Initiator Pharma resolves on a directed issue of approximately DKK 8.2 million to strengthen its partnering position for pudafensine and advance IP2016

The Board of Directors of Initiator Pharma A/S ("Initiator Pharma" or the "Company") has resolved to carry out a directed issue of 5,913,170 new shares, each with one warrant, to Klockhuset Investment AB raising gross proceeds of approximately DKK 8.2 million (EUR 1.1 million) before transaction costs. The subscription price is SEK 2.05 per share. Together with existing cash, the proceeds are expected to fund operations into 2028.

Summary

- The board of directors of Initiator has today resolved on a directed issue of 5,913,170 new shares, each with one (1) warrant, to Klockhuset Investment AB.
- The subscription price is SEK 2.05 per share. The Company will receive approximately DKK 8.2 million before transaction costs.
- Each warrant entitles the holder to subscribe for one (1) new share at an exercise price of DKK 1.38961 (corresponding to SEK 2.05) until June 30, 2027. If all warrants are exercised, the Company will receive additional proceeds of approximately DKK 8.2 million (corresponding to approximately SEK 12.1 million).
- The net proceeds are intended to be used for partnering activities for pudafensine and the development of IP2016.
- Together with existing cash, the net proceeds are expected to finance Initiator into 2028.

"This financing strengthens our three-track approach for pudafensine which provides several opportunities to realize value from the clinical data and intellectual property we have generated. At the same time, we can continue advancing IP2016 through targeted development activities. We are truly committed to partnering of our assets and see good interest in all our programs. We are excited about having Klockhuset Investment AB making the commitment and investment to join Initiator Pharma as long term shareholder," says Claus Olesen, CEO of Initiator Pharma.

"We are excited to be part of the Initiator Pharma journey. Klockhuset Investment AB is a boutique family office with a focus on biotech and medtech, and Initiator fits our strategy well: strong clinical data for pudafensine, a clear partnering strategy and a near-term value inflection point with the vulvodynia read-out in February 2027. Our investment reflects how we want to work: long-term capital combined with the network and expertise that can strengthen the companies we back. We look forward to supporting Initiator as a long-term shareholder," says Love Carlsson, CEO of Klockhuset Investment AB.

Background and rationale

Initiator is developing drug candidates based on monoamine reuptake inhibitors. The Company's lead candidate, pudafensine, has shown positive results in a Phase 2b trial in erectile dysfunction (ED). In October 2026, the last patient was dosed in the Phase 2a study of pudafensine in vulvodynia, and results are expected in February 2027. The Company's second candidate, IP2016, is in preclinical development within neuropathic pain.

The board of directors believes it is in the interest of the Company and its shareholders to secure financing ahead of the vulvodynia data. With a fully financed budget into 2028, Initiator can conduct partnering, licensing and potential M&A discussions on pudafensine based on a triple-track approach - an ED combination product, neuropathic pain/vulvodynia and female sexual dysfunction - without having to raise capital at the same time.

The new shares are issued together with warrants on a 1:1 basis. The warrants give the investor the right to make an additional investment in Initiator after the results from the Phase 2a study in vulvodynia. If all warrants are exercised, the Company will receive additional proceeds of approximately DKK 8.2 million (corresponding to approximately SEK 12.1 million). The structure secures financing of operations now and gives the Company access to additional capital once the vulvodynia data are available to support partnering discussions.

Together with existing cash, the net proceeds from the directed issue are expected to finance Initiator into 2028.

Use of proceeds

The Company intends to use the net proceeds for the following purposes, listed in order of priority:

- **Preclinical efficacy:** Generate data in animal models to establish efficacy in the selected indication and guide further development
- **IP2016 indication selection:** Prioritize indications within neuropathic pain, including potential orphan indications, using AI-supported analysis and translational assessment.
- **Safety and manufacturing:** Expand toxicology and safety profiling, optimize the synthesis and scale up production of IP2016 for further preclinical studies.
- **Pudafensine partnering:** Advance partnering discussions across a triple-track approach covering erectile dysfunction (ED) combination product, neuropathic pain/vulvodynia and female sexual dysfunction, building on existing positive Phase 2b data in ED, the ongoing Phase 2a study in vulvodynia and the patent portfolio.
- **Formulation development:** For combination product consisting of pudafensine and PDE5i
- **Operations and intellectual property:** Fund programme execution and new patent applications to strengthen protection of the portfolio.

The directed issue

On 9 November 2026, the Board of Directors of Initiator Pharma resolved, pursuant to the authorization in article 4b of the Company's articles of association, to increase the Company's share capital by nominally DKK 620,882.85 from nominally DKK 7,187,553.66 to nominally DKK 7,808,436.51 through a directed issue of 5,913,170 new shares of nominally DKK 0.105 each to Klockhuset Investment AB, a new investor in the Company. The new shares are subscribed for in cash at a subscription price of DKK 1.38961 (corresponding to SEK 2.05) per share, corresponding to total gross proceeds of DKK 8,216,998.98. The new shares are issued without pre-emptive subscription rights for the Company's existing shareholders.

In connection with the directed issue, the Board of Directors further resolved, pursuant to the authorization in article 4h of the Company's articles of association, to issue 5,913,170 warrants to Klockhuset Investment AB on a 1:1 basis, each entitling the holder to subscribe for one new share of nominally DKK 0.105 at an exercise price of DKK 1.38961 (corresponding to SEK 2.05) per share, subject to customary adjustments under the warrant terms which are included as Appendix 4h to the Company’s articles of association. The warrants must be exercised no later than June 30, 2027, subject to extension until 20 trading days after the end of any period during which the warrant holder is prevented from exercising the warrants under applicable insider rules. Upon full exercise of the warrants, the Company's share capital will increase by up to nominally DKK 620,882.85 to nominally DKK 8,429,319.36, and the Company will receive additional gross proceeds of approximately DKK 8.2 million (approximately SEK 12.1 million). Existing shareholders have no pre-emptive rights to the shares issued upon exercise of the warrants.

Change in number of shares and dilution

Through the directed issue, the number of shares in the Company will increase by 5,913,170 from 68,452,892 to 74,366,062, corresponding to a dilution of approximately 7.95 per cent of the number of shares and votes in the Company after the directed issue. Upon full exercise of the warrants, the number of shares will increase by a further 5,913,170 to 80,279,232, corresponding to a total dilution of approximately 14.73 per cent after the directed issue and full exercise of the warrants. The new shares are expected to be admitted to trading on Nasdaq First North Growth Market as soon as possible, following registration of the capital increase with the Danish Business Authority.

For additional information about Initiator Pharma, please contact:

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About Initiator Pharma

Initiator Pharma A/S is a Danish clinical-stage pharma company developing innovative drugs targeting key unmet medical needs within women's health, sexual dysfunction and neuropathic pain. The company's pipeline consists of one clinical-stage asset, pudafensine, and one preclinical asset, IP2016.
Initiator Pharma has reported positive, statistically significant and clinically relevant efficacy results for pudafensine in a Phase 2b clinical trial involving 130 patients with moderate to severe organic erectile dysfunction. Pudafensine is also being evaluated in an ongoing Phase 2a proof-of-concept study in vulvodynia, a chronic pain condition estimated to affect approximately 10 percent of women and for which no approved treatments are currently available. In addition, pudafensine has demonstrated efficacy in preclinical models relevant to female sexual dysfunction, supporting its potential in other areas of women's health.

Initiator Pharma is listed on Nasdaq First North Growth Market (ticker: INIT). Redeye Nordic Growth AB is the company's Certified Adviser. For more information, please visit **www.initiatorpharma.com.**

This information is information that Initiator Pharma 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 2026-11-09 15:17 CET.

Attachments

Initiator Pharma resolves on a directed issue of approximately DKK 8.2 million to strengthen its partnering position for pudafensine and advance IP2016