

## The board of directors of Initiator Pharma A/S resolves on a rights issue amounting to SEK 56m

The board of directors of Initiator Pharma A/S ("Initiator" or the "Company") has today, based on the authorisation from the general meeting held on 24 May 2024, resolved on a new issue of shares with pre-emption rights for the Company's existing shareholders amounting to approximately SEK 56.2 million before issue costs (the "Rights Issue"). The Company has received subscription commitments from existing shareholders, including Linc and MAC Clinical Research, as well as members of the board of directors and management, amounting to approximately SEK 15 million, corresponding to approximately 27 percent of the Rights Issue. The Company has furthermore entered into guarantee undertakings with existing shareholders and external investors which, in aggregate, amount to approximately SEK 33 million, corresponding to approximately 59 percent of the Rights Issue. Consequently, the Rights Issue is covered by subscription commitments and guarantee undertakings amounting to approximately SEK 48 million, corresponding to approximately 86 percent of the Rights Issue.

### Summary

- The board of directors of Initiator has today resolved on the Rights Issue.
- The Company will receive approximately SEK 56.2 million upon full subscription in the Rights Issue, before deduction for transaction costs.
- The net proceeds from the Rights Issue are intended to be used for the following purposes, listed in order of priority; (i) Clinical trial in vulvodynia and related costs, (ii) additional pre-clinical studies and other activities relating to pudafensine, (iii) activities relating to combining pudafensine with PDE5-inhibitors in erectile dysfunction, (iv) business development activities relating to pudafensine and (v) general corporate purposes.
- The net proceeds from the Rights Issue are expected to finance Initiator well into 2027.
- All existing shareholders receives one (1) subscription right for each share held on the record date of 5 June 2025. Four (4) subscription rights entitle the holder to subscribe for one (1) new share at a subscription price of 4.0 SEK per share.
- The subscription commitments from existing shareholders, including Linc and MAC, as well as members of the board of directors and management, amount to approximately SEK 15 million, corresponding to approximately 27 percent of the Rights Issue.
- The Company has also received guarantee undertakings from the existing shareholder Linc and new investors which, in aggregate, amount to approximately SEK 33 million, corresponding to approximately 59 percent of the Rights Issue.
- In total, the Rights Issue is secured through subscription commitments and guarantee undertakings totalling approximately SEK 48 million, corresponding to approximately 86 percent of the Rights Issue
- The subscription period in the Rights Issue will run from and including 10 June 2025 up to and including 24 June 2025.
- The Company will publish an information memorandum regarding the Rights Issue before the subscription period commences.

## Background and rationale

Initiator is developing a family of drug candidates based on Monoamine Reuptake Inhibitors targeting unmet medical needs within the central and peripheral nervous system. The Company's lead candidate, pudafensine, has demonstrated efficacy in treating erectile dysfunction in a phase II trial. Furthermore, pudafensine has shown potential for treating neuropathic pain. The properties of pudafensine are applicable both in men and women and Initiator sees a significant potential in broadening the scope for pudafensine to also include treatment of female sexual dysfunction and pain conditions in women.

To further explore the potential in pudafensine, Initiator has entered into an agreement with UK CRO, MAC Clinical Research, regarding a phase II clinical trial in vulvodynia, a painful condition affecting up to ten percent of all women. In the agreement with MAC, payment for a majority of the costs for the clinical trial will be made through the issuance of a convertible debt of approximately SEK 32.5 million. Upon completion of the clinical trial, MAC can choose to convert the debt to shares in Initiator at a price equal to the theoretical ex-rights price in the Rights Issue increased by 40 percent. Additional information about the trial in vulvodynia and the agreement with MAC Clinical Research is available in a separate press release published in connection with the publication of this press release.

The proceeds raised from the Rights Issue together with the agreement with MAC will enable Initiator to complete a clinical trial in vulvodynia that has the potential to significantly increase the value of pudafensine. If Initiator can demonstrate efficacy in vulvodynia, it will open up significant potential within women's health, a segment where there are few available treatments and significant unmet medical need.

Furthermore, the proceeds from the Rights Issue enables Initiator to further advance pudafensine and its other drug candidates in erectile dysfunction and other indication.

The clinical trial within vulvodynia is expected to conclude at the end of 2026 and proceeds from the Rights Issue is expected to finance Initiator well into 2027, enabling the Company to pursue business development activities in both women's health and other segments.

## Use of proceeds

The Company will receive approximately SEK 56.2 million upon full subscription in the Rights Issue before deduction of transaction costs, which are estimated at approximately SEK 5.0 million. Based on the planned clinical trial with pudafensine as described above and the current business plan, the Company intends to use the net proceeds for the following purposes, listed in order of priority (regardless of the amount of proceeds received in the Rights Issue):

- Clinical trial in vulvodynia and related costs
- Additional pre-clinical studies and other activities relating to pudafensine in other indications
- Activities relating to combining pudafensine with PDE5-inhibitors in erectile dysfunction
- Business development activities relating to pudafensine
- General corporate purposes

The proceeds from the Rights Issue are expected to finance Initiator well into 2027. The Company estimates that the working capital, in the event that the Rights Issue is subscribed to the amount covered by the subscription commitments and the guarantee undertakings, will be sufficient for the coming twelve-month period following completion of the Rights Issue.

## The Rights Issue

Investors who, on the record date on 5 June 2025, are registered as shareholders in Initiator, will receive one (1) subscription right for each share held in the Company. Four (4) subscription rights entitle the holder to subscribe for one (1) new share. The subscription price is 4.0 SEK per share, each with a nominal value of DKK 0.105. Provided that the Rights Issue is subscribed in full, Initiator will receive gross proceeds of approximately SEK 56.2 million.

Subscription will also be possible without subscription rights as follows. In the event that not all shares are subscribed for with subscription rights, the board of directors shall, up to the maximum amount of the issue, resolve on the allocation of shares to those who have subscribed without subscription rights as follows:

- Firstly, allotment of shares subscribed for without subscription rights shall be made to those who have also subscribed for shares with subscription rights, irrespective of whether the subscriber was a shareholder on the record date or not, and, in the event of oversubscription, allotment shall be made pro rata in relation to the number of subscription rights exercised for subscription, and, insofar as this is not possible, by drawing of lots.
- Secondly, allotment of shares subscribed for without subscription rights shall be made to others who have subscribed for shares without subscription rights and, in the event of oversubscription, allotment shall be made pro rata in relation to the number of new shares for which each person has applied for subscription, and, insofar as this is not possible, by drawing of lots.
- Thirdly, allotment of shares shall be made to the parties that guarantees part of the Rights Issue with allotment before other guarantors in accordance with the provided guarantee undertakings ("**Primary Guarantee Undertaking**").
- Fourthly, allotment of shares shall be made to the parties who, subordinated to the Primary Guarantee Undertaking, guarantee part of the Rights Issue, pro rata in relation to such guarantee undertakings and, insofar as this is not possible, by drawing of lots ("**Secondary Guarantee Undertakings**").

Provided that the Rights Issue is fully subscribed, the number of shares in Initiator will increase by 14,039,590, from 56,158,361 to 70,197,951, and the share capital will increase by a maximum of DKK 1,474,156.95, from DKK 5,896,627.91 to DKK 7,370,784.86.

Shareholders who choose not to participate in the Rights Issue will, if the Rights Issue is fully subscribed, have their ownership diluted by up to 20 per cent (calculated on the total number of outstanding shares in the Company after completion of the Rights Issue, not including shares issued to as compensation for guarantee undertakings as detailed further below under the section "Subscription commitments and guarantee undertakings"). These shareholders have the opportunity to compensate themselves financially for this dilution effect by selling their received subscription rights.

The last day of trading in Initiator's shares, including the right to receive subscription rights in the Rights Issue, is 3 June 2025. The shares are traded excluding the right to receive subscription rights in the Rights Issue from and including 4 June 2025. The subscription period, with or without the support of subscription rights, runs from and including 10 June 2025 up to and including 24 June 2025. Trading in subscription rights will take place on Nasdaq First North Growth Market during the period from and including 10 June 2025 up to and including 19 June 2025 and trading in BTAs (paid subscribed shares) will take place on Nasdaq First North Growth Market during the period from and including 10 June 2025 until the Rights Issue has been registered with the Danish Central Business Register.

### **Subscription commitments and guarantee undertakings**

The Company has received subscription commitments from existing shareholders, including Linc and MAC, as well as members of the board of directors and management, totalling approximately SEK 15.1 million, corresponding to approximately 26.8 percent of the Rights Issue.

The Company has furthermore entered into guarantee undertakings with the existing shareholder Linc, in an amount of SEK 5 million, and additional investors, in the total amount of SEK 33.3 million, corresponding to approximately 59.2 percent of the Rights Issue. The guarantee undertakings consist of the Primary Guarantee Undertaking of SEK 2.5 million, and the Secondary Guarantee Undertaking, totalling SEK 30.8 million. The Rights Issue is thus covered by subscription commitments and guarantee undertakings of approximately SEK 48.3 million, corresponding to around 86.0 percent of the Rights Issue.

If the Rights Issue is subscribed and paid for in an amount between SEK 45.8 million and SEK 48.3 million, the Primary Guarantee Undertaking covers subscription and payment of shares in the Rights Issue up to SEK 48.3 million. If the Rights Issue is subscribed and paid for in an amount below SEK 45.8 million, the Secondary Guarantee Undertaking covers subscription and payment of shares in the Rights Issue up to SEK 45.8 million.. No guarantee undertakings cover subscription and payment of shares in the Rights Issue exceeding SEK 48.3 million.

A guarantee commission will be paid for the guarantee undertakings, determined based on current market conditions. For the Primary Guarantee Undertaking, a guarantee commission of fifteen (15) percent of the guaranteed amount is to be paid in the form of newly issued shares at a subscription price of 4.0 SEK. For the Secondary Guarantee Undertaking, guarantors can choose to be compensated either with a guarantee commission of ten (10) percent of the guaranteed amount paid in cash or a guarantee commission of twelve (12) percent of the guaranteed amount paid in newly issued shares at a subscription price of 4.0 SEK per share.

No fee is paid for the subscription commitments. Neither the subscription commitments nor the guarantee undertakings are secured through bank guarantees, restricted funds, pledged assets or similar arrangements. Further information regarding the parties who have entered into subscription commitments and guarantee undertakings will be presented in the information memorandum that will be published before the start of the subscription period.

### **Indicative timetable**

Last day of trading in shares including subscription rights	3 June 2025
First day of trading in shares excluding subscription rights	4 June 2025
Estimated publication of the Information Memorandum	9 June 2025
Record date in the Rights Issue	5 June 2025
Subscription period	10 – 24 June 2025
Trading in subscription rights	10 – 19 June 2025
Trading in paid subscribed shares (BTA)	10 – 27 June 2025
Expected announcement of the preliminary outcome in the Rights Issue	25 June 2025

### **Information Memorandum and application forms**

An information memorandum and subscription forms will be made available on Initiator's website, [www.initiatorpharma.com](http://www.initiatorpharma.com), and on Bergs Securities' website, [www.bergssecurities.se](http://www.bergssecurities.se), before the start of the subscription period.

### **Advisers**

Bergs Securities is sole manager and bookrunner and DLA Piper is legal adviser to Initiator.

### **Important information**

The publication, disclosure, or distribution of this corporate announcement may be subject to legal restrictions in certain jurisdictions, and persons in the jurisdictions where this corporate announcement has been disclosed or distributed should inform themselves of and comply with such legal restrictions. The information in this corporate announcement does not contain or constitute an offer to acquire, subscribe or otherwise trade in pre-emption rights, shares, warrants or other securities in Initiator. No action has been taken, and measures will not be taken to permit a public offering in any jurisdictions other than Denmark and Sweden. The recipient of this corporate announcement is responsible for using this corporate announcement and the information herein in

accordance with applicable regulations in the respective jurisdiction. This corporate announcement does not constitute an offer to sell or an invitation regarding an offer to acquire or subscribe for securities issued by the Company in any jurisdiction where such an offer or invitation would be unlawful.

This corporate announcement is not a prospectus in accordance with the definition in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. No prospectus will be prepared in connection with the Rights Issue. In connection with the Rights Issue, the Company will prepare a disclosure document in accordance with article 1.4 db of the Prospectus Regulation. The disclosure document will be drafted in accordance with Annex IX of the Prospectus Regulation. The Danish Financial Supervisory Authority, which is the competent authority, will not approve nor review the disclosure document. Each investor is advised to make their own assessment of whether it is appropriate to invest in the Company.

The information in this corporate announcement 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 Danish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No pre-emption rights, shares, warrants or other securities in Initiator 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 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 pre-emption rights, shares, warrants or other securities ("**Securities**") is made, except for Denmark and Sweden ("**Other EEA States**"). In the Other EEA States, this corporate announcement is intended only for and directed to "qualified investors" as defined in the Prospectus Regulation. The Securities are not intended to be offered to the public in any Other EEA State and are only available to "qualified investors" in such Other EEA State, except pursuant to the applicable exception in the Prospectus Regulation. In Other EEA States 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.

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 "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). "Qualified investors" 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"). Any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors". 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 corporate announcement and should not act or rely on it.

This corporate announcement may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "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.

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### **About Initiator Pharma**

Initiator Pharma A/S is a Danish clinical stage emerging pharma company developing innovative drugs that target key unmet medical needs within the central and peripheral nervous system. Initiator's pipeline consists of two clinical stage assets – pudafensine and IP2018 – and two preclinical assets. With pudafensine, the Company has reported positive, statistically significant and clinically relevant efficacy data in a Phase IIb clinical trial with patients suffering from ED. With IP2018, the Company has reported positive, statistically significant, and dose-dependent clinical observations related to efficacy in psychogenic erectile dysfunction (ED) in a Phase IIa clinical trial of IP2018 in patients with mild to moderate ED.

Initiator Pharma A/S is listed on Nasdaq First North Growth Market (ticker: INIT). Redeye AB is the Company's Certified Adviser. For more information, please visit [www.initiatorpharma.com](http://www.initiatorpharma.com).

*This information is information that Initiator 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 2025-05-19 07:46 CEST.*

### **Attachments**

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**The board of directors of Initiator Pharma A/S resolves on a rights issue amounting to SEK 56m**