

Annexin Pharmaceuticals

Empowering the body to fight vascular diseases

PRESS RELEASE

19 December 2022

Annexin Pharmaceuticals carries out a directed share issue of approximately SEK 7 million to begin development in the cancer field

The Board of Directors of Annexin Pharmaceuticals AB (publ) ("Annexin Pharmaceuticals" or the "Company") has today, with the support of the authorization from the annual general meeting held on 24 May 2022, resolved on a directed share issue of 7,368,421 shares with a deviation from the shareholders' preferential rights, whereby the Company receives approximately SEK 7 million before the costs for the issue, corresponding to a subscription price of SEK 0.95 per share (the "Directed Share Issue"). The Directed Share Issue, which is directed to the five largest shareholders in the Company, is carried out with the aim of financing operations in the cancer field.

Background and motive

The Company makes the assessment that the drug candidate ANXV, a human Annexin A5 protein, has the potential to be used in the treatment of cancer. In experimental animal studies, the protein Annexin A5 is as effective as today's immuno-oncology drugs, but acts through a different mechanism, and ANXV can therefore potentially be effective in cancer patients who does not respond to existing drugs, or in combination with these to improve the effect. In other experiments, it has been shown that Annexin A5 can be used to carry chemotherapy agents selectively to cancer cells and kill them while protecting other cells and organs. A conjugation of ANXV with chemotherapy agents can therefore provide a therapy with maintained effect and significantly reduced side effects.

The value of the immuno-oncology market combined with the market for chemotherapy drugs bound to cancer-specific proteins is more than USD 50 billion today. There is still a great medical need, and the Company believes that ANXV has great potential in both fields



and are highly interesting opportunities for partnerships, as well as for development in-house.

The Directed Share Issue

The Board of Directors has today, with the support of the authorization given at the annual general meeting on 24 May 2022, resolved to carry out a Directed Share Issue with deviation from the shareholders' preferential rights. The Company's Board of Directors has made an overall assessment and carefully considered the possibility of raising the corresponding capital through a rights issue, but believes that a directed share issue that is carried out quickly increases the opportunity to broaden the in-house competence in oncology and create profitable business opportunities to strengthen the Company's position before the outcome of the study in retinal vein occlusion (RVO), which is favorable for all shareholders. The Board of Directors further notes that the time it takes to carry out a rights issue, with the required documents and processing times, would be too long and disproportionately costly in relation to the capital requirement, and that a rights issue or other structured procedure would likely have had to be carried out at a higher discount, which resulted in further dilution, which would have been to the disadvantage of all shareholders. It is the Board of Directors' overall assessment, after taking the above reasons into account, that a directed share issue clearly and with strength outweighs the reasons justifying the main rule of issuing shares with preferential rights for existing shareholder, and that an issue with a deviation from the shareholders' preferential rights is therefore in the interests of the Company and all shareholders.

The Company has therefore resolved, through the Directed Share Issue, to issue 7,368,421 new shares at a subscription price of SEK 0.95 per share. The subscription price corresponds to a discount of approximately 6 percent compared to the volume-weighted average price of the Company's share on Nasdaq First North Growth Market during a period of twenty (20) trading days prior to the day of the Board of Directors' resolution on the Directed Share Issue. Since the subscription price has been determined through arm's length negotiations and is based on the volume-weighted average price of the Company's share with, in the opinion of the Board of Directors, a market-based discount based on the Company's situation and the prevailing market conditions, the subscription price is deemed to be market-based. The Directed Share Issue is directed to the five largest existing shareholders in the Company, including Mikael Lönn and Arne Andersson. Through the Directed Share Issue, the Company will be provided with approximately SEK 7 million.

Through the Directed Share Issue, the number of shares in Annexin Pharmaceuticals increases by 7,368,421, from 154,497,964 to 161,866,385, and the share capital will increase by SEK 121,947.578229, from SEK 2,556,945.721636 to SEK 2,678,893.299865. The



Directed Share Issue thus means a dilution for Annexin Pharmaceuticals' existing shareholders of approximately 4.6 percent.

Adviser

Cirio Advokatbyrå AB acts as legal advisor in the Directed Share Issue.

For further information, please contact:

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This disclosure contains 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 on 19 December 2022, 08:45 CET.

About Annexin Pharmaceuticals AB (publ)

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.