

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA, SOUTH AFRICA, JAPAN, HONGKONG, SWITZERLAND, SINGAPORE, NEW ZEALAND, OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, DISTRIBUTION OR PUBLICATION WOULD BE UNLAWFUL

Annexin Pharmaceuticals proposes a fully guaranteed rights issue of units of SEK 73.5 million and has secured further issue proceeds of SEK 17 million in the exercise of the warrants in April 2022

The Board of Directors of Annexin Pharmaceuticals AB (publ) ("Annexin" or "the Company") has today decided to submit a proposal for an Extraordinary General Meeting ("EGM") in the Company, which is to be held on October 8 2021, to resolve to carry out a rights issue of units consisting of shares and warrants of series TO3 ("Units") with preferential rights for the Company's existing shareholders (the "Rights Issue"). The issue proceeds amount to a maximum of approximately SEK 73.5 million. The Company has received subscription commitments from existing shareholders of approximately SEK 30.6 million, corresponding to approximately 42 percent of the issue proceeds, a subscription commitment from an external investor of SEK 2.2 million as well as guarantee commitments from certain reputable qualified investors of around SEK 40,7 million, which secures the Rights Issue to 100 percent. Certain of the Company's largest shareholders have also committed to exercise all warrants of series TO3 which the respective shareholder will acquire in connection with the Rights Issue for subscription of shares in the Company and have further committed to, in the event that the Company does not receive proceeds of at least SEK 17 million from the exercise of the warrants of series TO3, inject such further amount necessary for the Company to receive a total of SEK 17 million by way of a directed share issue. Upon full subscription in the Rights Issue and full exercise of the warrants of series TO3, the Company will receive a total of approximately SEK 92-103 million before issue costs (depending on the finally determined subscription price for the new shares that may be subscribed for through the exercise of the warrants). The rights issue will finance forthcoming clinical studies as well as additional costs in connection with research and development of the ANXV program.

Summary

- For each share held on the record date 15 October 2021, shareholders in Annexin receive three (3) unit rights. Four (4) unit rights give the right to subscribe for one (1) Unit consisting of one (1) share and one (1) warrant of series TO3.
- The subscription period in the Rights Issue runs between October 20, 2021 and November 3, 2021.
- The subscription price is SEK 1.25 per Unit, corresponding to SEK 1.25 per share. The warrants are issued free of charge.
- Upon full subscription in the Rights Issue, Annexin receives issue proceeds of approximately SEK 73.5 million before issue costs.
- The Rights Issue is 100 percent covered by subscription commitments and guarantee commitments from existing shareholders and a number of qualified investors.
- The exercise period for the warrants of series TO3 will run between 14 - 28 April 2022. Four (4) warrants give the right to subscribe for one (1) new share in the Company at an exercise price corresponding to 70 percent of the volume-weighted average price paid for the Company's share on Nasdaq First North Growth Market ("First North") for a period of ten (10) trading days immediately preceding April 12, 2022, however not less than SEK 1.25 and not more than SEK 2 per share. Upon full exercise of the warrants of series TO3, Annexin will receive additional proceeds of approximately SEK 18-29 million.

Purpose for the Rights Issue

Annexin is developing the biological drug candidate ANXV - a human recombinant protein primarily for the acute treatment of patients with cardiovascular disease with damage and inflammation in the blood vessels. ANXV also has the ability to protect and repair cells in the affected blood vessels and counteract the harmful inflammation. The company believes that ANXV has the potential to become a so-called First-In-Class drug for several cardiovascular diseases, but initially focuses on developing ANXV under its own auspices for the

treatment of the eye disease retinal venous occlusion (RVO).

The forthcoming Rights Issue enables continued work with clinical safety and efficacy studies in patients with RVO. The company intends to conduct a phase 2 / proof of concept study to demonstrate safety in patients with RVO and provide indications of any effect in one or more of the various parameters examined in the study. The study is also considered to provide clear guidance regarding the choice of dose, duration of treatment and whether there is any special subgroup of patients with RVO that is more suitable to choose in later phase 2 and 3 studies. The risk therefore decreases before larger and more costly studies at the same time as the opportunity for collaborations and licensing deals is strengthened, given positive study results.

The Rights Issue is carried out as part of Annexin's plan to provide the resources required to utilize the promising results the Company has seen and to continue to confirm the treatment potential of ANXV. The net proceeds from the issue enable the Company's ambitions to carry out clinical efficacy studies and thereby approach the goal of an initial market approval of ANXV in the treatment of RVO.

Use of issue proceeds

Given a fully subscribed Rights Issue, Annexin will receive approximately SEK 73.5 million, before deductions for issue costs. Upon full exercise of the warrants of series TO3, the Company will receive additional proceeds of approximately SEK 18-29 million before issue costs (depending on the finally determined subscription price for the new shares that may be subscribed for through the exercise of the warrants).

In connection with the Rights Issue, earlier provided bridge loans of approximately SEK 22 million, incl. interest, will be used as payment for Units. The issue proceeds from the Rights Issue, including any proceeds from the exercise of the warrants, will be used to strengthen working capital and are planned to be distributed as a percentage as follows and, in case the Rights Issue is not fully subscribed and all measures cannot be implemented, according to the following priorities:

1. Clinical development costs incl. Phase 2 / Proof of Concept clinical trial in RVO: approximately 42%
2. ANXV-Product-related costs: approximately 19%
3. Business development, product protection and other costs related to R&D: approximately 29%
4. Other working costs: approximately 10%

Stated percentages are approximate and may therefore be adjusted slightly.

Comment from Annexin's CEO, Anders Haegerstrand

"The Phase I studies have demonstrated safety in humans, so now the door is open for Phase 2 studies. Our main focus for the next year is a study in RVO that will give us the first results in patients, both in terms of safety and efficacy. Within RVO, ANXV can become completely groundbreaking with its unique mechanism and take a large market share of a market that exceeds SEK 150 billion. After meeting with regulatory authorities, we know that the type of study for which we are now seeking shareholder support can provide the data the authorities wish to see. Our plans are well advanced for a study in the US and we hope to be able to both start and finish the study within about a year and present important data. In parallel, we will increase the work of looking for potential partners in eye diseases but also around other possibilities such as, sickle cell disease, cancer and specific inflammatory conditions with cell and tissue damage. We maintain a strong and broad patent portfolio and strengthen the organization as the company develops. The coming year looks set to be the most significant in the company's history - Anders Haegerstrand, VD.

Terms and conditions of the Rights Issue

The Board has today decided to convene an Extraordinary General Meeting in order to submit a proposal for the General Meeting to resolve on the Rights Issue of a maximum of 58,817,169 Units. Notice of the EGM, which is to be held on October 8, 2021, will be announced in a separate press release.

The Rights Issue is proposed to be carried out on the following conditions:

Issue volume: If the Rights Issue is fully subscribed, Annexin will receive approximately SEK 73.5 million before deductions of issue costs.

Record date: The record date at Euroclear Sweden AB for determining which shareholders will have the right to receive unit rights is October 15, 2021. The last day for trading in the Company's share, including the right to receive unit rights, is October 13, 2021. First day for trading in the Company's share excluding the right to receive unit rights is October 14, 2021.

Unit rights: The Rights Issue shall be made with preferential rights for those who are registered shareholders in the Company on the record date. One (1) existing share in the Company entitles to three (3) unit rights and four (4) unit right entitles to subscribe for one (1) Unit. One (1) Unit consists of one (1) share and one (1) warrant of series TO3.

Trading in unit rights: Trading in unit rights takes place on First North during the period from and including October 20, 2021 to and including October 29, 2021.

Subscription period: Subscription of Units shall take place during the period from and including October 20, 2021 to and including November 3, 2021. The Board has the right to extend the subscription period.

Subscription price: SEK 1.25 per Unit, corresponding to SEK 1.25 per share. The warrants are received free of charge.

Trading in BTU: Trading in a paid subscription unit ("BTU") will take place on First North from and including October 20, 2021 until the Rights Issue is registered with the Swedish Companies Registration Office and BTU have been converted into shares and warrants, which is expected to occur around week 48, 2021.

Right to dividend: The new shares entitle to dividends on the first record date for dividend which takes place after the Rights Issue has been registered with the Swedish Companies Registration Office and the shares have been registered in the Company's share register with Euroclear Sweden AB.

Allocation for subscription without unit rights: If not all Units are subscribed for by use of unit rights, the Board shall resolve, within the maximum amount of the Rights Issue, on allocation of Units not subscribed for by exercise of unit rights according to the following principles:

- i. Firstly, allotment of Units subscribed for without exercise of unit rights shall be made to those who have also subscribed for Units by exercise of unit rights, regardless of whether the subscriber was a shareholder on the record date or not, and in the event of oversubscription, allotment shall be made pro-rata in relation to the number of unit rights used for subscription and, insofar as this cannot be done, by drawing of lots.
- ii. Secondly, allocation of Units subscribed for without exercise of unit rights shall be made to others who have applied for subscription without exercise of unit rights, and in the event of oversubscription, allocation shall be made pro-rata in relation to the number of Units that each has applied for subscription and, insofar as this cannot be done, by drawing of lots.
- iii. Thirdly, any remaining Units shall be allocated to the parties who have undertaken to guarantee the issue in accordance with the issue guarantee agreements entered into.

Warrants: The warrants of series TO3 will be issued free of charge and will entitle to subscription of new shares during the period April 14 - April 28, 2022. Four (4) warrants give the right to subscribe for one (1) new share in the Company at an exercise price corresponding to 70 percent of the volume-weighted average price paid for the Company's share on First North for a period of ten (10) trading days immediately preceding April 12, 2022, however not less than SEK 1.25 and not more than SEK 2 per share. Upon full subscription in the Rights Issue and upon full exercise of the warrants of series TO3, the Company will receive an additional SEK 18-29 million. The warrants of series TO3 will be admitted to trading on Nasdaq First North.

Subscription, guarantee and investment commitments

Annexin has received subscription commitments from the Company's existing shareholders of approximately SEK 30.6 million, corresponding to approximately 42 percent of the issue proceeds in the Rights Issue. In addition, Formue Nord has made a subscription commitment to use issued bridge loans, including interest, of approximately SEK 2.2 million as payment in the Rights Issue. The Company has also entered into agreements on issue guarantees in the form of a so-called bottom guarantee of approximately SEK 29.7 million and a so-called top guarantee of SEK 11 million. The bottom-up guarantee ensures, provided that at least the corresponding subscription commitments are subscribed for, approximately 85 percent of the initial issue proceeds in the Rights Issue. The top guarantee ensures, provided that subscription takes place at least corresponding to the subscription commitments and the bottom guarantee, 100 percent of the initial issue proceeds in the Rights Issue.

Mikael Lönn, Magnus Claesson and Arne Andersson have further undertaken to exercise all warrants of series TO3 acquired by each party in connection with the Rights Issue for subscription of shares in the Company and to pay the exercise price for all shares subscribed for in cash in accordance with the terms of the warrants. They have also provided a guarantee to, in the event that the Company does not receive proceeds of at least SEK 17 million from the exercise of the warrants of series TO3, inject such further amount necessary for the Company to receive a total of SEK 17 million by way of a directed share issue. The size of the directed share issue, which the Board of Directors of the Company is to resolve on with the support of an authorization from the Annual General Meeting held on May 26, 2021, shall correspond to an issue amount amounting to the difference between SEK 17 million and the actual payment that the Company receives due to the fact that the warrants of series TO3 have been exercised for subscription of shares in accordance with the terms of the warrants.

Preliminary timeline

- October 8, 2021 - Extraordinary General Meeting for resolution on the Rights Issue
- October 13, 2021 - Last day of trading incl. unit rights
- October 14, 2021 - First day of trading excl. unit rights
- October 15, 2021 – Record date
- October 19, 2021 - Estimated publication of prospectus
- October 20, - October 29, 2021 - Trading in unit rights
- October 20, 2021 - November 3, 2021 - Subscription period
- October 20, 2021 - Until the Rights Issue is registered with the Swedish Companies Registration Office - Trading in paid subscribed units (BTU)
- November 8, 2021 - Announcement of outcome of the Rights Issue
- April 14 – 28, 2022 - Exercise period for warrants of series TO3
- Week 18, 2022 – Estimated announcement of outcome of exercise of warrants of series TO3

Number of shares and share capital

Upon full subscription in the Rights Issue, the number of shares in the Company will increase from 78,422,892 to 137,240,061, resulting in an increase in the share capital of up to SEK 11,763,433.80 through the Rights Issue (taking into account the reduction of the share capital that is proposed to be decided at the EGM on October 8, 2021). Upon full exercise of all warrants of series TO3 issued in the Rights Issue, the number of shares will increase by a further maximum of 14,704,292 shares, resulting in an increase in the share capital by a maximum of SEK 2,940,858.40 (taking into account the reduction of the share capital that is proposed to be decided at the EGM on October 8, 2021).

Investor meetings

Invitation to investor meetings will be sent out separately and will also be presented on Annexin and Redeye AB's respective websites.

Prospectus

Publication of the prospectus is expected around October 19, 2021. Full terms and conditions as well as information about subscription and guarantee commitments will be available in Annexin's prospectus which, will be published on the Company's and Redeye AB's respective websites (www.annexinpharma.com, www.redeye.se).

Deferred quarterly report

The Board of Directors have also decided that the Company's quarterly report for the period January - September 2021 will be published on November 30, 2021 instead of November 24, 2021.

Advisers

Redeye AB acts as financial adviser, Cirio Advokatbyrå AB acts as legal adviser and Hagberg Aneborn Fondkommission AB acts as the issuing agent in the Rights Issue.

For further information, please contact:

Anders Haegerstrand, CEO, tel 070 - 575 50 37

This information is information that Annexin Pharmaceuticals AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12.00 CEST on September 21, 2021.

About Annexin AB

Annexin Pharmaceuticals AB (publ) is a world-leading biotechnology company in the Annexin A5 field, for treatment of various cardiovascular diseases, which are currently the most common cause of death. The Company's biological drug candidate ANXV - a human recombinant protein, Annexin A5 – is intended primarily for the acute treatment of patients with vascular damages and inflammation. The Company also has a comprehensive patent portfolio for the treatment of diseases caused by vascular damage and inflammation. Annexin Pharmaceuticals has established and optimized a cell line for large-scale production of Annexin A5. The Company is based in Stockholm and is listed on Nasdaq First North Growth Market, short name ANNX. Redeye is the Company's Certified Adviser. Tel. +46 (0) 8 121 576 90, email certifiedadviser@redeye.se.

IMPORTANT INFORMATION

The information in this press release does not constitute an offer to acquire, subscribe for or otherwise trade with shares, warrants or other securities in Annexin. No action has been taken, nor will any actions be taken, to permit an offer to the public in any other jurisdiction than Sweden. An invitation to eligible persons to subscribe for Units or other securities in Annexin will only be made through the prospectus which Annexin intends to publish on or around October 19, 2021.

The information in this press release may not be published or distributed, directly or indirectly, within or into the United States of America (including its territories and possessions, any state of the United States and the District of Columbia, the "USA"), Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa or South Korea or any jurisdiction where doing so might be unlawful, subject to legal restrictions or require other actions than the ones prescribed under Swedish law. Actions in violation of these instructions may constitute a breach of applicable securities law. This press release does not constitute an offer of invitation to acquire or subscribe for shares or other securities in the USA. No shares, warrants, unit rights, BTU or Units or other securities issued by the Company (the "Securities") have been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws in any other state or jurisdiction in the USA and no Securities may be offered, subscribed, used, pledged, sold, retailed, delivered or transferred, directly or indirectly, in or into the USA other than pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the USA. The Securities have not been and will not be approved or registered by the Securities and Exchange Commission, any state securities authority or other authority in the USA. No such authority has assessed or made any statements about the Rights Issue or the accuracy or reliability of the prospectus. To assert the contrary is a criminal act in the USA.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. In any EEA Member State, other than Sweden, this communication is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" within the meaning of the Prospectus Regulation who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) "high net worth entities" falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, Relevant Persons. Persons who are not Relevant Persons should not take any action on the basis of this announcement and should not act or rely on it.

This press release may contain certain forward-looking statements which reflect Annexin's current view of future events and financial and operational developments. Words such as "intends", "estimates", "expects", "may",

"plans", "deems", "believes", "assesses", "anticipates", "will", and other similar expressions which imply indications or predictions regarding future developments or trends, and which are not based on historical facts, constitute forward-looking information. Forward-looking information is by nature affiliated with known and unknown risks and uncertainties since it is dependent on future events and circumstances. Forward-looking information does not constitute any guarantee regarding future results or development and the actual outcome may materially differ from forward-looking statements. The information, assessments and forward-looking statements in this press release are only relevant as of the date of this press release and may change without notice.