



PRESS RELEASE

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The board of directors of Ziccum has resolved on a previously announced rights issue of units of approximately SEK 30 million

Ziccum AB (publ) ("Ziccum" or the "Company") announced on 10 October 2024 its intention to carry out a rights issue of units of approximately SEK 30 million (the "Rights Issue") consisting of shares and warrants. The board of directors has today, by virtue of authorization from the extraordinary general meeting held on 12 November 2024, resolved on the Rights Issue. Each (1) existing share in the Company entitles to eleven (11) unit rights. Five (5) unit rights entitle to subscription of one (1) unit, consisting of one (1) newly issued share and one (1) newly issued warrant of series TO 6 (together, a "Unit"). The subscription price per Unit has been set at SEK 0.86, corresponding to SEK 0.86 per share. Upon full subscription of the Rights Issue, Ziccum will receive approximately SEK 30 million attributable to newly issued shares before issue costs totaling approximately SEK 4 million. In February 2025, the Company may receive additional proceeds if the Warrants issued in the Rights Issue are exercised for subscription of shares. The proceeds from the exercise of Warrants are intended to be used with a corresponding allocation as for the proceeds in the Rights Issue. The Rights Issue is covered by subscription and guarantee undertakings amounting up to approximately 39 percent of the Rights Issue.

The Rights Issue in brief

- The proceeds from the Rights Issue are intended to be used to finance the development of the LaminarPace® technology to commercial scale and GMP production, increased capacity and expansion of the project portfolio with new projects and partners, including data generation and further development of ongoing projects. In connection with the announcement of the Rights Issue, the Company raised bridge loans of approximately SEK 6.5 million, which also will be repaid with the issue proceeds.

- Each (1) existing share in the Company entitles the holder to eleven (11) unit rights. Five (5) unit rights entitle to subscription of one (1) Unit, consisting of one (1) newly issued share and one (1) newly issued warrant of series TO 6 (the “Warrants”). This means that a total of a maximum of 35,109,305 new shares and 35,109,305 new Warrants can be issued within the Rights Issue. The Warrants are intended to be admitted to trading on Nasdaq First North Growth Market.
- The subscription price per Unit has been set at SEK 0.86, corresponding to SEK 0.86 per share. The Warrants are issued free of charge.
- The subscription period for the Rights Issue runs from and including 26 November 2024 up to and including 10 December 2024.
- A number of the Company's existing shareholders, including all members of the Company's board of directors and management, have undertaken to subscribe for Units amounting to approximately SEK 0.3 million, which corresponds to approximately 1 percent of the Rights Issue. In addition, the Company has received guarantee undertakings from a consortium of external investors amounting to a total of approximately SEK 11.3 million, corresponding to approximately 38 percent of the Rights Issue. The Rights Issue is thus covered by subscription and guarantee undertakings amounting up to approximately 39 percent of the Rights Issue.
- The exercise period for the Warrants runs from and including 4 February 2025 up to and including 18 February 2025. The subscription price upon exercise of the Warrants amounts to 70 percent of the volume-weighted average price of the Company's share on Nasdaq First North Growth Market during the period from and including 17 January 2025 up to and including 30 January 2025, however, not less than the quota value of the share and not more than SEK 1.075.
- If all Warrants are exercised for subscription of shares, the Company will receive up to approximately SEK 30 million, under the condition that the subscription price is the same as in the Rights Issue.

Background and purpose

Ziccum is a Swedish pharmaceutical technology platform company. Ziccum develops LaminarPace®, a unique technology for formulating and drying biological drugs and vaccines at room temperature. The method is based on mass transfer instead of heat transfer. By reducing the stress that the active substance is exposed to during drying with traditional methods, LaminarPace® offers an opportunity to produce thermostable biological drugs with particle technology in a robust dry powder preparation meeting high pharmaceutical quality specifications. The conversion to robust, dry powder forms enables significant cost savings in all phases of development, manufacturing, handling, transport and administration of the pharmaceutical product. The dry pharmaceutical forms are ideally suited to new dosage forms. The technology has been successfully applied to mRNA, peptides, proteins, antibodies, lipids and enzymes, as well as excipients and adjuvants, and is well suited for industrial applications.

Application of LaminarPace® offers an important possibility for particle engineering, to generate drug product particles with precise, desired properties, unlike other existing drying technologies. The powder can be engineered for adequate drug inhalation properties. This particle engineering possibility has been proven also for mRNA/LNP material, generally considered near impossible to engineer for inhalation. Inhalable mRNA/LNP offers increased storage stability compared to liquid formulations and simplified and preferred patient administration avoiding injections. Inhalable mRNA/LNP therapies are not available on the market today. In August 2024, the Company also

published results from Ziccum's internal development where a special effect has been discovered for certain lipid compositions, where the mRNA activity of the drug product is not only preserved but significantly increased after LaminarPace® treatment. The effect is being studied by measuring protein expression in live cells treated with mRNA.

Following the appointment of the new CEO Ann Gidner in May 2022, a new focused business strategy was implemented, which is based on a technology licensing business model. Following the implementation of the new strategy, a broad pipeline of customer dialogues has been created with revenue generation through paid feasibility studies. Four feasibility studies were signed in 2023/H1 2024, demonstrating progress and delivery under the new business model.

It is the Company's assessment that the existing working capital is not sufficient for the current needs during the coming twelve-month period. The Company believes that the capital raised through the Rights Issue will enable continued progress for the Company through the completion of ongoing projects, the establishment of new projects (through continued industry dialogues), the generation of additional milestone data through studies and collaborative projects and the strengthening of intellectual property rights and, ultimately, work for licensing agreements.

Upon full subscription in the Rights Issue, the Company will raise approximately SEK 30 million before issue costs. The costs related to the Rights Issue are estimated to amount to a maximum of SEK 4 million upon full subscription, of which approximately SEK 1.5 million is attributable to guarantee compensation. The expected net proceeds from the Rights Issue, upon full subscription, are thus estimated to amount to approximately SEK 26 million. The net proceeds, after repayment of the bridge loans, are intended to be used for the following purposes, listed in order of priority and with an approximate share indicated in brackets:

- Technology development of LaminarPace® to commercial scale and GMP production and expansion of current capacity (80 percent)
 - A prerequisite for being an attractive licence partner is to be able to offer an industrial version of LaminarPace® suitable for commercial scale and GMP production. Ziccum is running two projects for this purpose. The first is the LaminarPace® Master plan, an internal technology development project that refines and optimises LaminarPace® and its capabilities. The second project is LaPaSim, where Ziccum is using leading expertise from the ICP Institute of computational physics at the Zurich University of Technology (ZHAW). The 3D modelling is performed to build a complete digital model of the LaminarPace® process, optimise design and process parameters, explore optimal capacity loads and create a digital twin ready for tech transfer to licensees.
- Pipeline expansion, adding additional projects and partners to the project portfolio. Project development, continued work and progress on existing projects, and data generation in the form of data from ongoing and future projects with partners (20 percent)
 - Ongoing external feasibility studies, as well as ongoing internal data generation, are crucial for the continued quality, pace and volume of business development. It is of great importance to ensure continued strong efforts to build up data proving the applicability of the LaminarPace® technology. The commercialisation of the valuable LaminarPace® offering has been successfully launched and according to the Company has received global attention. The primary data generation will consist of factorial experiments with LaminarPace® runs to select optimal process parameters, followed by animal experiments with selected materials to investigate further typical preclinical parameters.

In February 2025, the Company may receive additional proceeds if the Warrants issued in the Rights Issue are exercised for subscription of shares. The proceeds from the exercise of Warrants are intended to be used with a corresponding allocation as for the proceeds in the Rights Issue.

Terms and conditions of the Rights Issue

The board of directors has today, by virtue of authorization from the extraordinary general meeting held on 12 November 2024, resolved on the Rights Issue. The right to subscribe for Units is granted with pre-emption rights to the Company's shareholders. Each (1) existing share in the Company held on the record date of 22 November 2024 entitles to eleven (11) unit rights. Five (5) unit rights entitle to subscription of one (1) Unit, consisting of one (1) newly issued share and one (1) newly issued warrant of series TO 6. The subscription price per Unit has been set at SEK 0.86, corresponding to SEK 0.86 per share.

One (1) Warrant entitles the holder, during the period from and including 4 February 2025 up to and including 18 February 2025, to subscribe for one (1) new share in the Company at a subscription price per share amounting to 70 percent of the volume-weighted average price of the Company's share on Nasdaq First North Growth Market during the period from and including 17 January 2025 up to and including 30 January 2025, however, not less than the quota value of the share and not more than SEK 1.075. Thus, the Company may receive additional proceeds of approximately SEK 30 million in February 2025 if the Warrants are exercised for subscription of new shares, under the condition that the subscription price is the same as in the Rights Issue. The Warrants are intended to be admitted to trading on Nasdaq First North Growth Market.

Allocation principles

In the event that not all Units are subscribed for with unit rights, the board of directors shall, within the limits of the maximum amount of the Rights Issue, resolve on allotment of Units subscribed for without unit rights. Allotment shall then be made in accordance with the following allocation principles.

- Firstly, allotment shall be made to those who have subscribed for Units with the support of unit rights, regardless of whether the subscriber was a shareholder on the record date or not, pro rata in relation to the number of unit rights exercised for subscription and, to the extent this cannot be done, by drawing lots.
- Secondly, allocation shall be made to others who have applied for subscription without unit rights. In the event that these cannot receive full allotment, allotment shall be made pro rata in relation to the number of shares for which each person has applied for subscription and, to the extent this cannot be done, by drawing lots.
- Thirdly and finally, any remaining shares shall be allocated to the parties that have undertaken to guarantee the Rights Issue, in proportion to the guarantee undertakings made.

Subscription and guarantee undertakings

A number of the Company's existing shareholders, including all members of the Company's board of directors and management, have undertaken to subscribe for Units amounting to approximately SEK 0.3 million, which corresponds to approximately 1 percent of the Rights Issue. In addition, the Company has received guarantee undertakings from a consortium of external investors amounting to a total of approximately SEK 11.3 million, corresponding to approximately 38 percent of the Rights Issue. The Rights Issue is thus covered by subscription and guarantee undertakings amounting up to approximately 39 percent of the Rights Issue.

No compensation is paid for the subscription undertakings. Compensation for the guarantee undertakings is paid with 13 percent of the guaranteed amount in cash or 15 percent of the guaranteed amount in the form of newly issued Units in the Company, with the same terms and conditions as for Units in the Rights Issue. The subscription and guarantee undertakings are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

Subscription of Units in the Rights Issue (other than by exercising pre-emption rights) which result in an investor acquiring a shareholding corresponding to or exceeding a threshold of 10 percent or more of the total number of votes in the Company following the completion of the Rights Issue, must prior to the investment be filed with the Inspectorate of Strategic Products (Sw. *Inspektionen för strategiska produkter*). To the extent any guarantors' fulfilment of their guarantee commitment entails that the investment must be approved by the Inspectorate of Strategic Products in accordance with the Swedish Screening of Foreign Direct Investments Act (Sw. *Iag (2023:560) om granskning av utländska direktinvesteringar*), such part of the guarantee is conditional upon notification that the application of the transaction is left without action or that approval has been obtained from the Inspectorate of Strategic Products.

Indicative timetable for the Rights Issue

20 November 2024	Expected date for the publication of the prospectus
20 November 2024	Last day of trading in the share including the right to receive unit rights
21 November 2024	First day of trading in the share excluding the right to receive unit rights
22 November 2024	Record date for participation in the Rights Issue
26 November – 5 December 2024	Trading in unit rights
26 November – 10 December 2024	Subscription period
26 November – around 30 December 2024	Trading in BTUs (paid subscribed units)

Lock-up agreements

In connection with the Rights Issue, all shareholding members of the board of directors and management in Ziccum have undertaken towards Vator Securities AB, subject to customary exceptions, not to sell or carry out other transactions with a similar effect as a sale unless, in each individual case, first having obtained written approval from Vator Securities AB. Decisions to give such written consent are resolved upon by Vator Securities AB and an assessment is made in each individual case. Consent may depend on both individual and business reasons. The lock-up undertakings only cover the shares held prior to the Rights Issue and the lock-up period lasts for 180 days after the announcement of the Rights Issue.

Bridge loans

To secure the Company's liquidity needs until completion of the Rights Issue, the Company has, as previously communicated, entered into bridge loan agreements with VIFC Nordic AB and Dariush Hosseinian of a total of approximately SEK 6.5 million. The bridge loans have an arrangement fee of 5 percent of the loan amount and carries an interest rate of initially 1.25 percent per month and shall be repaid with the proceeds from the Rights Issue.

Prospectus

The prospectus and application forms will be made available before the subscription period begins on Ziccum's website (www.ziccum.com) and on Vator Securities AB's website (www.vatorsecurities.se).

Shares, share capital and dilution

Upon full subscription in the Rights Issue, the share capital of the Company will increase by SEK 5,851,550.833339, from SEK 2,659,795.833336 to SEK 8,511,346.666675, through the issuance of a maximum of 35,109,305 shares, resulting in an increase in the number of outstanding shares in the Company from 15,958,775 to 51,068,080.

Shareholders who choose not to participate in the Rights Issue will, assuming that the Rights Issue is fully subscribed, have their shareholdings diluted by approximately 68.75 percent (based on the number of shares after completion of the Rights Issue). However, such shareholders have the opportunity to partially financially compensate for this dilution by selling their unit rights.

Advisors

Vator Securities AB is acting as financial advisor and issuing agent and Fredersen Advokatbyrå AB is acting as legal advisor to Ziccum in connection with the Rights Issue.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in units, shares, warrants or other securities in Ziccum. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for units, shares or warrants in Ziccum will only be made through the prospectus that Ziccum estimates to publish on or around 20 November 2024 on Ziccum's website. The upcoming approval of the prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the Company's shares, warrants or any other securities. This press release is not a prospectus in accordance with the definition in the Prospectus Regulation (EU) 2017/1129 ("**Prospectus Regulation**") and has not need 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 Ziccum. 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 publication, announcement or distribution of this press release may, in certain jurisdictions, be subject to legal restrictions and persons in the jurisdictions where this press release has been published or distributed should inform themselves about and observe such legal restrictions. The

recipient of this press release is responsible for using this press release and the information contained herein in accordance with the applicable rules in each jurisdiction. This press release does not constitute an offer or an invitation to acquire or subscribe for any securities in Ziccum in any jurisdiction, neither from Ziccum nor from anyone else.

This press release does not constitute an offer or invitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of such securities in the United States. The information contained in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa, South Korea, Russia, Belarus or any other jurisdiction where such announcement, publication or distribution of this information would be contrary to applicable law or where such action is subject to legal restrictions or would require additional registration or other measures than those required by Swedish law. Actions in contravention of this guidance may constitute a breach of applicable securities laws.

The Company considers that it carries out protection-worthy activities under the Swedish Screening of Foreign Direct Investments Act (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*) (the "**FDI Act**"). According to the FDI Act, the Company must inform presumptive investors that the Company's activities may fall under the regulation and that the investment may be subject to mandatory filing. If an investment is subject to mandatory filing, it must prior to its completion, be filed with the Inspectorate of Strategic Products (the ISP). investor should consult an independent legal adviser on the possible application of the Swedish FDI Act in relation to the participation in the Rights Issue by the individual investor.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs or expectations regarding the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by the fact that they contain expressions such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "assumes", "should", "could" and, in each case, negatives thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will materialise or that they are accurate. Because these assumptions are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcomes may differ materially from those in the forward-looking statements for a variety of reasons. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied by the forward-looking statements in this press release. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are correct and any reader of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements expressed or implied herein speak only as of the date of this press release and are subject to change. Neither the Company nor anyone else undertakes to review, update, confirm or publicly

announce any revision to any forward-looking statement to reflect events that occur or circumstances that arise in relation to the content of this press release, unless required by law or applicable listing rules.

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Ziccum's Certified Adviser is
Vator Securities AB

About Ziccum

Ziccum is developing LaminarPace®, a unique drying method for biopharmaceuticals and vaccines based on mass transfer, not heat transfer. The technology is offered by licensing to vaccine and biologics developers and manufacturers in the global pharmaceutical industry. By reducing drying stress to the active ingredient, LaminarPace® uniquely enables particle-engineered, thermostable dry powder biopharmaceuticals which can be easily handled and transported and are highly suitable for novel administration routes. The technology has been successfully applied to mRNA, peptides, proteins, antibodies, lipids and enzymes as well as excipients and adjuvants, and is well suited for industrial application. Ziccum is listed on the Nasdaq First North Growth Market.

Attachments

[The board of directors of Ziccum has resolved on a previously announced rights issue of units of approximately SEK 30 million](#)