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Iconovo carries out a directed share issue of SEK 33.3 million, partly subject to subsequent approval by the Extraordinary General Meeting, and brings forward the publication of the year-end report

Iconovo AB ("Iconovo" or the "Company") carries out a directed share issue of 4,162,500 shares at a subscription price of SEK 8.0 per share (the "Share Issue"). The participants in the share issue include, amongst others, the existing shareholders Gerald Engström, Fjärde AP-fonden, Andra AP-fonden and Cicero Fonder. Furthermore, the Company's shareholder base is broadened by participation from, amongst others, Landia and Bolite. Through the Share Issue, the Company will receive gross proceeds of SEK 33.3 million before transaction costs. Part of the Share Issue, corresponding to SEK 14.5 million of the gross proceeds before transaction costs, is conditional upon subsequent approval by an Extraordinary General Meeting to be held on March 6, 2024. Notice of the Extraordinary General Meeting will be announced in a separate press release. Due to the Share Issue, the Board of Directors has decided to bring forward the publication of the Company's year-end report for the financial year 2023. The year-end report will be published immediately after this press release.

About the Share Issue

The Share Issue consists of a total of 4,162,500 shares and is conducted through two tranches. The Board of Directors of the Company has (i) resolved on the first tranche of 2,350,000 shares, corresponding to SEK 18.8 million, by virtue of the authorization of the Annual General Meeting on October 27, 2023 ("Tranche 1"), and (ii) resolved on the second tranche of 1,812,500 shares, corresponding to SEK 14.5 million, conditional on subsequent approval of the Extraordinary General Meeting on March 6, 2024 ("Tranche 2"). Shareholders who together hold approximately 51.2 per cent of the total number of votes and shares in the Company after the closing of Tranche 1 have undertaken, or expressed their intention, to vote in favour of approval of Tranche 2 at the Extraordinary General Meeting.

The existing shareholders Gerald Engström (through Färna Invest), Fjärde AP-fonden, Andra AP-fonden, Cicero Fonder, Mats Leander and Jan Karlander participate in the Share Issue. Furthermore, new shareholders are added to the Company by participation from Landia, Bolite, Akonit, Jacob Grapengiesser and Gerhard Dal.

The subscription price in the Share Issue of SEK 8.0 corresponds to a discount of approximately 12.1 per cent in relation to the trade closing price of the Company's share on Nasdaq First North Growth Market on February 15, 2024. Through the Share Issue, Iconovo receives SEK 33.3 million before transaction costs.

Tranche 1 entails an increase in the number of outstanding shares in Iconovo by 2,350,000 shares, from 11,755,875 to 14,105,875, and an increase in the share capital by SEK 235,000, from SEK 1,175,587.50 to SEK 1,410,587.50, resulting in a dilution effect of approximately 16.7 per cent based on the total number of shares and votes in Iconovo after Tranche 1. Tranche 2 entails an increase in the number of outstanding shares in Iconovo by an additional 1,812,500 shares, from 14,105,875 to 15,918,375, and an increase in the share capital by an additional SEK 181,250 from SEK 1,410,587.50 to SEK 1,591,837.50, resulting in an additional dilution

effect of approximately 11.4 per cent based on the total number of outstanding shares and votes in Iconovo after the Share Issue. The total dilution effect of the Share Issue amounts to approximately 26.1 per cent based on the total number of outstanding shares and votes in Iconovo after the Share Issue.

Purpose and use of proceeds

Iconovo has identified four investment areas that have the potential to bring the Company significantly closer to a position of sustainable profitability within the established business strategy. The net proceeds from the Share Issue will be used to:

1. continue the work of out-licensing the generic ICOPre® Ellipta portfolio, with the goal of signing an agreement during the first half of 2024;
2. support Amneal in the continued successful execution of the clinical programme for the ICORes® budesonide-formoterol product;
3. as a mature platform company, leverage the commercial potential of the Company's existing and fully developed inhalation platforms for an increased number of new customers in the generics, reformulation and new drugs business areas; and
4. in existing inhalers, offer out-licensing of dry powder formulations of selected drugs for e.g. lung cancer, anaphylaxis and obesity.

Johan Wåborg, Chief Executive Officer of Iconovo, says:

“The new share issue has generated great interest from new investors and existing shareholders, we thank you for your confidence and look forward to an exciting year for Iconovo. Being able to carry out a directed share issue in a tough climate on the capital market, we see as a clear confirmation of the attractiveness of our strategy to develop Iconovo into a company with rapid sales growth and high profitability. The strategy for Iconovo is clear and with strong cash reserves, we can focus on succeeding with the important deals that we aim to achieve in the near future.”

The reasons for deviation from the shareholders' preferential rights and the grounds for the subscription price

Prior to the resolution on the Share Issue, the Board of Directors has carefully considered alternative financing options, including the possibilities of carrying out a rights issue. However, the Board of Directors, after an overall assessment and careful consideration, considers a share issue carried out with deviation from the shareholders' preferential rights to be a more beneficial alternative for the Company and the Company's shareholders than a rights issue and that it is objectively in the Company's as well as its shareholders' interests to carry out the Share Issue. The Board of Directors has, among other things, considered the following.

- A rights issue would be significantly more time and resource consuming compared to the Share Issue, not least as a result of the work related to securing a rights issue, while there are no guarantees that a rights issue would be fully subscribed. A reduced time consumption allows for flexibility for potential investment opportunities in the short term, contributes to reduced exposure to share price fluctuations on the stock market, as well as allows for the opportunity to take advantage of the current interest in the Company's share. Moreover, the costs of the Share Issue are considered to be lower than those of a rights issue where, among other things, an eventual guarantee consortium would have to be procured. The Share Issue has, through intensive efforts by the Board of Directors and the advisors, been conducted in a swift and cost-effective manner. The Company thus ensures sufficient working capital at a reasonable cost, for example, to be able to continue the work of out-licensing the generic ICOPre® Ellipta portfolio with the aim of signing an agreement in the first half of 2024.

- In contrast to a rights issue, the Share Issue is expected to provide the Company with new investors, and the Company's ownership structure will be diversified and strengthened with new shareholders.
- The shareholder base has, through the Share Issue, been additionally strengthened by the subscription from current major shareholders. The reason for directing the Share Issue to current shareholders is that these shareholders have expressed and demonstrated a long-term interest in the Company, which, according to the Board of Directors, creates security and stability for both the Company and its shareholders.
- An additional aspect that speaks in favor of the choice of a directed share issue is that a rights issue, most probably, would have had to be conducted at a not inconsiderable discount, which would lead to larger dilution effects for the Company's existing shareholders. From a shareholder perspective, a rights issue at a discount also entails a risk of a negative effect on the share price in connection with the carry-out of the rights issue.

Considering the above, the Board of Directors' overall assessment is partly that the reasons for the Share Issue outweigh the reasons for a rights issue according to the main rule, and partly that a directed share issue is considered to be in the interest of both the Company and all shareholders.

The Board of Directors has, prior to the resolution on the Share Issue, put a lot of emphasis on the subscription price being at market terms in relation to the current share price. The subscription price corresponds to a discount of approximately 12.1 per cent in relation to the trade closing price of the Company's share on Nasdaq First North Growth Market on February 15, 2024, and has been determined through extensive negotiations at arm's length with the investors and through market sounding. It is the Board of Directors' assessment that the subscription price has been set at market terms.

Bringing forward the Year-end report 2023

Due to the Share Issue, the Board of Directors of Iconovo has decided that the year-end report for the financial year 2023 will be published immediately after this press release instead of on 29 February 2024 as previously communicated.

Extraordinary General Meeting

The Board of Directors' resolution on Tranche 2 is subject to the approval of the Extraordinary General Meeting on March 6, 2024. Notice to the Extraordinary General Meeting will be announced through a separate press release.

Advisors

In connection with the Share Issue, the Company has engaged Zonda Partners AB as financial advisors, Setterwalls Advokatbyrå AB as legal advisor and Nordic Issuing AB as issuing agent.

For further information, please contact:

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About Iconovo

Iconovo (Nasdaq First North Growth Market: ICO) develops new inhaled medicinal products in collaboration with international pharmaceutical companies. The company provides several types of patent-protected inhalers that can generate significant commercial opportunities in the development of novel pharmaceuticals and vaccines and at patent expirations for established pharmaceuticals. The most advanced project is a generic version of the asthma and COPD product Symbicort® which is expected to reach the market in 2025.

Iconovo plans to market this product in the Nordic region through its subsidiary Iconovo Pharma, while the company's partner Amneal Pharmaceuticals has the rights in other parts of Europe and the United States. Certified Adviser is Carneige Investment Bank AB (publ).

Important information

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This press release is not a prospectus for the purposes of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorised any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the New Share Issue. This press release neither identifies nor claims to identify risks (direct or indirect) which could be associated with an investment in new shares. An investment decision to acquire or subscribe for new shares in the New Share Issue may only be made based on publicly available information.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, assessments, or current expectations about and targets for the Company's future results of operations, financial condition, development, 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 the fact that they contain 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. Even if 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, which are 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 nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. 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 contained in this press release speak only as of its date and are subject to change without notice. Neither the Company nor anyone else does undertake any obligation 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 required by law or Nasdaq First North Growth markets 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 issued shares have been subject to a product approval process, which has determined that the 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 may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares 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 New Share Issue.

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 (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.

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

The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

This information is information that Iconovo 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 2024-02-15 19:30 CET.

Attachments

[Iconovo carries out a directed share issue of SEK 33.3 million, partly subject to subsequent approval by the Extraordinary General Meeting, and brings forward the publication of the year-end report](#)