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Nanexa carries out a rights issue of approximately SEK 121 million

Nanexa AB (publ) ("Nanexa" or the "Company") carries out an issue of shares of approximately SEK 121 million before transaction costs with preferential rights for the Company's existing shareholders (the "Rights Issue"). The board of directors resolved today, on September 21, 2023, on the Rights Issue on the basis of the authorisation from the annual general meeting on June 9, 2023. The Company has received subscription undertakings and guarantee commitments in a total amount of SEK 75 million, which corresponds to approximately 62 per cent of the Rights Issue. The purpose of the Rights Issue is to strengthen the Company's financial position, to enable the planned clinical studies as well as carry out other value creating activities supporting PharmaShell and the NEX projects. As a consequence of the Rights Issue, the board of directors has resolved to delay the publication of the Company's interim report for the period January – September 2023 until November 30, 2023.

Summary

- For each existing share held on the record date, one (1) subscription right is received. The subscription rights entitle the holder to subscribe for new shares with preferential rights, whereby one (1) subscription right entitles to subscription of two (2) new shares.
- Through the Rights Issue, a maximum of 121,391,252 new shares may be issued.
- The subscription price has been set at SEK 1.00 per share which, assuming the Rights Issue is fully subscribed, amounts to proceeds of approximately SEK 121 million, before transaction costs.
- A number of existing shareholders, among them the Company's largest shareholder Novo Nordisk A/S has undertaken to subscribe for shares in the Rights Issue. Novo Nordisk A/S' commitment to subscribe for shares for SEK 20 million is conditioned upon its ownership not exceeding 19.9 per cent of the total number of outstanding shares of the Company after the Rights Issue. Furthermore, persons in the Company's board and management team, among them CEO David Westberg, CFO Björn Svanström and chairman of the board Göran Ando as well as board members Jakob Dynnes Hansen, Eva Nilsagård and Birgit Stattin Norinder have undertaken to subscribe for shares in the Rights Issue. These undertakings amount to a total of approximately SEK 24 million, corresponding to approximately 20 per cent of the Rights Issue. In addition, the Rights Issue is covered by external guarantee commitments. In summary, subscription undertakings and guarantee commitments amount to SEK 75 million, corresponding to approximately 62 per cent of the Rights Issue.
- The subscription period will run from October 12, 2023, to October 26, 2023.

- The record date for participation in the Rights Issue with preferential rights is October 10, 2023. Last day of trading in the Company's shares including right to receive subscription rights is October 6, 2023, and the first day of trading in the Company's shares without receiving subscription rights in the Rights Issue is October 9, 2023.
- Trading in subscription rights will take place on the Nasdaq First North Growth Market during the period from October 12, 2023, to October 23, 2023.
- In order not to lose the value of the subscription rights, the holder of subscription rights must either use the rights to subscribe for new shares within the subscription period or sell the subscription rights that are not to be exercised within the period for trading in subscription rights.
- The Rights Issue is expected to bring in Nanexa approximately SEK 121 million before transaction costs. The net proceeds are expected to amount to approximately SEK 107 million.
- The purpose of the Rights Issue is to strengthen the Company's financial position and to enable the planned clinical studies as well as to carry out other value creating activities supporting PharmaShell and the NEX projects.

David Westberg, CEO, comments:

"In recent years, Nanexa has made great progress in our portfolio and partner projects. Our three projects operate in very interesting indication areas, especially NEX-22 and treatment of type 2 diabetes. This new share issue strengthens our financial position for the development of our projects and our very interesting partnerships, and I look forward to the next phase for Nanexa to drive the projects through preclinical and clinical development and to work further to reach broader development agreements and license agreements for the NEX projects as well as for ongoing partnerships."

Background and rationale in summary

In recent years, Nanexa has taken important steps in the development of the Company and is now pursuing three drug candidates in as many very interesting indication areas. All three address important medical needs and address significant markets, where NEX-22 relates to the treatment of type 2 diabetes, which in itself is a huge market of USD 50 billion in 7MM (the seven largest markets in the Western world). The projects NEX-20 and NEX-18 relate to the treatment of multiple myeloma and MDS, respectively, two types of blood cancer. Nanexa's product projects are based on the development of already marketed drugs in combination with the Company's drug delivery system PharmaShell®, which enables the formulation of unique long-acting patented products. The projects are run through a shorter development program based on comparison with already marketed products' available data. This provides a significantly shorter and less costly development project, with significantly lower risks compared to traditional product projects based on completely new drug substances.

In addition to type-2 diabetes, multiple myeloma and MDS, the PharmaShell® technology can be used to make depot formulations in many different therapeutic areas. Therefore, in addition to its own product projects, the Company sees a great opportunity to broaden the use of PharmaShell® through a number of partner-driven projects and out-licensing of the patented technology. Evaluation projects are currently being conducted with Novo Nordisk and AstraZeneca, among others. The conditions for signing license agreements for PharmaShell®, as well as the terms of

such agreements, improve as the technology is used in its own product projects in the clinical phase and the Company's development with, among other things, its own GMP-certified production facility.

The Company is now facing completing the preclinical development of the most recently started project NEX-22, in type 2 diabetes, and conducting clinical phase I studies in 2024. For NEX-20, the first clinical phase I study will be finally evaluated and the Company will continue preclinical evaluation of optimized formulations for continued clinical development in multiple myeloma. Furthermore, the Company will continue to evaluate NEX-18 in myelodysplastic syndrome (MDS), with an optimized formulation and the possibility to study potentially better clinical efficacy than existing marketed azacitidine preparations. In parallel with and to varying degrees within the framework of all three projects, the Company will conduct formulation and preclinical development that broadens the use in the field of biological drugs, as well as further development of formulations to minimize tissue impact at the injection site. These reactions are common among subcutaneously injected depot drugs and something that has also been observed in the NEX projects the Company is running. The company's own product projects, partner projects and further development of the PharmaShell system are central to Nanexa's value creation in the coming years and are the main basis for the capital requirement in 2024 and 2025. The company estimates that the additional results generated will make it possible to conclude one or more development or license agreements for one of its own NEX projects and partnerships during the period.

In light of the capital needs that Nanexa's development plans give rise to, the board of directors' assessment is that the existing working capital as of the date of the Prospectus is not sufficient to meet the Company's working capital needs during the coming twelve-month period, and that the Company needs additional capital to enable planned clinical studies and carry out additional value-creating activities that support PharmaShell® and the NEX projects. Against the above background, the board of directors of Nanexa decided on September 21, 2023, on the basis of the authorisation from the annual general meeting on June 9, 2023, to carry out a capital raise through an issue of shares with preferential rights for the Company's existing shareholders of approximately SEK 121 million before issue costs.

The Company intends to use the expected net proceeds from the Rights Issue in the following areas, listed in order of priority:

- i. approximately 30 percent to NEX-22 for the execution of the Phase I program in type 2 diabetes, formulation development to ensure minimal and acceptable tissue impact at the injection site and supporting preclinical studies, preparation and initiation of a Phase II study, and advisory meetings with the FDA regarding the continued clinical program;
- ii. approximately 15 percent to NEX-20 for completion of the Phase Ia clinical study, additional preclinical studies with optimized formulations to ensure minimal and acceptable tissue impact at the injection site, and preparation and initiation of a Phase Ib dose escalation study in patients with multiple myeloma;
- iii. approximately 20 percent for non-project specific development of the PharmaShell® system; further development of the PharmaShell® system to broaden its use in biologics, e. g. peptides and monoclonal antibodies, and further development of formulations to ensure

minimal and acceptable tissue impact at the injection site for subcutaneously administered depot drugs, as well as costs for the development of the patent portfolio and preparation for a decision on a new NEX-XX project;

- iv. approximately 10 percent for business development with the aim of achieving one or more broader development/licensing agreements;
- v. approximately 10 percent to NEX-18 for preclinical evaluation of potentially improved treatment effect and preparation for continued clinical program in MDS;
- vi. approximately 7.5 percent for the GMP production facility, process development and scale-up; and
- vii. approximately 7.5 percent for administration and other costs.

Nanexa is in a position with clear potential value-creating activities in the coming years and the Rights Issue enables the Company to obtain financing to realize these opportunities. Nanexa intends to, on selected occasions, enter into commercial relationships with major pharmaceutical companies and the Rights Issue is expected to have a positive effect on the Company's future commercial opportunities.

Terms and additional information about the Rights Issue

According to the proposed terms, registered shareholders of Nanexa receive one (1) subscription right per each share held on the record date October 10, 2023. One (1) subscription right entitle shareholders to subscribe for two (2) new shares. The new shares are issued at a subscription price of SEK 1.00 per share. In total, a maximum of 121,391,252 shares will be issued through the Rights Issue, corresponding to an amount of approximately SEK 121 million before transaction costs related to the Rights Issue.

The record date for determination of which shareholders are entitled to participation in the Rights Issue with preferential rights is October 10, 2023. The subscription period will commence on October 12, 2023, and end on October 26, 2023, with a right for the Company's board of directors to prolong the subscription period. Subscription for new shares without subscription rights will take place during the same time period.

Subscription may also take place without subscription rights. In the event not all shares are subscribed for by use of subscription rights, the board of directors shall, within the limit of the maximum amount of the Rights Issue, decide on allotment of shares subscribed for without subscription rights. Firstly, such allotment shall be made to those who have subscribed for shares with subscription rights, regardless of if they were shareholders on the record date or not, pro rata in relation to the number of shares subscribed for through exercise of subscription rights and, insofar this cannot be done, by drawing lots. Secondly, such allotment shall be made to those who have subscribed for shares without subscription rights, regardless of if they were shareholders on the record date or not, pro rata in relation to the number of shares subscribed for through exercise of subscription rights and, insofar this cannot be done, by drawing lots. Thirdly, allotment shall be made to those who have entered into so-called guarantee undertakings, in relation to such guarantee undertakings.

Trading in paid subscribed shares ("BTAs") will take place on Nasdaq First North Growth Market during the period from and including October 12, 2023, up to and including the day the Swedish Companies Registration Office has registered the Rights Issue and the BTAs are converted into shares, which is expected to take place during week 45, 2023. The Rights Issue may be registered on more than one occasion with the Swedish Companies Registration Office.

Complete terms and conditions for the Rights Issue, information about the subscription undertakings and guarantee commitments and other information about the Company will be provided in the EU growth prospectus to be published before the commencement of the subscription period.

As a consequence of the Rights Issue, the board of directors has resolved to delay the publication of the Company's interim report for the period January – September 2023 until November 20, 2023. The previously communicated date was October 27, 2023.

Preliminary timetable for the Rights Issue

- October 6, 2023: Last day of trading in the share, including the right to receive subscription rights.
- October 9, 2023: First day of trading in the share, excluding the right to receive subscription rights.
- October 10, 2023: Record date for participation in the Rights Issue, i.e., holders of shares who are registered in the share register maintained by Euroclear Sweden AB on this date will receive subscription rights for participation in the Rights Issue with preferential right.
- October 11, 2023: Publication of the EU growth prospectus.
- October 12 – October 26, 2023: Subscription period.
- October 12 – October 23, 2023: Trading in subscription rights.
- October 30, 2023: Expected day for publication of the outcome of the Rights Issue.

Subscription undertakings and guarantee commitments

A number of existing shareholders, among them the Company's largest shareholder Novo Nordisk A/S has undertaken to subscribe for shares in the Rights Issue. Novo Nordisk A/S' commitment to subscribe for shares for SEK 20 million is conditioned upon its ownership not exceeding 19.9 per cent of the total number of outstanding shares of the Company after the Rights Issue.

Furthermore, persons in the Company's board and management team, among them CEO David Westberg, CFO Björn Svanström and chairman of the board Göran Ando as well as board members Jakob Dynnes Hansen, Eva Nilsagård and Birgit Stattin Norinder have undertaken to subscribe for shares in the Rights Issue. These undertakings amount to a total of approximately SEK 24 million, corresponding to approximately 20 per cent of the Rights Issue. In addition, the Rights Issue is covered by external guarantee commitments. In summary, subscription undertakings and guarantee commitments amount to SEK 75 million, corresponding to approximately 62 per cent of the Rights Issue.

For the guarantee commitments, a cash compensation of twelve (12) per cent of the guaranteed amount is paid or, if the guarantors choose to receive payment in the form of shares, fourteen (14) per cent of the guaranteed amount is paid. In the event that the guarantor chooses the latter alternative, the subscription price per share shall correspond to the volume-weighted average price (VWAP) of the Company's share on the First North Growth Market during the subscription period in the Rights Issue, however not lower than SEK 1.00, which corresponds to the subscription price in the Rights Issue. No compensation will be paid for subscription undertakings from existing shareholders. Neither the subscription undertakings nor the guarantee commitments are secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

Additional information about the parties that have entered into subscription undertakings and guarantee commitments will be published in the EU growth prospectus that will be published in connection with the Rights Issue.

Shares and dilution

Through the Rights Issue, the Company's share capital will increase with up to SEK 15,710,620,6462, and the number of shares will increase with up to a maximum of 121,391,252 shares. In the event that the Rights Issue is exercised in full, it will result in a dilution of approximately 67 per cent of the total number of shares in the Company. Shareholders will have the possibility to gain economic compensation for the dilution effect by selling their subscription rights.

If all guarantors who have provided guarantee commitments in the Rights Issue choose to receive compensation in the form of newly issued shares, a maximum of 7 562 341 new shares will be issued in a directed issue. This means a dilution of approximately 4,0 per cent based on the number of shares in the Company after the Rights Issue has been carried out (assuming full subscription in the Rights Issue).

Advisors

Zonda Partner is the sole global coordinator and bookrunner in connection with the Right Issue. Advokatfirman Lindahl KB is legal advisor to the Company.

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Certified Adviser

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About Nanexa

Nanexa AB is a nanotechnology drug delivery company focusing on the development of PharmaShell®, a new and groundbreaking drug delivery system with great potential for a number of medical substance types and indications. Within the framework of PharmaShell®, Nanexa has partnership agreements with several pharma companies, among others AstraZeneca.

Nanexa is a pharmaceutical company developing injectable drug products based on the proprietary and innovative drug delivery system PharmaShell® – the high drug load delivery system enabling the next generation long-acting injectables through atomic layer precision. Nanexa develops its own products and also has collaboration agreements with several pharma companies, among others Novo Nordisk and AstraZeneca.

Nanexa's share is listed on Nasdaq First North Growth Market in Stockholm (NANEXA).

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This press release is not an offer or invitation to acquire or subscribe for shares or other securities in the United States. The securities that have been mentioned in this release may not be sold in the United States without registration, or without application of an exception from registration, according to the applicable U.S. Securities Act from 1933 ("**Securities Act**"), or as a part of a transaction that is not covered by the registration requirements according to the Securities Act. There is no intention to register any shares or securities mentioned herein in the United States or to announce a public offering of such securities in the United States. The information in this press release may not be published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into the United States of America, Australia, Japan, Canada, Hong Kong, New Zealand, Switzerland, Singapore, South Africa, South Korea or any other jurisdiction in which the release, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would demand additional registration or other actions according to Swedish law. Acts in contrary to this instruction may constitute a crime according to applicable securities laws.

A prospectus regarding the Rights Issue described in this press release will be published by the Company on or about 11 October 2023. The prospectus will be approved and registered by the Swedish Financial Supervisory Authority (*Sw: Finansinspektionen*) which is the competent authority pursuant to the Prospectus Regulation and be published by the Company and made available on the Company's website <https://www.nanexa.se/> after such approval. The upcoming approval of the prospectus by the Swedish Financial Supervisory Authority shall not be construed as any kind of support for or endorsement of the Company or the quality of the securities referred to in the prospectus. This release is however not a prospectus in accordance to the definition in the Prospectus Regulation as has not been approved by any regulatory authority. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the

Rights Issue, any investment decision should only be made based on the information in the prospectus. Thus, investors are encouraged to review the prospectus in its entirety. This press release constitutes an advertisement in accordance with article 2 k of the Prospectus Regulation. Nanexa has not authorized any offer to the public of shares or rights in any other member state of the EEA than Sweden. 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 shares. An investment decision to acquire or subscribe for shares in the Rights Issue shall only be made based on publicly available information.

To the extent this press release contains forward-looking statements, such statements does not constitute facts and are characterized by words such as "shall", "expect", "believe" "assess", "intend", "estimate" and similar expressions. Such statements reflect Nanexa's intentions, views or present expectations or assumptions. Such forward-looking statements are based on Nanexa's current plans, estimates and projections, which have been made to the best of Nanexa's ability. However, Nanexa does not assert that these statements will be correct in the future. Forward-looking statements are associated with risks and uncertainties which are difficult to predict and which generally cannot be affected by Nanexa. It should be contemplated that actual events or outcomes may differ materially from what is included or expressed in such forward-looking statements.

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Nanexa's share is listed on Nasdaq First North Growth Market in Stockholm (NANEXA).

This information is information that Nanexa 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 2023-09-21 09:15 CEST.

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Attachments

[Nanexa carries out a rights issue of approximately SEK 121 million](#)