

# Initiator Pharma

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## Invitation to subscribe for shares in Initiator Pharma A/S

**Subscription period:**  
16-30 June 2022

**Initiator Pharma** is a clinical stage life science company developing innovative drugs that target key unmet medical needs within the central and peripheral nervous systems.

### **IMPORTANT INFORMATION**

The following summary is not an offer but should be seen as an introduction to Initiator Pharma A/S ("Initiator Pharma" or the "Company") prospectus and does not necessarily contain all information for an investment decision to be made. The investor is advised to consult the prospectus, which is available on Initiator Pharma's website ([www.initiatorpharma.com](http://www.initiatorpharma.com)) before making an investment decision, to take note of the potential risks associated with the decision to invest in the securities. Initiator Pharma A/S, DK. CVR.no. 37663808.

# Initiator Pharma

– Innovative life science

**Initiator Pharma is a clinical stage life science company developing innovative drugs that target key unmet medical needs within the central and peripheral nervous systems. Initiator Pharma's pipeline consists of three clinical programs – the IP2018 and IPED2015 programs for treatment of erectile dysfunction of psychogenic and organic origin, respectively, and the orphan drug program IPTN2021 developed for trigeminal neuralgia, a severe neuropathic pain condition.**

## The offer in brief

**Subscription period:** 16-30 June 2022.

**Preferential right for subscription:** Parties who on the record date on the 10<sup>th</sup> of June 2022 were shareholders in the Company, have preferential right to subscribe for shares in the rights issue in relation to their previous shareholdings, whereby one (1) existing share entitles to one (1) subscription right. Seventeen (17) subscription rights entitle to subscribe for two (2) new shares.

**Subscription price:** The subscription price is SEK 7.50 per share (DKK 5.39 per share).

**Pre-subscription- and underwriting commitments:** The Company has received legally binding pre-subscription commitments of approximately SEK 8.55 million, which corresponds to approximately 21 percent of the share issue volume, and underwriting commitments of approximately SEK 32.43 million, which corresponds to approximately 79 percent of the share issue volume.

**Number of shares before the rights issue:** 46,439,128.

**Trading in subscription rights:** Trading in subscription rights will take place on Nasdaq First North Growth Market from 16 June 2022 until 27 June 2022.

**Trading in BTA:** Will take place on Nasdaq First North Growth Market from 16 June 2022 until the rights issue is registered with Erhvervsstyrelsen (the Danish Companies Registration Office). Subscribed for shares are entered as BTA in the securities depository account until the rights issue has been registered with Erhvervsstyrelsen. This registration is expected to take place in mid-July 2022.

**Dilution:** In the event of a fully subscribed rights issue, the number of shares will increase by 5,463,426, which corresponds to a maximum dilution of 10.5 percent of the votes and capital for existing shareholders who do not subscribe for shares in the rights issue.

Initiator Pharma was started as a spin-out company from Saniona AB by Dr. Claus Olesen, Dr. Dan Peters, Professor Ulf Simonsen and Dr. Mikael Thomsen. The business idea was to develop a family of drug candidates based on so-called MRI technology (Monoamine Reuptake Inhibitor). The technology aims to inhibit the reuptake of monoamines in the body's nerves and thereby increase dopamine levels in various parts of the brain and body. Dopamine is an important neurological signaling substance, and by increasing the dopamine level, a number of different diseases can be treated.

The group of founders of Initiator Pharma have long and solid experience of preclinical and clinical drug development and are also world-leading researchers in erectile dysfunction and MRI technology, which forms the basis for the Company's drug candidates.

The Company's pipeline consists of three clinical programs, and an exclusive option agreement for a Phase 2/3 ready drug asset for an undisclosed pain indication. Initiator Pharma is now on the trajectory to deliver multiple clinical data points the upcoming years.

To advance its clinical programs the Company is carrying out a rights issue. The proceeds will secure long-term financing until early 2024, allowing Initiator Pharma to advance all its clinical programs according to plans and priorities. The proceeds will also support Initiator Pharma's business strategy of identifying attractive but undervalued clinical-stage assets and advancing these through cost-efficient clinical trials to deliver key-value inflection points in indications with significant unmet medical needs, in areas of expertise within the management team. The rights issue is fully (100 percent) guaranteed through subscription and underwriting commitments.

# The clinical programs

## IPED2015

In Initiator Pharma's most advanced erectile dysfunction (ED) program IPED2015, the compound IP2015 is being evaluated in an ongoing Phase 2b trial in erectile dysfunction patients, conducted in the UK in collaboration with MAC Clinical Research. The patient recruitment rate is progressing well, and Initiator Pharma anticipates that inclusion and dosing of the planned 120 patients should be completed in the second half of this year. Initiator Pharma believes that the compound IP2015 has the potential to become a new valuable treatment option for the large group of patients that do not respond to the currently marketed drugs in the PDE5i class, such as Viagra and Cialis. Erectile dysfunction, impotence in everyday speech, is defined as the inability for a man to achieve and maintain an erection. Datamonitor Healthcare forecasts that by 2028 there will be 450 million prevalent cases of erectile dysfunction in males aged 20 years and older worldwide. In comparison, the estimated number of cases in 2019 were 401 million.

## IP2018

In Initiator Pharma's second clinical program IP2018, the compound IP2018 is currently undergoing a Phase 2a clinical trial with the primary objective of investigating the effects of IP2018 on penile rigidity and tumescence in psychogenic erectile dysfunction patients using a visual sexual stimulation test. IP2018 is differentiated from IP2015, by targeting primarily the serotonin system and secondarily the dopamine system. As of the prospectus date, the patient recruitment in the Phase 2a is ongoing and expected to be completed soon. If the Phase 2a clinical trial outcome is positive, Initiator Pharma will evaluate the results and decide how to continue the clinical development. This assessment will include: i) the requirement for additional drug product optimization and ii) the need for completing a Phase 1 MAD (Multiple Ascending Dose) study before initiating a Phase 2b study.

## IPTN2021

The Company's third clinical program IPTN2021 targets trigeminal neuralgia with the compound IP2015 which has already been documented to be safe and tolerable in clinical trials and demonstrated efficacy for erectile dysfunction. In preclinical studies, IP2015 is effective and markedly inhibits neuralgic pain. The Phase 1 pain challenge study data in healthy volunteers are supportive of this and the Company intends to expand the safety data package for IP2015 with Phase 1 MAD study before initiating a Phase 2a study in trigeminal neuralgia. Trigeminal neuralgia is a rare but devastating disease for those affected by it. Today's treatment options for trigeminal neuralgia involves medications and surgery. However, the current medications are often found ineffective and have multiple adverse effects, limiting their use. Therefore, Initiator Pharma sees a significant need for new and more effective treatment options. Initiator expects to be able to start such a study during 2023.

## OPTION AGREEMENT FOR LATE-STAGE DRUG CANDIDATE

In addition to the three clinical programs, Initiator Pharma has signed an exclusive option agreement regarding a Phase 2b/3 drug asset for an undisclosed pain indication. The drug asset targets a significant clinical unmet need within the pain area and provides a possibility for Initiator Pharma to expand its pipeline with a late-stage clinical asset. Initiator Pharma intends to continue the evaluation of the drug candidate during the second half of 2022 and to disclose more information after the end of the option period, ending 31 December 2022. A key task in the evaluation process is to design a regulatory and clinical development plan that fulfils the target product profile and can be completed in a time and cost-efficient manner.

## Words from the CEO



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**“I see the future with confidence and I am happy to welcome you to join us on our continued journey”**

The first half of 2022 has been both intense and thrilling for Initiator Pharma as we have seen good progress in all our current clinical programs; IPED2015, IP2018 and IPTN2021. We have also strengthened our management team, signed an option agreement for an exciting new drug asset, and as we look ahead, the future looks promising. Initiator Pharma is now on the trajectory to deliver multiple clinical data points in the upcoming years. During 2022 and early 2023 we expect to receive data from all three ongoing clinical programs.

The clinical programs IPED2015 and IP2018 are both on track. Our most advanced program in erectile dysfunction (ED), IPED2015, is being evaluated in an ongoing Phase 2b trial, and we believe that the compound IP2015 has the potential to become a new valuable treatment option for the large group of patients that do not respond to the currently marketed drugs in the PDE5i class, such as Viagra and Cialis.

In our IPTN2021 program it is with great satisfaction that we have obtained the first clinically relevant, pain-related, efficacy results in this healthy volunteers study. We are looking forward to completing the analysis of the entire data set over the coming months and are very enthusiastic about these first results obtained. These data support our conviction of IP2015 as a potential new treatment for neuropathic pain. There is undoubtedly a substantial unmet medical need for improved therapy for neuropathic pain patients, as the current standard of care often is linked to severe side-effects and limited efficacy.

Furthermore, I am truly grateful for the continued trust shown by our anchor investors, Linc AB and Adrigo Asset Management AB. Having two truly experienced and skilled anchor investors in our company is of immense value for us as management team and to all shareholders in the short as well as the long term. With an attractive portfolio of clinical assets progressing according to plan, and our latest management team member Dr. Christina Guldberg onboard to strengthen our clinical development and Orphan drug capabilities. I see the future with confidence, and with the upcoming rights issue I am happy to welcome you to join us on our continued journey.

**Claus Elsborg Olesen**  
CEO, Initiator Pharma A/S

**“We see good progress in all our clinical programs”**



**Claus Elsborg Olesen**  
CEO, Initiator Pharma A/S

## TERMS AND CONDITIONS OF THE OFFER

### THE OFFER

On 31 May 2022, the Board of Directors of Initiator Pharma decided, with authorization from the Extraordinary General Meeting on 18 May 2022, to carry out the Rights Issue. The Offer is carried out with preferential rights for the existing shareholders. The new shares are expected to be issued on 25 July 2022.

The Rights Issue will be conducted in both Euroclear and Euronext Securities. A total of 46,439,128 shares are registered in Euronext Securities and a total of 46,360,097 of the shares are mirrored and registered in Euroclear.

The number of shares issued will be 5,463,426. One (1) existing share in the Company entitles the owner to one (1) subscription right and seventeen (17) subscription rights give the owner the right to subscribe for two (2) new shares. The subscription price per share is SEK 7.50 for Euroclear shareholders (shareholders holding shares in both Euronext Securities and Euroclear) and DKK 5.39 per share for Euronext Securities shareholders (shareholders holding shares in only Euronext Securities).

### DILUTION

Through the Rights Issue, the Company's share capital will increase with a maximum of DKK 573,659.73, through the issuing of a maximum of 5,463,426 shares of nominal DKK 0.105 each. The existing shares, which have been issued as at the date of this Prospectus, will be diluted by the issue of new shares. Following the completion of the Rights Issue, and if existing shareholders decide not to exercise their pre-emptive subscription rights (i.e. decide not to defend their percentage shareholding in the Company) and provided that the Rights Issue is fully subscribed for, such shareholders' proportionate ownership will be diluted by approx. 10.5 percent.

### PREFERENTIAL RIGHT FOR SUBSCRIPTION

Parties who on the record date on 10 June 2022 were shareholders in the Company, have preferential right to subscribe for shares in the Rights Issue in relation to their previous shareholdings, whereby one (1) existing share entitles to one (1) subscription right. Seventeen (17) subscription rights entitle to subscribe for two (2) new shares.

Shareholders whose shares were registered in Euroclear on the record date receives pre-emptive subscription rights through the Euroclear system.

Shareholders whose shares were not registered in Euroclear on the record date, receives subscription rights through the Euronext Securities system.

### SUBSCRIPTION PRICE AND VALUATION

The subscription price is SEK 7.50 per share for Euroclear shareholders and DKK 5.39 per share for Euronext Securities shareholders. Brokerage fee may occur.

There are no costs imposed on investors by the Company. However, investors shall bear customary transaction and handling fees required by their account-holding banks.

### RECORD DATE

Record date in Euroclear and Euronext Securities for participation with preferential right was 10 June 2022. The last day of trading with shares in the Company including preferential right was 8 June 2022. The first day of trading with shares in the Company without preferential right was 9 June 2022.

### SUBSCRIPTION PERIOD IN EUROCLEAR SWEDEN AB

The subscription period starts on 16 June 2022 and ends on 30 June 2022. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without a specific notification from Euroclear. The Board of Directors in the Company reserves the right to extend the subscription period. A possible extension will be announced by the Company through a press release no later than 20 June 2022.

### SUBSCRIPTION PERIOD IN EURONEXT SECURITIES

The subscription period starts 16 June 2022 and ends 30 June 2022. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without a specific notification from Euronext Securities. The Board of Directors in the Company reserves the right to extend the subscription period. A possible extension will be announced by the Company through a press release no later than 30 June 2022.

### CROSS-BORDER TRANSFER OF SECURITIES

A cross-border transfer is not possible between 9 June 2022 until 10 June 2022, both days included, meaning that transfer of shares from Euronext Securities to Euroclear or from Euroclear to Euronext Securities is not possible during the aforementioned period. Subscription rights and subscribed and paid for shares ("BTA") in the Company will not be transferrable between Euronext Securities and Euroclear or from Euroclear to Euronext Securities.

### TRADING WITH SUBSCRIPTION RIGHTS

Only subscription rights issued through the Euroclear system will be tradeable on Nasdaq First North Growth Market during the subscription period. Trading in subscription rights will take place on Nasdaq First North Growth Market from 16 June 2022 until 27 June 2022. Shareholders shall contact their bank or other nominee with the necessary authority to carry out the purchase or sale of subscription rights directly. Subscription rights that are acquired during the above-mentioned trading period provide the same right to subscribe for new shares as shareholders with subscription rights based on their shareholding in the Company on the record date. Subscription rights must be exercised no later than 30 June 2022 or sold no later than 27 June 2022, in order to not become void or lose their value.

### SUBSCRIPTION OF SHARES FOR SHAREHOLDERS IN EUROCLEAR

#### Preprinted paying slips and subscription forms

#### SHAREHOLDERS DIRECTLY REGISTERED IN EUROCLEAR

Shareholders or representatives of shareholders, who on the record date 10 June 2022, were registered in the Euroclear system, receives a pre-printed paying slip (account statement). A teaser and the Prospectus can be found on the Company's website. The information can be downloaded at Nordic Issuing's web page ([www.nordic-issuing.se](http://www.nordic-issuing.se)) or at the web page of the Company ([www.initiatorpharma.com](http://www.initiatorpharma.com)). Shareholders who are included in the separate list of pledgees and others in relation to Euroclear's system to not receive information and will be notified separately. An account notice, which declares the delivery of subscription rights on the shareholder's book-entry account, are not distributed.

### SHAREHOLDERS REGISTERED WITH A NOMINEE

Shareholder whose holdings of shares in the Company are nominee registered with a bank or other trustee do not receive a pre-printed paying slip. A teaser and the Prospectus can be found on the Company's website. Subscription and payment should instead be made in accordance with instruction from the respective bank or trustee. Please note that if the use of subscription rights takes place via a bank or a trustee, this should be done early in the subscription period, as the respective bank/trustee may set different deadlines for the last subscription date.

### SUBSCRIPTION OF SHARES WITH PREFERENTIAL RIGHT THROUGH EUROCLEAR

Subscription with the support of subscription rights shall be made by simultaneous cash payment no later than 30 June 2022. Subscription by payment must be made either with the prepaid payment slip attached to the account statement or by payment instruction on the subscription form in accordance with the follow two options:

#### Preprinted paying slip (account statement)

If all subscription rights allotted on the record date shall be exercised, only the preprinted paying slip shall be used for subscription by way of cash payment. The subscription form "Subscription with subscription rights" shall not be used in this case.

#### Subscription form – "Subscription with subscription rights"

If a different number of subscription rights than what is stated on the pre-printed paying slip shall be exercised, for example, if subscription rights are acquired or sold, the subscription form "Subscription with subscription rights" shall be used for subscription by means of cash payment. The shareholder must state on the subscription form, the number of subscription rights being exercised, the number of shares they are subscribing for, and the amount that shall be paid. If the payment is made in another way than with the pre-printed paying slip, the securities account must be indicated as a reference. Incomplete or incorrectly filled out subscription forms may be disregarded. The subscription form "Subscription with subscription rights" can be downloaded at Nordic Issuing's web page ([www.nordic-issuing.se](http://www.nordic-issuing.se)). A complete subscription form must, in connection with cash payment, be sent to, and received by Nordic Issuing via e-mail no later than 30 June 2022 on the contact details stated below.

The subscription is binding.

Nordic Issuing reserves the right to disregard application slips received by post, as it cannot be guaranteed that they will be received before the last day of the subscription period if they are posted.

**E-mail:** [info@nordic-issuing.se](mailto:info@nordic-issuing.se) (scanned subscription form)

**Subject:** Initiator Pharma A/S

### SUBSCRIPTION OF SHARES FOR SHAREHOLDERS IN EURONEXT SECURITIES

#### SUBSCRIPTION OF SHARES WITH PREFERENTIAL RIGHT THROUGH EURONEXT SECURITIES

Subscription and payment of shares with pre-emptive subscription rights for shareholders who, on the record date, were only registered in Euronext Securities, and thus not registered in Euroclear, shall be carried out according to instructions from each account holding bank or broker registered in Euronext Securities no later than 30 June 2022. Payment shall be made in DKK. The subscription is binding.

#### NOMINEE-REGISTERED SHAREHOLDERS

Shareholders whose shares in the Company were nominee registered through a bank or broker will not receive preprinted paying slips. However, shareholders who, on the record date, were nominee registered in the Euroclear system, receive a folder containing the terms and conditions for the Rights Issue with referral to the investment prospectus. Subscription and payment shall be carried out according to instructions from each account holding bank or broker.

#### SUBSCRIPTION WITHOUT PREFERENTIAL RIGHT

It is only possible to apply for subscription of shares without preferential right in SEK. A subscription of shares without preferential rights is to be made on the form "Subscription without subscription rights" available for downloading at Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)) and at the website of Company ([www.initiatorpharma.com](http://www.initiatorpharma.com)). Subscription can also be made with BankID/NemID signatures on Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)).

Nominee-registered shareholders, requesting subscription of shares without preferential right, must coordinate such a subscription with the account-holding bank in accordance with instructions from the respective account-holding bank, or if shares are registered at several different nominee-registered accounts, from each of these account-holding banks or brokers. Subscription can also be made on the form "Subscription without subscription rights".

Note that shareholders or other investors who have an account with specific rules for securities transactions, such as an investment savings account (Sw. Investeringsparkonto) or endowment account (Sw. Kapitalförsäkring), must check with the account holding bank or broker, whether, and if so, the subscription of shares in the Rights Issue is possible. The subscription shall in that case be made in accordance with instructions received from the account-holding bank or broker.

Incomplete or incorrectly filled out subscription forms may be disregarded. It is only permissible to submit one (1) subscription form "Subscription without subscription rights." If more than one such subscription form is submitted, only the one last received will be considered, and other such subscription forms will be disregarded. The subscription form must be Nordic Issuing at hand no later than 30 June 2022. The subscription is binding. Nordic Issuing reserves the right to disregard application slips received by post, as it cannot be guaranteed that they will be received before the last day of the subscription period if they are posted.

#### ALLOCATION OF SHARES SUBSCRIBED FOR WITHOUT PREFERENTIAL RIGHT

If not all shares in the Rights issue are subscribed for with preferential right, the Board of Directors shall decide on allocation of shares within the limits of the maximum amount of the Rights issue to shareholders or other investors that have subscribed for shares without preferential right.

Firstly, allocation of shares which are subscribed for without preferential right shall be made to shareholders or other investors who have also subscribed for shares by exercising subscription rights, regardless if the subscriber was a registered shareholder on the record date or not. In case that allocation of shares cannot fully be provided in accordance with subscriptions without subscription rights, allocation shall be made in relation (pro rata) to

the quantity of subscription rights exercised for subscription of shares in the Rights Issue, and to the extent this is not possible, by drawing of lots.

Secondly, allocation of shares which are subscribed for without preferential right shall be made to other investors than the above mentioned, who have subscribed for shares without subscription rights. In case that allocation of shares cannot fully be provided in accordance with subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the amount of subscribed for shares without subscription rights in the Rights Issue, and to the extent this is not possible, by drawing of lots.

Thirdly, the allocation of shares shall be made to the underwriters in proportion to the size of the underwriting commitments made, and to the extent this is not possible, by drawing of lots.

#### **Notification of allocation of shares subscribed for without preferential right**

Notification of allotment of shares without preferential rights will be made via a settlement note sent via e-mail. Settlement notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in accordance with the payment instructions on the settlement note. Payment is due within five (5) Swedish business days from the date the settlement note was distributed. Note that payment for any allotted shares will not be withdrawn from the specified securities account. If payment is not received in due time, the subscribed for shares may be assigned to another party. Should the price by such an assignment be lower than the subscription price of the Rights Issue, the subscriber who initially was allocated these shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares will not receive any notification.

#### **SUBSCRIPTION ABOVE 15,000 EUR**

If the subscription amounts to, or exceeds EUR 15,000.00, a money laundering form shall be completed and sent to Nordic Issuing in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Nordic Issuing cannot distribute any securities, even if payment has been received, before the money laundering form has been received by Nordic Issuing.

#### **SHAREHOLDERS RESIDING OUTSIDE OF DENMARK AND SWEDEN**

Shareholders who reside outside of Sweden and Denmark (with the exception of shareholders residing in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore, South Korea, Russia, Belarus and other countries in which participation in the Rights Issue requires supplementary prospectus, further registration or other measurements than those which are required by Swedish and Danish legislation) who have preferential right in the Rights Issue can contact Nordic Issuing for further information about subscription and payment.

Due to restrictions in the legislation regarding securities in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore, South Korea, Russia, Belarus and other countries in which participation requires supplementary prospectus, further registration or other measurements than those which are required by Swedish and Danish legislation, subscription rights through Euroclear will not be issued to shareholders with registered addresses in any of these countries. Accordingly, no offer is made to subscribe for shares in the Company to shareholders residing in these countries.

#### **SHAREHOLDERS AND INVESTORS RESIDING IN DENMARK OR OTHER COUNTRIES OUTSIDE OF SWEDEN**

Shareholders and other investors residing in Denmark or other countries outside of Sweden who can subscribe for shares in the Rights Issue are notified that subscription and payment of shares through a non-Swedish bank or broker might be associated with additional costs or fees which will be charged the shareholder or investor by the specific bank or broker. Furthermore, delivery and account holding of shares via a non-Swedish bank or broker may be associated with additional costs or fees, which will be charged the shareholder or investor by the specific bank or broker.

#### **PAID AND SUBSCRIBED FOR SHARES ("BTA")**

Subscription via payment is registered with Euroclear and Euronext Securities as soon as feasible, which normally means a few banking days after payment is made. Subscribers who have subscribed and paid in the Euroclear system will subsequently receive a securities depository account notification confirming that the registration of Paid Subscribed Share (BTA) has occurred in the subscriber's securities account. Subscribed for shares are entered as BTA's in the securities account until the Rights Issue has been registered with the Danish Business Authority.

Shareholders who have their holdings in a custodian account at a bank or brokerage firm will receive information from their respective custodian.

#### **TRADING IN BTA**

Only BTA's issued through the Euroclear system will be tradeable on Nasdaq First North Growth Market. Trading in BTA's will take place on Nasdaq First North Growth Market from 16 June 2022 until the Rights Issue is registered at Erhvervsstyrelsen (Danish Companies Registration Office). Subscribed for shares are entered as BTA in the securities depository account until the preferential Rights Issue has been registered with Erhvervsstyrelsen, which is expected to take place in mid-July 2022.

#### **DELIVERY OF SHARES**

As soon as the Rights Issue has been registered with Erhvervsstyrelsen, which is expected to take place in mid-July 2022, BTA is reboked to shares without special notification from Euroclear.

#### **INFORMATION REGARDING DELIVERY AND REGISTRATION OF SHARES**

Since the Company is a Danish public limited liability company, all of the Company's shares are issued through, and hence registered in, the Euronext Securities system. In order to trade the shares on Nasdaq First North Growth Market, clearing need to occur within the Euroclear system which means that the shares must be registered in Euroclear. All shares registered in Sweden are mirrored in the Euroclear system from Euronext Securities. This means that Euroclear is registered as owner of the shares on behalf of underlying shareholders, in the shareholder register kept by Euronext Securities.

Shares which are subscribed for on basis of subscription rights, by exercising subscription rights issued in the Euronext Securities system, and which are paid for in DKK, will not be registered in Euroclear and will hence not be tradeable on Nasdaq First North Growth Market. In order for such shares to be tradeable on Nasdaq First North Growth Market, the shareholder must first administrate a cross-border transfer of shares to Euroclear. Such a cross-border transfer of shares may be subject to additional costs or fees, which will be charged the shareholder or investor by the specific account holding bank or broker.

Shares which are subscribed for without subscription rights and paid for in SEK, will be delivered to investors through the Euroclear system and will hence be tradeable on Nasdaq First North Growth Market.

As soon as the Rights Issue has been registered at the Danish Business Authority, as expected in mid-July 2022, BTA's are converted into shares without further notice from Euroclear and Euronext Securities. Partial registration of shares in the Rights Issue may occur at the Danish Business Authority. Publication of the outcome in the Rights Issue is scheduled to the beginning of July 2022, or as soon as possible after the subscription period ends. The Company will publish the result of the Rights Issue through a press release.

#### **APPLICABLE LEGISLATION**

The shares are emitted under Selskabsloven and are regulated by Danish law. The Company is however governed by Swedish law in relevant aspects directly related to Nasdaq First North Growth Market's listing agreement.

#### **ENTITLED TO DIVIDEND**

The new shares carry the right to a dividend for the first time on the first record date for dividends that occur after the new shares have been registered to Erhvervsstyrelsen. The new shares have the same right to dividend as the existing shares. Payment of any dividend for shares registered in the Euroclear system is managed by Euroclear, or for nominee registered shares, in accordance with the respective account holding bank or brokers' routines. Payment of any dividend for shares only registered in the Euronext Securities system is managed by Euronext Securities. Payment of any dividend will be made in DKK. Payment of any dividend for shares registered in the Euroclear system will be made in SEK after exchange by either the Company or Euroclear. See section "Dividend and voting rights etc."

#### **REGISTER OF SHAREHOLDER**

The Company's shareholder register is handled and administrated partly by Euronext Securities with visiting address Nicolai Eigveds Gade 8, DK-1402 Copenhagen, Denmark and partly by Euroclear Sweden with visiting address Klarabergsviadukten 63, 111 64 Stockholm, Sweden.

#### **SHAREHOLDER RIGHTS**

The shareholders' right to dividend, voting right, pre-emptive subscription rights of shares is governed by both the Company's articles of association (available via the website of the Company and in the investment prospectus), as well as the Danish Companies Act. The Swedish Companies Act applies in relevant aspects, e.g., as regards to the rules on certain related transactions. See section "Transactions with Related Parties".

#### **TRADING IN THE SHARE AND ISIN**

The shares of the Company are listed on Nasdaq First North Growth Market. The shares are traded under the short name "INIT" and have the ISIN-code DK0060775872. Only shares that are affiliated to Euroclear are, and will be, tradeable on Nasdaq First North Growth Market. Newly issued shares which are delivered through the Euroclear system are tradeable in conjunction with the conversion of BTA's to shares in the Euroclear's system. Newly issued shares will have the same ISIN-code as the current shares. ISIN-code for the subscription rights will be SE0018041790. ISIN-code for the BTA will be SE0018041808.

#### **SHAREHOLDERS REPORTING OBLIGATION**

All shareholders in Initiator Pharma have an obligation to comply with the reporting rules to "The Public Ownership Register". Registration of holdings shall be made to Initiator Pharma (tv@initiatorpharma.com) within 14 days after the registration obligation has been actualized (when the holding amounts to or exceeds 5 percent in the Company and/or passes some other thresholds). See www.erhvervsstyrelsen.dk for more information about the rules on "The Public Ownership Register".

#### **ISSUING AGENT AND PAYING AGENT**

Issuing agent in Sweden in connection with the Rights Issue is Nordic Issuing AB. The issuing agent and settlement agent in Denmark in connection with the Rights Issue is Danske Bank and Nordic Issuing.

#### **CONTACT INFORMATION EURONEXT SECURITIES AND EUROCLEAR SWEDEN AB**

Euronext Securities,  
Nicolai Eigveds Gade 8, 1402  
Copenhagen, Denmark

Euroclear Sweden AB,  
Box 191, SE-202 23  
Stockholm, Sweden

#### **OTHER**

The Board of Directors is authorized to decide on minor corrections required for registration with the Erhvervsstyrelsen and Euroclear Sweden AB. Minor corrections refer to corrections of a minor extent, such as, for example, spelling errors or other typing errors, which may prevent the decision from being registered with Erhvervsstyrelsen or Euroclear Sweden AB.

The Board of Directors is not entitled the right to withdraw the Offer.

In the case an excess amount has been paid by a subscriber for the new shares, the excess amount will be repaid to the subscriber. Excess amounts less than SEK 100 will not be refunded.

The Rights Issue may be withdrawn at the discretion of the Board of Directors before registration of the new shares with the Danish Business Authority. If the Rights Issue is withdrawn, any exercise of the subscription rights that has already taken place will be cancelled automatically. The subscription amount for the new shares will be refunded (less any transaction costs) to the last registered owner of the new shares as the date of such withdrawal. All pre-emptive subscription rights will lapse, and no new shares will be issued.

Trades of subscription rights on Nasdaq First North Growth Market will, however, not be affected. Consequently, investors who have acquired subscription rights will incur a loss corresponding to the purchase price of the subscription rights and any transaction costs.

The Company is not liable for any losses that investors may suffer as a result of withdrawal of the Rights Issue including but not limited to any transaction costs or lost interest. A withdrawal of the Rights Issue will be announced through Nasdaq First North Growth Market.