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Egetis Therapeutics has secured approximately SEK 462 million in a combined financing comprising a SEK 172 million equity private placement and SEK 290 million debt financing

- SEK 172 million private placement, led by US healthcare investor Frazier Life Sciences for a subscribed amount of SEK 155 million, with demand for the new shares significantly exceeding the size of the private placement
- SEK 290 million debt financing obtained from BlackRock (formerly Kreos)

Stockholm, Sweden, October 10, 2023. Egetis Therapeutics AB (publ) ("Egetis" or the "Company") (Nasdaq Stockholm: EGTX), today announced that it has obtained committed financing in the form of an issuance of 42,982,331 new shares at a subscription price of SEK 4.00 per share, corresponding to a 2.3 percent premium to the closing price on the day of this announcement, through which the Company receives gross proceeds of approximately SEK 172 million, before transaction costs, *inter alia* led and subscribed for by US healthcare investor Frazier Life Sciences ("Frazier") (the "Private Placement") and concurrently with a debt financing of up to EUR 25 million (corresponding to approximately SEK 290 million) from BlackRock (formerly Kreos) ("BlackRock") (the "Debt Financing").

Nicklas Westerholm, CEO of Egetis, commented: *"We are pleased to have secured additional funding from a mix of equity issuance and debt financing that jointly amount to approximately SEK 462 million, demonstrating confidence in our ability to realize the Company's growth potential. US healthcare investor Frazier Life Sciences has a track record of partnering with science-driven healthcare businesses, and we are delighted to have attracted them as an important new strategic shareholder in Egetis. This comes at an exciting and transformative time for the Company as we recently submitted the Marketing Authorisation Application (MAA) for Emcitate in the EU and continue progressing towards a New Drug Application (NDA) in 2024 in the US, to bring the first approved treatment for MCT8 deficiency to patients."*

Albert Cha, M.D., Ph.D., Managing Partner at Frazier Life Sciences, commented: *"We believe Emcitate has the potential to meaningfully improve the quality of life for patients with MCT8 deficiency, a disease for which there are no safe or effective treatment options."* **Kevin Li, M.D., Vice President at Frazier Life Sciences, added:** *"We are pleased to partner with Egetis as the Company completes the ongoing pivotal ReTRIACt trial and works toward bringing Emcitate to patients with MCT8 deficiency."*

The net proceeds of the Private Placement and the Debt Financing will continue financing Emcitate's development, applications for market authorisations for Emcitate in the EU and the US as well as the continued build-up of the Company's commercial and medical affairs infrastructure including pre-launch activities, as well as general corporate purposes and financial flexibility.

Main characteristics of the Private Placement

The Board of Directors of Egetis has, based on the authorisation to issue shares granted by the annual general meeting on April 27, 2023, resolved on a Private Placement of 42,982,331 new shares at a subscription price of SEK 4.00 per share, corresponding to a 2.3 percent premium to the closing price on the day of this announcement of the Egetis share on October 10, 2023, as traded on Nasdaq Stockholm (i.e. at premium), consequently raising proceeds of approximately SEK 172 million before transaction costs. The subscription price in the Private Placement has been negotiated at arm's length with investors and is based on the Board of Directors' assessment, following discussions with its financial adviser Bryan, Garnier & Co., at market conditions. The Private Placement was subscribed by the US healthcare investor Frazier Life Sciences for 38,675,501 new shares, and the existing major shareholder Cidro Förvaltning AB (Peter Lindell) for 4,306,830 new shares. Egetis will publish a customary listing prospectus and expects that the prospectus will be approved and published on or around October 11, 2023.

The Board of Directors of the Company deems, after an overall assessment and careful consideration, that a new share issue with deviation from the shareholders' preferential rights is a better alternative for the Company's shareholders than a rights issue. A rights issue would entail significantly longer execution time and thereby increased market exposure and a higher potential risk of materially affecting the share price negatively, particularly in this volatile and challenging market, compared to a directed share issue. Raising capital quickly provides flexibility for potential investment possibilities in the short term, which is particularly important for the Company given its ongoing operations and use of proceeds, contributes to reduced exposure to price fluctuations in the capital market as well as provides the opportunity to benefit from the current interest in the Company's share among potential institutional investors. The cost of carrying out a private placement is deemed to be lower than in a rights issue where, among other things, there would be a risk that a rights issue would not be fully subscribed and significant underwriting commitments from an underwriting syndicate would possibly have to be procured.

Moreover, unlike a rights issue, the Private Placement will broaden the shareholder base and provide the Company with a new reputable institutional owner and strategic investor in the Company, which the Board of Directors believes will be beneficial to the Company and it has also been important to be able to allow one of the Company's major shareholders to participate in the share issue to show commitment and willingness to invest additional capital, while at the same time other major shareholders support the share issue while not participating in the raise. Further, one of the conditions for the Debt Financing, and to be able to draw down the first debt tranche, has been to raise minimum EUR 14.8 million from institutional life science investors.

The Private Placement entails a dilution of approximately 14.7 percent of the number of shares and 14.7 percent of the number of votes in the Company (calculated as the number of newly issued shares divided by the total number of shares in the Company after the Private Placement). Through the Private Placement, the number of shares in the Company will increase by 42,982,331 from 249,589,128 to 292,571,459 and the number of votes from 249,589,128 to 292,571,459. The share capital will increase by approximately SEK 2,262,228.79 from approximately SEK 13,136,274.80 to approximately SEK 15,398,503.59.

In connection with the Private Placement, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period of 90 calendar days after the settlement date of the Private Placement. In addition, the shareholding members of the Board of Directors and members of the senior management have undertaken not to, subject to customary exceptions, divest any shares held on the date hereof in the Company for a period of 90 days from the settlement date. Frazier and Cidro Förvaltning AB (Peter Lindell) have undertaken not to, subject to customary exceptions, divest any shares in the Company that are purchased in this transaction for a period of 90 days from the settlement date.

Main characteristics of the Debt Financing

The Debt Financing is divided into two tranches, EUR 10 million (“**Tranche A**”) and EUR 15 million (“**Tranche B**”) which will become available provided that the Company reaches certain milestones, *inter alia* related to the phase III ReTRIACt study for Emcitate for Tranche B. The interest rate for the tranches is based on the ECB Base Rate (MRO) plus a margin. Upon FDA approval for Emcitate, the interest rate will be reduced. Tranche A will be drawn down no later than November 30, 2023 and matures on April 1, 2027. Tranche B is available for draw down up until September 30, 2024 and matures on December 1, 2027. A part of Tranche A will be made available through the issuance of a convertible loan of EUR 3 million, which can be converted in to shares in the Company to a conversion price of approximately EUR 0.5133 per share. The conversion price has been determined based on a 40 percent premium of the volume weighted average price per share in the Company during the 30-day period ending three days before entering into the loan agreement. Additionally, as a part on the Debt Financing, BlackRock will receive warrants which will entitle to subscription of new shares in the Company. The total number of warrants that will be issued to BlackRock will depend on the utilization of Tranche A and Tranche B. Assuming full draw downs of Tranche A and Tranche B, BlackRock will be entitled to 1,090,977 warrants within Tranche A and 1,636,464 warrants within Tranche B, corresponding to 0.9 percent of the total number of shares in the Company on a fully diluted basis. The strike price for the warrants is SEK 4.26, which has been determined based on the volume weighted average price per share in the Company during the 30-day period ending three days before entering into the loan agreement. The warrants will be subject to customary recalculation terms and shall be exercisable prior to the tenth anniversary of the date of grant. Both the convertible loan and the warrants (regarding Tranche A) will be issued by the Board of Directors pursuant to the authorisation to issue shares, warrants and convertibles granted by the annual general meeting on April 27, 2023. The loan agreement contains customary undertakings and covenants. The credit facility is secured by a pledge over certain of the Company’s and the group’s assets, such as IP, bank accounts and shares in the subsidiaries.

Advisers

Bryan, Garnier & Co acted as Sole Global Coordinator & Sole Bookrunner and Advokatfirman Vinge KB acted as Legal Adviser.

About Frazier Life Sciences

Frazier Life Sciences invests globally in private and publicly-traded companies that discover, develop, and commercialize innovative biopharmaceuticals. Frazier Life Sciences’ funds comprise over \$3.3 billion in capital raised, including venture funds focusing on company creation and private companies, and a public fund focused on small and mid-cap public companies. Since 2005, over sixty Frazier Life Sciences portfolio companies, many of which were created or seeded by Frazier, have completed IPOs or M&As. The Frazier Life Sciences team consists of over 40 professionals with deep expertise in biopharmaceuticals, primarily located in Menlo Park, California (headquarters), San Diego, Seattle, Boston, New York and London.

About BlackRock (formerly Kreos)

Formerly known as Kreos Capital, BlackRock Venture and Growth Lending team has invested more than €5.5 billion in over 760 transactions across 20 jurisdictions. The team seeks to help clients access technology, growth, and innovation that could help meet their investment goals by targeting returns higher along the risk-return spectrum, while also aiming to minimise any investment downside risk and providing diversified investment portfolios of high-quality growth companies.

BlackRock Venture & Growth Lending team consists of 27 investment professionals, supported by an experienced back office and resources from BlackRock’s global platform. The team manages over €2.5 billion of client capital, with an emphasis on building diversified portfolios, providing ‘operationally flexible’ expansion capital and meticulous approach to investment underwriting. BlackRock completed its acquisition of Kreos in August 2023.

About Egetis Therapeutics

Egetis Therapeutics is an innovative and integrated pharmaceutical company, focusing on projects in late-stage development for commercialization for treatments of serious diseases with significant unmet medical needs in the orphan drug segment. The Company's lead drug candidate Emcitate is under development for the treatment of patients with monocarboxylate transporter 8 (MCT8) deficiency, a highly debilitating rare disease with no available treatment. In previous studies (Triac Trial I and a long-term real-life study) Emcitate has shown highly significant and clinically relevant results on serum thyroid hormone T3 levels and secondary clinical endpoints. Egetis submitted a marketing authorisation application (MAA) for Emcitate to the European Medicines Agency (EMA) in October 2023.

After a dialogue with the FDA, Egetis is conducting a small randomized, placebo-controlled pivotal study (ReTRIACt) in 16 patients to verify the results on T3 levels seen in previous clinical trials and publications. Topline results are expected during the first half of 2024 and Egetis intends to submit a new drug application (NDA) in the US for Emcitate in mid 2024 under the Fast-Track Designation granted by FDA.

Emcitate holds Orphan Drug Designation (ODD) for MCT8 deficiency and resistance to thyroid hormone type beta (RTH-beta) in the US and the EU. MCT8 deficiency and RTH-beta are two distinct indications, with no overlap in patient populations. Emcitate has been granted Rare Pediatric Disease Designation (RPDD) which gives Egetis the opportunity to receive a Priority Review Voucher (PRV) in the US, after approval. This voucher can be transferred or sold to another sponsor.

The drug candidate Aladote is a first in class drug candidate developed to reduce the risk of acute liver injury associated with paracetamol (acetaminophen) overdose. A proof of principle study has been successfully completed and the design of the upcoming pivotal Phase I/III study with the purpose of applying for market approval in the US and Europe for Aladote has been finalized after completed interactions with FDA, EMA and MHRA and study start is planned after Emcitate submissions have been completed. Aladote has been granted ODD in the US and in the EU.

Egetis Therapeutics (STO: EGTX) is listed on the Nasdaq Stockholm main market. For more information, see www.egetis.com.

Important Information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Egetis in any jurisdiction, neither from Egetis nor from someone else.

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 new shares. Any investment decision in connection with the Private Placement must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Sole Global Coordinator & Sole Bookrunner. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute a recommendation concerning any investor's option with respect to the Private Placement. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The Sole Global Coordinator & Sole Bookrunner is acting for the Company in connection with the Private Placement 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.

This press release does not constitute or form part of an offer or solicitation 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 US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable 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 the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States of America, Australia, Canada, Hong Kong, Israel, Japan, New Zealand, South Africa, Switzerland or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. Egetis has not authorized any offer to the public of shares or other securities in any member state of the EEA. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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 Prospectus Regulation as it forms part of domestic law in the United Kingdom 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**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of 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.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for 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 are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. 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 Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers 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 that are expressly or implicitly contained herein speak only as

of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq Stockholm rule book for issuers.

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 shares in Egetis have been subject to a product approval process, which has determined that such shares 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 each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600 /2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**") and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Egetis may decline and investors could lose all or part of their investment; the shares in Egetis offer no guaranteed income and no capital protection; and an investment in the shares in Egetis 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 Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Private Placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Global Coordinator & Sole Bookrunner will only procure investors who meet the criteria of professional clients and eligible counterparties.

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 shares in Egetis.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Egetis and determining appropriate distribution channels.

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This information is information that Egetis Therapeutics 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 2023-10-10 22:35 CEST.

About Egetis Therapeutics

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Attachments

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