

Issuance of new shares and directed share buyback, as well as the sale of shares in connection with the long-term incentive program for 2021

The Board of Directors of Initiator Pharma A/S, company reg. (CVR) no. 37663808, ("Initiator" or the "Company") has today resolved to carry out a capital increase directed at members of executive management and key management under the long term incentive program for 2021 ("LTI2021-program") and to conduct a directed buyback of shares in order to sell shares to the board of directors under the LTI2021-program.

The company's board has today decided on the allocation of Performance Shares in accordance with terms of the LTI2021-program. In this connection, the Company has received subscription commitments from members of the executive management and key management, as well as a request to purchase existing shares from certain members of the Board of Directors. As such, the Board of Directors has today conducted a capital increase and decided to implement a share buy back directed at members of management as further described below.

The overall purpose of the Company's incentive programs is to align the interests of the participants with the interests of the shareholders and thereby ensure a maximum long-term, value-creating commitment. It is also considered to create a long-term focus on increased earnings and growth among the participants in the program. Furthermore, incentive programs are considered to make it easier for the Company to recruit and retain key personnel.

Issuance of new shares and capital increase

The Company's share capital has been increased by a total of nominally DKK 54,527.24 divided into 519,307 shares (the "New Shares") as a result of a share issue to certain members of executive management and key management under the LTI2021-program. The shares have been issued subject to the board authorisation in article 4d in the Company's articles of association.

The capital increase in connection with the subscription of shares by certain members of executive management and key management amounts to DKK 54,527.24 corresponding to 519,307 shares of nominally DKK 0.105. The 519,307 shares have been subscribed for by cash contribution at a price of DKK 0.105 per share and as a result the Company's gross proceeds amounts to a total of DKK 54,527.24.

The New Shares are subject to the same rights as existing shares under the Company's articles of association and are expected to be admitted to trading on Nasdaq First North Growth Market under the existing ISIN code DK0060775872.

After the capital increase, the total nominal value of the Company's share capital amounts to nominally DKK 5,564,075.370 divided into 52,991,194 shares of nominally DKK 0.105 each corresponding to 52,991,194 votes.

The Company's updated articles of association will be made available on the Company's website.

Implementation of a share buyback specifically targeted towards members of the management team

Today the Board of Directors in the Company also resolved to conduct a share buy-back directed towards members of the management team in order for the Company to be able to sell treasury shares to certain members of the Board of Directors under the LTI2021-program. The total number of shares that the Company intends to buy from members of management and consequently sell to certain members of the Board of Directors is 98.915. Each share will be acquired at a fixed price of SEK 8.94 corresponding to the volume weighted average price on the Company's share for a period of 14 trading days. The Company will sell the shares to certain members of the Board of Directors at a price of DKK 0.105 per share corresponding to par value.

The share buy-back directed at certain members of management will be conducted subject to the authorisation to the Board of Directors to acquire treasury shares under section 198 of the Danish Companies Act. The authorisation was granted at the Annual General Meeting held on 26 May 2023 and it is anticipated to be finalized within a week. There will be no separate company announcement upon completion of the buy back and the delivery of the shares.

The company's board has decided to acquire the shares from the Company's management to assist the management in meeting a tax liability associated with their subscription of shares. Additionally, this decision aims to avoid a share buyback program targeted at the market, which could disrupt the liquidity of the share and necessitate the involvement of an investment bank, incurring additional costs.

Notifications from PDMR's

The Company has received the attached notifications pursuant to Article 19 of the Market Abuse Regulation from persons discharging managerial responsibilities and persons closely related to a person discharging managerial responsibilities.

For additional information about Initiator Pharma, please contact:

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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 (IP2015) and IP2018 – and two preclinical assets. The company is currently conducting a Phase IIb trial with pudafensine (IP2015) in erectile dysfunction of organic origin, and successfully completed a Phase I proof of principle trial in neuropathic pain in 2022. 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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20240123 LT12021PerformanceShares PDMR Notification Magnus Persson

20240123 LT12021PerformanceShares PDMR Notification Henrik Moltke

20240123 LT12021PerformanceShares PDMR Notification Annette Colin

20240123 LT12021PerformanceShares PDMR Notification Claus Elsborg Olesen

20240123 LT12021PerformanceShares PDMR Notification Mikael Thomsen

20240123 LT12021PerformanceShares PDMR Notification Ulf Simonsen

20240123 LT12021PerformanceShares PDMR Notification Torgeir Vaage:Caerus Consulting AS