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The board of directors of Nanexa has resolved on a fully guaranteed rights issue of approximately SEK 126.7 million

The board of directors of Nanexa AB (publ) ("Nanexa" or the "Company") has today, based on the authorisation granted by the annual general meeting on 24 May 2021, resolved on a rights issue of shares with preferential rights for the Company's existing shareholders of approximately SEK 126.7 million (the "Rights Issue"). The Rights Issue is fully covered by subscription undertakings and guarantee commitments. Certain existing shareholders have entered into subscription commitments, amongst others Rutger Arnhult via M2 Capital Management, Jan Petersen, Applied Ventures, and members of the Company's board of directors and management team, including amongst others CEO David Westberg and chairman of the board Göran Ando. Furthermore, guarantee commitments have been provided by the existing shareholder Rutger Arnhult via M2 Capital Management, and external investors, including amongst others Health Runner and Modelio Equity. In addition, the board of directors may, based on the authorisation granted by the annual general meeting on 24 May 2021, resolve on an over-allotment issue of up to approximately SEK 23.5 million (the "Over-allotment Issue"), conditional upon the Rights Issue being oversubscribed. The purpose of the Rights Issue and the Over-allotment Issue (together the "New Issues") is to strengthen the Company's financial position and to enable the planned clinical studies as well as other value creating activities supporting PharmaShell and the NEX projects.

Summary

- Through the Rights Issue, a maximum of 25,347,813 new shares may be issued.
- 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 gives the right to subscribe for one (1) new share.
- The subscription price has been set at SEK 5.00 per share which, assuming the Rights Issue is fully subscribed, amounts to proceeds of approximately SEK 126.7 million, before transaction costs.
- The Rights Issue is fully covered by subscription undertakings and guarantee commitments. Certain existing shareholders have entered into subscription commitments, amongst others Rutger Arnhult via M2 Capital Management, Jan Petersen, Applied Ventures, and members of the Company's board of directors and management team, including amongst others CEO David Westberg and chairman of the board Göran Ando. Furthermore, guarantee

commitments have been provided by the existing shareholder Rutger Arnhult via M2 Capital Management, and external investors, including amongst others Health Runner and Modelio Equity.

- The subscription period will run from June 17, 2021 to July 1, 2021.
- The record date for participation in the Rights Issue with preferential rights is June 14, 2021. Last day of trading in the Company's shares including right to receive subscription rights is June 10, 2021 and the first day of trading in the Company's shares without receiving subscription rights in the Rights Issue is June 11, 2021.
- Trading in subscription rights will take place on the Nasdaq First North Growth Market during the period from June 17, 2021 to June 28, 2021.
- 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 Over-allotment Issue that the board of directors may resolve on consists of up to 4,700,000 new shares and may provide Nanexa with additional proceeds of up to approximately SEK 23.5 million, conditional upon the Rights Issue being oversubscribed. The reason for deviating from the shareholders' preferential rights is to meet a higher demand than initially estimated and to broaden the ownership base with strategic investors. The subscription price will correspond to the subscription price in the Rights Issue.
- The purpose of the New Issues of a total of approximately SEK 150.2m is to strengthen the Company's financial position and to enable the planned clinical studies as well as other value creating activities supporting PharmaShell and the NEX projects.

Background and reasons in summary

In recent years, Nanexa has taken important steps in the development of the drug delivery platform PharmaShell and since 2018 developed its own PharmaShell based product projects. They are based on reformulations of already existing drugs where the benefit of a long-acting depot formulation is great and where the market within selected indication areas has a favorable development.

The Company is now about to take the first project NEX-18 within Myelodysplastic Syndrome (MDS) through the value-creating clinical development towards Proof of Concept in phase II and to bring the Company's second project NEX-20 within Multiple Myeloma (MM) into phase I in 2022. These two projects are central to Nanexa's value creation over the next two years and are the main reason for the capital requirement for the coming two years.

For NEX-18, a first phase I study is now underway, which is expected to be completed in the autumn of 2021. The study aims to demonstrate that PharmaShell provides a desired safety and pharmacokinetic profile. Given a favorable outcome in this initial clinical study, Nanexa plans to conduct a combined phase Ib/II study where the aim is to increase the dose corresponding to the reference product Vidaza® (azacitidine) and to continue into phase II to evaluate effect. In total, the study is estimated to include about 40 patients and is planned to be carried out in three to five European countries starting in the spring of 2022 and lasting about one year. This study will form the basis for a pivotal phase III study that may be carried out by or together with a partner. The goal of the NEX-18 project is an improved treatment of MDS, which is a serious hematologic

cancer that is difficult to treat. Today's treatment is complicated with seven consecutive daily injections of Vidaza® per month and the goal is that these injections can be replaced with only one injection of NEX-18, which like Vidaza® contains the active substance azacitidine.

For NEX-20, formulation development and preparation are now underway for the preclinical evaluation that will form the basis for entering clinical phase in 2022. MM is a significant indication area with the leading product Revlimid® (lenalidomide), where the current treatment with daily tablets 28 days a month shows low or varying therapeutic compliance, probably due to unwanted side effects and for cost reasons. Nanexa plans to initiate a Phase I clinical study during the first half of 2022 and then to take the project further into a Phase II study, to demonstrate Proof of Concept. The goal of the NEX-20 project is to develop a one-month depot formulation of lenalidomide, primarily to enable increased compliance and thereby creating a more effective treatment.

In addition to MDS and MM, the Company assesses that the PharmaShell platform can be used to make depot formulations in many different therapy areas. Nanexa's ambition is to start a third product project during the year, NEX-21. Indication and active substance for this has not yet been determined but will be presented later in the year and formulation work and preclinical evaluation is expected to continue in 2022. In addition to its own product projects, the Company sees a great opportunity to broaden the use of PharmaShell and to run several partner projects where the patented technology is outlicensed. Nanexa has several ongoing partner projects in various evaluation phases, and is continuously adding new projects, with the objective to continue into licensing and development agreements. The prerequisites for entering into license agreements for PharmaShell, and the terms of such agreements, are expected to improve as the technology is used in Nanexa's own product projects in clinical phase.

To prepare for future larger clinical studies and final commercial production, the Company intends to invest resources in process development and a larger scale GMP-certified pilot plant for production both for its own NEX projects and partner projects, and to be able to ensure a smooth transition to full production scale. This is done in collaboration with the company Applied Materials, Inc. (AM), which is a global leader in semiconductor capital equipment that includes large-scale ALD equipment, the coating technology on which PharmaShell is based. The ongoing Phase I study and the planned Phase Ib/II study for NEX-18 involve important potentially value-adding events for Nanexa as well as the upcoming clinical trials in NEX-20 and upcoming NEX projects.

In light of the need for funding resulting from Nanexa's development plans, Nanexa's assessment is that the existing working capital is not sufficient for the Company's needs under the coming twelve-month period, and that additional funds are required to initiate the clinical studies planned for 2022, as well as to pursue other value creating activities supporting PharmaShell and the NEX projects. The board of directors of Nanexa has thus resolved on a rights issue of shares with preferential rights for the Company's existing shareholders of approximately SEK 126.7 million before transaction costs. In addition, the board of directors may, based on the authorisation granted by the annual general meeting on 24 May 2021, resolve on the Over-allotment issue, in

the form of a directed issue of up to approximately SEK 23.5 million. The reason for the Over-allotment Issue, and the deviation from the shareholders' preferential rights, is to meet a higher demand than initially estimated and to broaden the ownership base with strategic investors. The subscription price in the Over-allotment Issue will be the same as in the Rights Issue.

The Company intends to use the expected net proceeds from the Rights Issue as follows, in order of priority:

- i. approximately 50 percent of the net proceeds are intended to be used for the NEX-18 phase Ib/IIa study within MDS;
- ii. approximately 13 percent of the net proceeds are intended to be used for the NEX-20 phase I study within Multiple Myeloma;
- iii. approximately 13 percent of the net proceeds are intended to be used for NEX-21 and preclinical work to identify additional projects;
- iv. approximately 8 percent of the net proceeds are intended to be used for investments in a GMP Pilot Plant;
- v. approximately 8 percent of the net proceeds are intended to be used for further development of PharmaShell to develop the patent portfolio and expand utilisation areas; and
- vi. approximately 8 percent of the net proceeds are intended to be used for general corporate purposes.

If the Over-allotment Issue is utilised in its entirety, the Company receives additional proceeds of approximately SEK 23.5 million before transaction costs. The potential proceeds from the Over-allotment Issue are intended to be used for intensified development of the project portfolio (approx. 70%) and to strengthen the Company's working capital (approx. 30%).

Nanexa is in a position with clear potential value-adding activities over the coming years, and the New Issues will enable the Company to strengthen its financial position and broaden its ownership base. Nanexa intends, on different occasions, to enter into commercial agreements with larger pharmaceutical companies and the New Issues are considered to have a positive impact on the Company's commercial opportunities.

Terms and additional information about the Rights Issue and the Over-allotment Issue

According to the proposed terms, registered shareholders of Nanexa receive one (1) subscription right per each share held on the record date June 14, 2021. One (1) subscription right entitle shareholders to subscribe for one (1) new share. The new shares are issued at a subscription price of SEK 5.00 per share. In total, a maximum of 25,347,813 shares will be issued through the Rights Issue, corresponding to an amount of approximately SEK 126.7 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 is June 14, 2021. The subscription period is expected to commence on June 17, 2021 and end on July 1, 2021, 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 in accordance with the above, 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 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 if they were shareholders on the record date or not, pro rata in relation to the number of shares subscribed for 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") on Nasdaq First North Growth Market is expected to take place during the period from and including June 17, 2021, 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 29, 2021.

Conditional upon the Rights Issue being oversubscribed, the board of directors may resolve on the Over-allotment Issue of up to approximately SEK 23.5 million before transaction costs. The Over-allotment Issue consist of up to 4,700,000 new shares and the subscription price is SEK 5.00 per share.

Complete terms and conditions for the Rights Issue and the Over-allotment 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 released before the commencement of the subscription period.

Timetable for the Rights Issue

- June 10, 2021: Last day of trading in the share, including the right to receive subscription rights.
- June 11, 2021: First day of trading in the share, excluding the right to receive subscription rights.
- June 14, 2021: 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.
- June 10, 2021: Publication of the EU growth prospectus.
- June 17 – June 28, 2021: Trading in subscription rights.
- June 17 – July 1, 2021: Subscription period.
- July 7, 2021: Expected day for publication of the outcome of the Rights Issue and the board of directors' decision to resolve on the Over-allotment Issue.

Subscription undertakings and guarantee commitments

The Rights Issue is fully covered by subscription undertakings and guarantee commitments. Subscription undertakings have been undertaken by certain existing shareholders, including Rutger Arnhult via M2 Capital Management, Jan Petersen, Applied Ventures, and members of the Company's board of directors and management team, including CEO David Westberg, CFO Björn Svanström, chairman of the board Göran Ando and board members Eva Nilsagård, Urban Paulsson, Otto Skolling, Birgit Stattin Norinder and Magnus Westgren. These undertakings amount to approximately SEK 21.1 million, representing approximately 16.6 percent of the Rights Issue.

In addition, the Rights Issue is covered by guarantee commitments of approximately SEK 105.7 million, representing approximately 83.4 percent of the Rights Issue. The guarantee commitments have been undertaken by the existing shareholder Rutger Arnhult via M2 Capital Management, and external investors including Health Runner and Modelio Equity. The guarantee commitments cover the area of the Rights Issue between 16.6 percent up to 100 percent of the Rights Issue, corresponding to approximately SEK 105.7 million.

The subscription and guarantee commitments are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements. Consequently, there is a risk that one or more parties will not fulfil their respective commitments. No consideration will be paid for the subscription commitments that have been entered into. The Rights Issue is thus covered by subscription undertakings and guarantee commitments in its entirety.

Shares and dilution

Through the Rights Issue, the Company's share capital will increase with up to approximately SEK 3,280,548 and amount to a maximum of approximately SEK 6,561,097, and the number of shares will increase with up to a maximum of 25,347,813 and subsequently amount to a maximum of 50,695,626 shares. Existing shareholders that do not participate in the Rights Issue will be diluted by a maximum of 50.0 percent, but will have the possibility to gain economic compensation for the dilution effect by selling their subscription rights.

If the board of directors resolves on the Over-allotment Issue, there will be an additional increase in the share capital of up to approximately SEK 608,280 and an increase in number of shares of up to 4,700,000 new shares. In the Over-allotment Issue, there will be no possibility to gain economic compensation for the dilution effect by selling subscription rights.

In the event that the Rights Issue and the Over-allotment Issue are both exercised in full, the share capital of the Company will increase by SEK 3,888,829 to SEK 7,169,377 and the total number of shares will increase by 30,047,813 shares to 55,395,626 shares. The dilution effect will amount to a maximum of 54.2 percent.

Advisors

ABG Sundal Collier is the sole global coordinator and bookrunner in connection with the New Issues. Advokatfirman Lindahl KB is legal advisor to the Company.

Important information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer to sell or an offer to buy or subscribe for shares issued by the Company in any jurisdiction where such offer or invitation would be illegal. In a member state within the European Economic Area ("**EEA**"), securities referred to in the press release may only be offered in accordance with applicable exemptions under Regulation (EU) 2017 /1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**").

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 10 June 2021. 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.

For additional information, please contact:

David Westberg – CEO, Nanexa AB (publ)

Phone: +46 70 942 83 03

Email: david.westberg@nanexa.se

www.nanexa.com

Erik Penser Bank is the company's Certified Adviser and can be reached on +46 8 463 83 00, email: certifiedadviser@penser.se

About Nanexa AB (publ)

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'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 2021-06-07 08:00 CEST.

Attachments

[The board of directors of Nanexa has resolved on a fully guaranteed rights issue of approximately SEK 126.7 million](#)