PRESS RELEASE
10 June 2024 09:05:00 CEST

CINCLUS PHARMA ANNOUNCES LISTING ON NASDAQ STOCKHOLM AND OFFERING OF ORDINARY SHARES AS WELL AS PUBLISHES RELATED PROSPECTUS

Cinclus Pharma Holding AB (publ) ("Cinclus Pharma" or the "Company"), a Swedish clinical stage pharmaceutical company, has resolved to diversify the shareholder base through an offering of newly issued ordinary shares (the "Offering") and has at the same time applied for listing of the Company's ordinary shares on Nasdaq Stockholm (the "Listing"). Nasdaq Stockholm's Listing Committee has resolved to admit the Company's ordinary shares to trading, subject to the fulfillment of certain customary conditions no later than on the first day of trading. The prospectus relating to the Offering and the Listing, including the price and other terms of the Offering, is published today and the first day of trading is expected to be 20 June 2024.

Cinclus Pharma is a clinical stage pharmaceutical company focused on the development of the drug candidate linaprazan glurate, a proprietary "prodrug" of the molecule linaprazan, originally developed by AstraZeneca. Linaprazan glurate represents a new and innovative mode of action for the treatment of erosive gastroesophageal reflux disease ("**eGERD**") where there is currently a lack of sufficiently effective treatment options.

Christer Ahlberg, CEO of Cinclus Pharma, comments:
"*We are very excited about this important step in Cinclus Pharma's development. By becoming the product that can offer 24-hour acid control and healing for the most severely ill patients with eGERD, our drug candidate linaprazan glurate has the potential to drive a paradigm shift in the treatment of gastric acid-related diseases. The listing of Cinclus Pharma on Nasdaq Stockholm is a logical and important step that enables continued development of linaprazan glurate. We have received very positive feedback from potential investors, making us feel incredibly excited to take the next step in this process. There is a significant need for a more effective treatment of gastric acid-related diseases, which position Cinclus Pharma well to create value for our shareholders*."

The Offering in brief

- The price in the Offering has been set at SEK 42 per ordinary share (the "**Offering Price**").
- The Offering comprises not more than 17,023,810 newly issued ordinary shares, corresponding to SEK 715 million before deduction of issue costs.
- In order to cover any over-allotments in connection with the Offering, the Company has undertaken to issue not more than 1,702,381 additional ordinary shares, corresponding to not more than 10 percent of the number of ordinary shares in the Offering (the "**Over#allotment Option**").

- Cinclus Pharma will also carry out a set-off issue of 3,286,939 new ordinary shares in connection with the Offering, in order to convert the Company's outstanding bridge loans into ordinary shares (the "**Set-off Issue**"). The Set-off Issue will be carried out at the Offering Price.
- Provided that the Offering is fully subscribed and the Over-allotment Option is exercised in full, the Offering will comprise not more than 18,726,191 ordinary shares, corresponding to 38.82 percent of the shares and votes in the Company following completion of the Offering and the Set-off Issue, and is expected to provide Cinclus Pharma with proceeds of approximately SEK 787 million before deduction of issue costs.
- The Offering Price corresponds to a market value of approximately SEK 1,240 million prior to the Offering, for all outstanding shares in the Company and the shares issued through the Set-off Issue.
- Trill Impact Ventures Pharma 1 AB, the Fourth Swedish National Pension Fund, Linc AB, a number of investors that are shareholders in Regulus Pharma Fas I AB, Eir Ventures I AB and Irrus Investments Nominee Ltd are cornerstone investors and have, subject to certain customary conditions, undertaken to subscribe for ordinary shares in the Offering at the Offering Price for a total amount of approximately SEK 181 million. Additional existing shareholders and new investors have undertaken to subscribe for ordinary shares in the Offering amounting to a total of approximately SEK 114 million prior to the Offering and the Set-off Issue, however without guaranteed allotment.
- The Company's board members and senior executives have entered into customary undertakings to refrain from transferring shares for a period of 360 days after the commencement of trading on Nasdaq Stockholm. In addition, certain other existing shareholders have undertaken to refrain from transferring shares for a period of 180 days after trading on Nasdaq Stockholm has commenced. As of the date of this press release, shareholders with an aggregate holding of approximately 90 percent of the total number of shares and votes in the Company prior to the Offering and the Set-off Issue have entered into undertakings to refrain from transferring shares.
- The Offering consists of (i) an offering to the general public in Sweden and (ii) an offering to institutional investors in Sweden and abroad. The offering to institutional investors will only be made (i) to certain institutional investors outside the United States in compliance with Regulation S under the U.S. Securities Act, as amended (the "**U.S. Securities Act**"); and (ii) within the United States, only to investors that are qualified institutional buyers ("**QIBs**") as defined in Rule 144A under the U.S. Securities Act.
- The application period for the general public in Sweden is expected to take place during the period 11–18 June 2024 and the application period for institutional investors is expected to take place during the period 11–19 June 2024.
- The first day of trading on Nasdaq Stockholm is expected to be 20 June 2024 and the ordinary shares will trade under the ticker "CINPHA".
- The prospectus containing the full terms and conditions of the Offering has today been published on Cinclus Pharma's website (www.cinclusphar ma.com), Carnegie's website (www.carnegie.se), ABG Sundal Collier's website (www.abgsc.com), Redeye's

website (www.redeye.se), Avanza's website (www.avanza.se) and Nordnet's website (www.nordnet.se). Cinclus Pharma has also published an English translation of the prospectus on its website. The Swedish prospectus will also be available on Swedish Financial Supervisory Authority's (Sw. *Finansinspektionen*, the "**SFSA**") website, www.fi.se.

About Cinclus Pharma and background to the Listing and the Offering
Cinclus Pharma is a clinical stage pharmaceutical company focused on the development of the drug candidate linaprazan glurate, a proprietary "prodrug" of the molecule linaprazan, originally developed by AstraZeneca. The molecule has the potential to enable the treatment of gastric acid-related diseases such as gastroesophageal reflux disease ("**GERD**") and the "peptic ulcer bacteria" *Helicobacter pylori* ("***H. pylori***"). There are two main categories of GERD: symptomatic non-erosive GERD ("**sGERD**") and erosive GERD ("**eGERD**"), with eGERD being the more severe type and the main medical indication for linaprazan glurate. The severity of eGERD is classified under a so-called LA classification system from grade A to grade D, with grades C-D being the most severe cases.

Following AstraZeneca's phasing out of all of their gastrointestinal research and the termination of their linaprazan project, the founders of Cinclus Pharma acquired the intellectual property rights to linaprazan glurate from AstraZeneca, without any commitments or payment obligations, in order to further develop the drug candidate. Linaprazan glurate has the potential to provide a new and innovative mode of action compared to the current standard of care for GERD and has the potential to address a global unmet medical need for the healing of severe eGERD (LA grade C/D). In the U.S. and EU-30 [1], more than 10 million patients have severe eGERD, which in combination with the expected price level for linaprazan glurate results in a potential to reach or exceed blockbuster sales, i.e. sales of at least USD 1 billion annually, within five years from launch.[2]

In 2023, Cinclus Pharma completed a Phase II study on patients with eGERD with positive results and intends to complete preparations for the Phase III studies in 2024. The Phase III study program for eGERD consists of two study pairs ("**Study 1a and 1b eGERD**" and "**Study 2a and 2b eGERD**", respectively), where each pair consists of a healing study and a maintenance treatment study. Patient enrollment in the initial healing study 1a is expected to start in 2025 and the patients healed are expected to be included in the linked maintenance treatment study 1b. Cinclus Pharma believes that linaprazan glurate has the potential to achieve higher healing rates and improved symptom relief of severe eGERD and in shorter time compared to available drugs and that the Phase III study program and subsequent commercialization of linaprazan glurate are the natural next steps in the development of treatment options for this indication.

In light of this, Cinclus Pharma's board of directors and senior executives believe that it is an appropriate time to carry out a new share issue and simultaneously apply for listing of the Company's ordinary shares on Nasdaq Stockholm. The Offering and the Listing is a logical development for the Company, as it will not only expand the shareholder base and enable Cinclus Pharma to access the Swedish and international capital markets but also increase

the awareness of Cinclus Pharma and its operations among current and potential suppliers as well as partners, which will support the Company's growth and development. Cinclus Pharma intends to use the net issue proceeds from the Offering to:

- continue the preparations of, initiate and complete Study 1a and 1b eGERD and finance regulatory activities (interaction with authorities and external consultants) and the ongoing operations of the Company up to and including the conduct of Study 1a and 1b eGERD, and
- conduct ongoing preclinical studies necessary for registration of the eGERD indication.

Depending on the exercise of the Over-allotment Option, Cinclus Pharma intends to use any additional net proceeds from the exercise of the Over-allotment Option to initiate and complete additional Phase I studies needed for registration of the eGERD indication.

Cinclus Pharma's strengths and competitive advantages
Cinclus Pharma believes that its specific strengths and competitive advantages that have contributed to the Company's progress, and can enable the successful positioning of the Company, include the following:

- Linaprazan glurate targets patients with severe eGERD (LA grade C/D), where the greatest unmet medical need exists, and has the potential to achieve and exceed blockbuster sales within five years from launch.
- Based on the Company's completed clinical studies, linaprazan glurate represents a new mode of action, with a beneficial pharmacokinetic profile which provides better and longer acid control, necessary for patients with severe eGERD (LA grade C/D), and a better safety profile with the potential to provide superior clinical efficacy, such as improved healing and symptom relief, compared to proton pump inhibitors ("**PPI**") and first generation potassium-competitive acid blockers ("**PCAB**").
- Previous development of the active metabolite linaprazan by AstraZeneca has given Cinclus Pharma benefits in its further development of the New Chemical Entity linaprazan glurate.
- Positive results from Cinclus Pharma's Phase II studies showed a clear dose-response, i. e., a connection between the dose of the drug and the effect of the drug, and a significantly higher healing rate compared to PPIs in patients with severe eGERD (LA grade C/D), a difference that was statistically significant in a *post hoc*-analysis, as well as good safety and tolerability profile.
- Strong global intellectual property rights, ensuring robust molecule patent protection and data/market exclusivity in the EU and the U.S.
- Existing institutional investors such as Trill Impact Ventures, the Fourth Swedish National Pension Fund, Linc and Eir Ventures, with a track record in pharmaceutical investments.
- Strong leadership team with track record of both innovation and commercialization, with key members from the Nexium®, Losec® and linaprazan development projects.

Prospectus and application

A Swedish prospectus containing the full terms and conditions of the Offering has today been approved and registered by the SFSA. The prospectus has been published on Cinclus Pharma's website (www.cinclupharma.com) and is available on Carnegie's website (www.carnegie.se), ABG Sundal Collier's website (www.abgsc.com), Redeye's website (www.redeye.se), Avanza's website (www.avanza.se) and Nordnet's website (www.nordnet.se). Cinclus Pharma has also published an English translation of the prospectus on its website. The Swedish prospectus will also be made available on the SFSA's website, www.fi.se. Applications can be made via Avanza's internet service (www.avanza.se) and Nordnet's internet service (www.nordnet.se).

The Swedish prospectus has been prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The SFSA only approves the Swedish prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of the Swedish prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Preliminary timetable

Application period for the general public in Sweden:	11–18 June 2024
Application period for institutional investors:	11–19 June 2024
First day of trading on Nasdaq Stockholm:	20 June 2024
Settlement date:	25 June 2024

Stabilization

In connection with the Offering, Carnegie may effect transactions aimed at supporting the market price of the ordinary shares at levels above those which might otherwise prevail in the open market. Such stabilization transactions may be effected on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the ordinary shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. Carnegie is, however, not required to undertake any stabilization and hence it is not certain that stabilization will be undertaken. The Company intends to grant an Over-allotment Option to the Joint Bookrunners, entailing that the Joint Bookrunners, at the latest 30 days from the first day of trading in the Company's ordinary shares on Nasdaq Stockholm, have the right to request that a maximum of 1,702,381 additional shares are issued by the Company, corresponding to a maximum of 10 percent of the total number of ordinary shares in the Offering at a price corresponding to the Offering Price, in order to cover possible over-allotment within the framework of the Offering.

Stabilization, if undertaken, may terminate at any time without prior notice. In no event will transactions be effected at levels above the Offering Price. No later than by the end of the seventh trading day after stabilization transactions have been undertaken, Carnegie shall disclose that stabilization transactions have been undertaken in accordance with article 5(4) in the Market Abuse Regulation 596/2014. Within one week of the end of the stabilization period, Carnegie will make public whether or not stabilization was undertaken, the date at which stabilization started, the date at which stabilization last occurred and the price range within which stabilization was carried out, for each of the dates during which stabilization transactions were carried out.

Advisors
Carnegie Investment Bank AB (publ) and Bryan Garnier & Co are Joint Global Coordinators and Joint Bookrunners. ABG Sundal Collier AB is Joint Bookrunner. Advokatfirman Vinge KB and Cleary Gottlieb Steen & Hamilton LLP are acting as legal advisors to the Company as to Swedish and U.S. law, respectively. Baker McKenzie is acting as legal advisor to the Joint Global Coordinators and Joint Bookrunners as to Swedish and U.S. law. Redeye AB, Avanza Bank AB (publ) and Nordnet Bank AB are acting as Selling Agents in connection with the Offering.

For further information, please contact:
Christer Ahlberg, CEO
Phone: +46 70 675 33 30
e-mail: christer.ahlberg@cinclusphar ma.com

Charlotte Stjerngren, IR
Phone: +46 70 876 87 87
e-mail: charlotte.stjerngren@cinclusphar ma.com

The information was submitted for publication, through the agency of the contact persons set out above, at 09:05 CEST on 10 June 2024.

Important information
This announcement is not and does not form a part of any offer for sale of securities.

The release, announcement or distribution of this message may, in certain jurisdictions, be subject to restrictions by law and the recipients of this message in jurisdictions where it has been published or distributed shall inform themselves of and follow such legal restrictions. The recipient of this message is responsible for using it, and the information contained herein, in accordance with applicable rules in each jurisdiction. Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, the Hong Kong Special Administrative Region of the People's Republic of China, Japan, South Africa or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

This announcement is not an offer for sale of securities in the United States. The securities referred to in this announcement have not been and will not be registered under U.S. Securities Act or with the securities regulatory authority of any state or other jurisdiction in the United States, and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable U.S. state securities laws.

This announcement and this offering are only addressed to and directed at persons in member states of the European Economic Area, except for Sweden (each a "Relevant State") who are "Qualified Investors" within the meaning of Article 2(e) of the Prospectus Regulation. The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Qualified Investors. This announcement should not be acted upon or relied upon in any Relevant State by persons who are not Qualified Investors in that Relevant State.

This announcement does not constitute an offer of the securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or (iii) persons who are high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49 (2)(a) to (d) of the Order, or (iv) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities of the Company or any member of its group may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii) and (iv) above together being referred to as "Relevant Persons"). Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this communication or any of its contents.

This announcement is not a prospectus for the purposes of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. A Swedish language prospectus, and an English translation thereof, has been prepared in connection with the Offering and the Listing. The Swedish language prospectus has been reviewed and approved by the SFSA which is the national competent authority in Sweden with regard to the Prospectus Regulation. The prospectus is available on the Company's website.

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 the Company's securities. Any investment decision to acquire or subscribe for securities in connection with the Offering must be made on the basis of all publicly available information relating to the Company and the Company's securities. Such information has not been independently

verified by the Joint Bookrunners. The Joint Bookrunners are acting for the Company in connection with the Offering and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

Each investor should conduct a self-examination, analysis and evaluation of the business and information described in this message and any publicly available information on the Company and the Offering. The price and value of the Company's securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this announcement.

Forward-looking statements
Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements regarding the Company's business strategy, financial condition, profitability, results of operations and market data, as well as other statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intends," "estimate," "will," "may," "continue", "should", "target", "predict", "guideline" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

Information to distributors
Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the offered securities have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "EU Target Market Assessment").

Solely for the purposes of the product governance requirements contained within Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA, as amended ("UK MiFIR"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of UK MiFIR) may otherwise have with respect thereto, the ordinary shares in the Offering have been subject to a product approval process, which has determined that such ordinary shares are: (i) compatible with an end target market of retail clients, as defined in item (8) of Article 2 of the British Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA, and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook and professional clients, as defined in UK MiFIR; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFIR (the "UK Target Market Assessment"). Any person subsequently offering, selling or recommending ordinary shares in the Offering (a "distributor") should take into consideration the UK Target Market Assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the ordinary shares in the Offering (by either adopting or refining the UK Target Market Assessment) and determining appropriate distribution channels. Notwithstanding the EU and the UK Target Market Assessments, distributors should note that: the price of the Company's securities may decline and investors could lose all or part of their investment; the Company's securities offer no guaranteed income and no capital protection; and an investment in the Company's securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The EU and the UK Target Market Assessments are without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the EU and the UK Target Market Assessments, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties (except for a public offering to investors in Sweden conducted pursuant to the Swedish Prospectus that has been approved by and registered with the SFSA).

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Company's securities.

Each distributor is responsible for undertaking its own target market assessment in respect of the Company's securities and determining appropriate distribution channels.

[1] France, Germany, Italy, Spain, the United Kingdom, Austria, Belgium, Denmark, Finland, Ireland, the Netherlands, Portugal, Norway, Sweden, Switzerland, Bulgaria, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Luxembourg, Malta, Poland, Romania, Slovakia, Slovenia and Iceland ("**EU-30**").
[2] Market research conducted by Apex Healthcare Consulting commissioned and paid for by the Company, May 2022.

Attachments

Cinclus Pharma announces listing on Nasdaq Stockholm and offering of ordinary shares as well as publishes related prospectus