. The board of directors is of the opinion that – taking into account current market conditions – it is in the interest of the Company's financial position and in the interest of the shareholders to carry out the Compensation Issue on the stated terms and conditions, as the Company will then release funds that strengthen the Company's working capital.

Through the Compensation Issue, the number of shares in Saniona will increase by 3,968,876, from 107,269,376 to 111,238,252. The share capital will thereby increase by SEK 198,443.80, from SEK 5,363,468.80 to SEK 5,561,912.60. The Compensation Issue thus entails a dilution effect on the Company's shares of approximately 3.6 per cent.

Through the Compensation Issue, 1,984,438 warrants series TO 4 are issued. In case all outstanding warrants series TO 4, including the warrants issued through the Rights Issue, are exercised for subscription of new shares in the Company, the number of shares will increase by an additional 45,126,836 shares to 156,365,088 shares, entailing an increased dilution of approximately 28.9 per cent, of which a maximum of approximately 1.8 per cent is attributable to the warrants issued through the Compensation Issue.

Each warrant series TO 4 entitles the holder to subscribe for one (1) new share in the Company at an exercise price corresponding to seventy (70) per cent of the volume-weighted average price of the Company's share on Nasdaq Stockholm during the period from and including 28 February 2025 up to and including 13 March 2025, however not less than the share's quota value. Subscription of shares by exercise of warrants series TO 4 takes place during the period from and including 18 March 2025 up to and including 1 April 2025. Upon full exercise of all warrants issued within the framework of the Compensation Issue, the Company will receive a maximum of approximately SEK 0.5 million before issue costs. Complete terms and conditions for warrants series TO 4 are available on the Company's website, www.saniona.com.

Terms for the Convertible Issue

In connection with the Rights Issue, the Company has renegotiated the outstanding loan from Formue Nord, which was originally obtained in July 2021, and which, after previous amortization/set-off, amounted to a total of approximately SEK 61.2 million. In connection with the Rights Issue, approximately SEK 1.6 million has been repaid by set-off and approximately SEK 18.4 million will be repaid in cash. Of the remaining loan of approximately SEK 41.2 million, approximately SEK 31.2 million will continue to run as a loan and SEK 10 million will be converted into Convertibles in the Company. The board of directors of the Company has therefore resolved, based on the authorization granted by the extraordinary general meeting held on 16 January 2024, on a directed issue of Convertibles to Formue Nord.

The total nominal amount of the Convertibles amounts to SEK 10 million. Formue Nord has the right to request conversion of the Convertibles into shares at a conversion price of SEK 3.09 per share, which corresponds to 150 per cent of the subscription price per share in the Rights Issue. Conversion may be requested as from the date of registration of the Convertibles with the Swedish Companies Registration Office up to and including 31 July 2025 and each request for conversion must relate to an amount of at least SEK 2 million. Payment for the Convertibles will be made by offsetting Formue Nord's claims under the existing outstanding loan.

The Convertibles carry an annual interest rate of STIBOR 3M plus an interest margin of 8.00 per cent, to be paid at the end of each calendar quarter. The Convertibles shall, if not previously converted, be repaid no later than 31 July 2025. The Company has the right to repay the Convertibles in advance at any time without additional costs, but if the Company requests to repay in advance, Formue Nord has the right to request conversion of the requested repayment amount instead.

The reasons for the deviation from the shareholders' preferential right is that the issue is made due to the restructuring of the loan agreement between the Company and Formue Nord that the parties agreed on in connection with the Rights Issue and which was announced on 14 December 2023. According to the new terms of the loan, approximately SEK 1.6 million has been repaid by set-off and approximately SEK 18.4 million will be repaid in cash. Of the remaining loan amount of approximately SEK 41.2 million, approximately SEK 31.2 million will continue to run as a loan and SEK 10 million will be converted into Convertibles in the Company. The board of directors has carefully considered various possibilities to finance the partial payment of the outstanding loan. In connection with this, the board of directors has, among other things, considered the possibility of financing the partial payment of SEK 10 million of the outstanding loan by increasing the size of the Rights Issue, but has made the assessment that such a rights issue would probably not be fully subscribed or subscribed to a sufficient extent. In an overall assessment of the possibility of financing the partial payment of SEK 10 million of the outstanding loan, the board of directors' overall assessment is thus that the reasons for carrying out a directed set-off issue of Convertibles outweigh the reasons that justify the main rule that new issues shall be carried out with preferential rights for the shareholders and a directed set-off issue of Convertibles is, in the opinion of the board of directors, the most advantageous alternative for the Company and the Company's shareholders.

The subscription price for the Convertibles and the other terms and conditions have been determined through negotiations with Formue Nord at arm's length, in consultation with advisors and through analysis of several market factors, and is deemed by the board of directors to be in line with market conditions based on prevailing conditions on the capital market.

Advisers

Vator Securities AB is financial adviser and Setterwalls Advokatbyrå AB is legal adviser to the Company in connection with the Rights Issue. Vator Securities AB is also issuing agent in connection with the Rights Issue.

For more information, please contact

Thomas Feldthus, CEO, +45 22109957; thomas.feldthus@saniona.com

About Saniona

Saniona (OMX: SANION) is a clinical-stage biopharmaceutical company leading the way in ion channel modulation for the treatment of epilepsy and other neurological disorders. Saniona's epilepsy pipeline features SAN711, a Phase 2-ready candidate drug targeting absence seizures, SAN2219 for acute repetitive seizures, and SAN2355, addressing refractory focal onset seizures. Beyond epilepsy, Saniona oversees four clinical programs poised for collaboration. Tesofensine, Saniona's most advanced candidate, is progressing towards regulatory approval for obesity in Mexico through a partnership with Medix. Tesomet™ is ready for Phase 2b, targeting rare eating disorders, while SAN903 is ready for Phase 1 for inflammatory bowel disease and SAN2465 is set for preclinical development for major depressive disorder. Saniona has esteemed partners, including Boehringer Ingelheim GmbH, Productos Medix, S.A de S.V, AstronauTx Limited, and Cephagenix ApS. Saniona is based in Copenhagen and listed on Nasdaq Stockholm Main Market. For more information, please visit www.saniona.com.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Saniona. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden and Denmark. Any invitation to the persons concerned to subscribe for units in Saniona has only been made through the Prospectus that the Company has published on 18 January 2024. The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority and has been published on the Company's website, www.saniona.com. The approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares, warrants or any other securities. This release is not a prospectus in accordance with the definition in the Prospectus Regulation (EU) 2017/1129 ("Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in shares, warrants or other securities in Saniona. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the Prospectus. Thus, investors are encouraged to review the Prospectus in its entirety.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares, warrants or other securities in Saniona have been registered, and no shares, warrants or other securities will be registered, under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities legislation of any state or other jurisdiction in the United States of America and no shares, warrants or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States of America.

Within the European Economic Area ("**EEA**"), no public offering of shares, warrants or other securities ("**Securities**") is made in other countries than Sweden and Denmark. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

Saniona AB (publ)
Smedeland 26B
DK-2600 Glostrup
Denmark

Email: saniona@saniona.com
Web: saniona.com

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (ii) high net worth entities etc. falling within Article 49(2) (a) to (d) of the Order; or (iii) such other persons to whom such investment or investment activity may lawfully be made available under the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release may contain forward-looking statements which reflect the Company’s current view on future events and financial and operational development. Words such as “*intend*”, “*will*”, “*expect*”, “*anticipate*”, “*may*”, “*believe*”, “*plan*”, “*estimate*” and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

This information, opinions and forward-looking statements contained in this press release applies only as of the date hereof and may be subject to change without notice. Saniona makes no commitment to publicly update or revise any forward-looking statements, future events or similar circumstances other than as required by applicable law.

Since Saniona conducts essential services according to the Swedish Screening of Foreign Direct Investments Act (*Sw. lag (2023:560) om granskning av utländska direktinvesteringar*), certain investments in the Rights Issue may require review by the Inspectorate of Strategic Products. Further information about this is available on the Company's website, www.saniona.com.

Attachments

Saniona resolves on a directed issue of units to guarantors in connection with the completed rights issue and a directed issue of convertibles of SEK 10 million