

Initiator Pharma carries out a directed new share issue to guarantors

Initiator Pharma A/S ("Initiator" or the "Company") has completed the rights issue of shares that was decided by the Board of Directors on May 19, 2025 (the "Rights Issue"). The Board of Directors of the Company has today, with the support of the authorization from the Extraordinary General Meeting in June 5 2025, resolved on a directed issue of shares to the guarantors in the Rights Issue who will receive their guarantee compensation in the form of shares in the Company (the "Compensation Issue"). The subscription price in the Compensation Issue is set at SEK 4.0 per share (corresponding to the subscription price in the Rights Issue) and payment is made by offsetting the guarantors' claims on the Company regarding guarantee compensation.

Compensation Issue

As previously communicated in connection with the Rights Issue, participants in the primary guarantee received a compensation of 15 percent paid in shares. Participants in the secondary guarantee had the option of choosing between 10 percent paid in cash or 12 percent paid in shares as compensation. Participants in the primary guarantee will receive 93 750 shares as compensation and certain participants in the secondary guarantee will receive 120 000 shares in compensation. In total, the Compensation Issue amounts to 213 750 shares.

Accordingly, the Board of Directors has today, based on the authorization from Extraordinary General Meeting in June 5 2025, resolved on the Compensation Issue. The subscription price in the Compensation Issue amounts to SEK 4.0 and corresponds to the subscription price in the Rights Issue. The basis for calculating the subscription price has been determined in the guarantee agreements through negotiations between the guarantors and the Company at arm's length, in consultation with the financial advisor and after an analysis of customary market factors. In light of this, the Board of Directors considers that the subscription price is in line with market practise.

The reason for the deviation from the shareholders' preferential rights in the Compensation Issue is to fulfil the Company's contractual obligation to the guarantors. The Board of Directors also believes that it is beneficial to the Company's financial position to take advantage of the opportunity to pay the guarantee compensation in the form of shares instead of through cash payment.

Share capital and number of shares

Following the Compensation Issue, Initiator's share capital will be increased nominally by DKK 22,443.75, from DKK 7,165,109.88 to DKK 7,187,553.63, corresponding to a total of 68,452,892 shares. The subscription price is DKK 2,547.79, equivalent to SEK 4.00 per share, and has been converted to DKK 2.6728 per share using the SEK-DKK exchange rate published by Danmarks Nationalbank on 11 July 2025. The total number of shares will increase by 213 750, from 68 239 142 to 68 452 892.

Advisers

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

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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.

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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 Pharma's pipeline consists of two clinical stage assets – pudafensine and IP2018 – and one preclinical asset. 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 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.

Attachments

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