

Xspray Pharma completes a directed new share issue to Flerie Invest, raising approximately SEK 100 million

Xspray Pharma AB (publ) (Nasdaq Stockholm: XSPRAY) today announces that the board of directors has resolved on a directed new share issue of 1,612,904 shares at a price of SEK 62 per share, corresponding to in total approximately SEK 100 million.

The board of directors of Xspray Pharma has, based on the authorisation granted by the annual general meeting on 20 May 2021, resolved on a directed new share issue of 1,612,904 shares. The subscription price in the directed new share issue is set to SEK 62 per share, which has been determined based on the volume-weighted average share price of Xspray Pharma's share on Nasdaq Stockholm during the five-day period ending on 5 November 2021. The company receives approximately SEK 100 million through the directed new share issue.

The shares have been subscribed by Flerie Invest, a Swedish investment company in biotechnology and pharmaceuticals, founded by Thomas Eldered. As Xspray Pharma has chosen to increase its focus on the improved version of dasatinib, Dasynoc™, the proceeds from the share issue will mainly be used to strengthen the development of the company's presence in the US, primarily with the strategic marketing resources needed for the market launch of Dasynoc™. Resources will also be invested in accelerating the development of the fast-growing portfolio.

"Xspray Pharma has a very promising and growing product portfolio where Dasynoc™ is now facing the application for market approval at the same time as HyNap-Nilo will undergo studies and registration-based studies. Several products in the early phase will also reach the clinical development stage within the next year. It is of course very gratifying that Flerie Invest, in this important phase for Xspray Pharma, chooses to invest in the company. Flerie Invest is a specialized and long-term investor whose management has a deep and broad competence and experience in commercial pharmaceutical production. They also have a very strong network of contacts in the global pharmaceutical industry. Flerie Invest will be a very valuable addition to Xspray Pharma's shareholder base", says Per Andersson, CEO of Xspray Pharma.

"We have been following Xspray Pharma for a long time and are impressed with the potential in the company's unique technology. The recently decided focus on improved PKIs, and not pure generics, makes the company even more interesting. The improved drugs have the potential to provide fewer side effects and better effects and thus constitute essential therapies for affected patients. We therefore look forward to being involved in the company's continued development", comments Thomas Eldered, founder and board member of Flerie Invest.

The board of directors has resolved on the issue by utilizing the authorisation granted by the annual general meeting and the reason for the deviation from the shareholders' preferential rights is that the board of directors considers that the investment from Flerie Invest is for Xspray Pharma, and thus for its shareholders, the most advantageous way to raise capital in a time and cost-efficient manner and in the meanwhile onboarding a reputable, specialized and a long-term investor.

In its deliberations, the board of directors has further taken into account that there are no time- and cost-effective ways to successfully carry out a rights issue on terms favorable to the company, that the subscription price negotiated with Flerie Invest at arm's length is not discounted but has been based on the volume-weighted average price of Xspray Pharma's share during the five-day period ending on 5 November 2021, the last trading day before the issue resolution, and that Flerie Invest is not previously a shareholder in Xspray Pharma. The board of directors' overall assessment is thus that there are good reasons to deviate from the preferential rights and carry out a directed new share issue.

Flerie Invest has, in connection with the share issue, agreed not to sell any shares in Xspray Pharma during a lock-up period of 360 days, subject to customary exceptions. In connection with the share issue, Xspray Pharma has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period of 90 days.

Through the directed new share issue, the total number of shares and votes will increase by 1,612,904, from 19,067,504 to 20,680,408, which corresponds to a dilution of approximately 7.8 percent based on the total number of shares and votes in Xspray Pharma after the directed new share issue. The share capital increases with SEK 1,612,904, from SEK 19,067,504 to SEK 20,680,408.

Xspray Pharma has, in connection with the directed new share issue, appointed Advokatfirman Vinge as legal advisor.

For further information, please contact:

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About Xspray Pharma

Xspray Pharma AB (publ) is a pharmaceutical company with several product candidates in clinical development. Xspray Pharma uses its innovative, patented RightSize™ technology to develop improved and generic versions of marketed drugs, primarily protein kinase inhibitors (PKIs) for the treatment of cancer. The segment is the second largest in oncology, and drug prices are very high.

The company's innovative technology allows Xspray Pharma to gain entry as the first competitor to today's original drugs before the secondary patents expire. Xspray's goal is to

become the leader in the development of improved drugs or generic versions of PKIs already marketed for the treatment of cancer, which numbered to 68 in the beginning of 2021. The company's leading product candidates, HyNap-Dasa, HyNap-Nilo, and HyNap-Sora, are stable amorphous versions of the three blockbuster cancer drugs Sprycel® (dasatinib), Tasigna® (nilotinib) and Nexavar® (sorafenib). HyNap-Dasa is being developed as an improved version of Sprycel. HyNap-Nilo is being developed as an improved version of Tasigna and has received orphan drug status from the US FDA. HyNap-Sora is being developed as an improved version of Nexavar®.

The company has patented manufacturing technology, equipment, and the resulting products. The shares in Xspray Pharma are traded on Nasdaq Stockholm (Nasdaq Stockholm: XSPRAY). www.xspraypharma.com

This information is information that Xspray Pharma AB 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 2021-11-08 09:20 CET.

Attachments

[Xspray Pharma completes a directed new share issue to Flerie Invest, raising approximately SEK 100 million](#)