



Peptonic Medical intends to carry out a rights issue of approximately SEK 42 million and raises loan financing

Peptonic Medical AB (publ) ("PMED" or "the Company") announces today, November 4th, 2021, the intention to carry out a rights issue of units consisting of shares and warrants of series TO1 ("Unit") with preferential rights for the Company's existing shareholders (the "Rights Issue").

The proceeds from the Rights Issue and the warrants will mainly be used for the acquisition of Common Sense, for continued commercial launch and international expansion of the VagiVital and Lunettes product series as well as for the development of new products, including clinical studies.

The Rights Issue, which is covered to 80 percent of guaranteed commitments from the Company's largest shareholder Vidarstiftelsen, is expected to provide the Company with a maximum of approximately SEK 42 million and requires a resolution from the Extraordinary General Meeting. The Company's Board of Directors intends to convene an extraordinary general meeting on December 16, 2021, which is proposed to authorize the Board of Directors to decide on the issue in accordance with the terms below and to determine the date for the implementation of the Rights Issue.

The company has, as of today, also entered into an agreement on bridge financing with Vidarstiftelsen, including a loan limit of a total of SEK 25 million, of which SEK 10 million has been utilized. The loan has an annual interest rate of 7% and must be repaid in connection with the termination of the Rights Issue. The Rights Issue will be completed as soon as possible, which is expected to be during the first quarter of 2022.

Summary of proposed terms

- Nine (9) shares held entitle the holder to subscribe for one (1) Unit consisting of three (3) shares and two (2) warrants of series TO1.
- Every one (1) share held on the record date determined by the Board, shareholders in PMED receive one (1) unit right. Nine (9) unit rights give the right to subscribe for one (1) Unit.
- The subscription period in the Rights Issue is later determined by the Board.
- The subscription price will be set at SEK 1.98 per Unit, corresponding to SEK 0.66 per share. The warrants are issued free of charge.
- Upon full subscription in the Rights Issue, PMED will receive approximately SEK 42.2 million before issue costs.

- The rights issue is covered to 80 percent by guaranteed commitments from the Vidar Foundation, where compensation is paid at 7% of the guarantee for the commitment excluding own pro rata share of 13.89%.
- If the Rights Issue is oversubscribed, to enable further capital injections and increased ownership diversification, the Board may decide on an over-allotment option (the "Over-allotment Option") which, when fully subscribed, adds an additional SEK 6 million to the Company. The over-allotment option can also be used as guaranteed compensation to the Vidar Foundation. Upon full exercise of the Over-allotment Option, PMED will receive an additional approximately SEK 5.9 million, corresponding to 14 percent of the Rights Issue.
- Upon full subscription in the Rights Issue, including the over-allotment, the number of shares in the Company will increase from 191,639,642 to 255,519,521, implying an increase in the share capital of SEK 6,387,987.90.
- Upon full exercise of the Over-allotment Option, the number of shares will increase by an additional 9,000,000 shares from 255,519,521 to 264,519,521, implying an increase in the share capital of SEK 900,000.
- The warrant (TO1) has redemption between 14 - 25 November 2022 and can provide an additional SEK 24 - 48 million in the event of full subscription if the over-allotment is also exercised.
- Subscription price: One (1) TO1 gives the right to subscribe for one (1) new share at a price amounting to 70% of the Volume-weighted average price (VWAP) for PMED's share during the ten (10) trading days which precede 2022-11-11. However, the highest possible subscription price can amount to SEK 1.00 (149% of the subscription price in the rights issue). The minimum exercise price can be SEK 0.50 per share.
- In total, a maximum of 45,586,586 shares will be issued with TO1 as a basis, which can bring in from SEK 24,293,293 to SEK 48,586,587 when used. After the Rights Issue, including over-allotment and after full utilization of TO1, there will be a total of 310,106,107 shares, with a share capital of SEK 30,110,610.70. Compared with today 191,639,642 shares, a total increase of 118,466,465 shares.
- Trading will be admitted for TO1 on Spotlight Stockmarket.

Background and purpose

Peptonic Medical AB (publ) is an innovative biomedical company that conducts research, development and sales of medical devices and lifestyle products in the field of women's health. Peptonic launched the first product, VagiVital® Active Gel against Vaginal Atrophy, in July 2018. In April 2021, VagiVital® Moisturizing V Cleanser, was launched, a moisturizing and preventive intimate wash. The company was founded in 2009 and the share has been traded on Spotlight (www.spotlightstockmarket.com) in Stockholm since 2014.

Since August 2020, Lune Group Oy Ltd. has been a wholly owned subsidiary of Peptonic Medical. The company was founded in 2005 with the business idea of leading a light-hearted menstrual revolution in a positive spirit via patented menstrual cups. The company is now developing to lead the way in sustainable, intimate well-being.

In October 2021, all assets were acquired from the Israeli company Common Sense Ltd. Common Sense has developed unique and patented self-tests to accurately diagnose bacterial vaginosis and amniotic fluid departure respectively.

The issue proceeds from the forthcoming Rights Issue will mainly be used for costs in connection with the acquisition of Common Sense assets and to support the commercial launch and market establishment of VagiVital and Lunette as well as for the development of new products including clinical studies

The issue proceeds from the Rights Issue, including any proceeds from the exercise of the Over-allotment Option and the warrants, are planned to be distributed as a percentage as follows and, in the event that not all measures can be implemented, according to the following priorities:

1. Acquisition and start-up of Common Sense assets (approximately 50% of the issue amount)
2. Market development (approximately 30% of the issue amount)
3. Operation of the company (approximately 10% of the issue amount)
4. Product development (approximately 10% of the issue amount)

Comment from Erik Sundquist, CEO Peptonic Medical

During the summer, we communicated that an important part of Peptonic's growth strategy is a relevant and accelerated broadening of the company's portfolio within V-Care. We do this through a combination of own development and acquisitions. As part of this strategy, we view the recent acquisition of Common Sense very positively. The products will above all strengthen the medical part of our portfolio and increase our attractiveness in an international expansion. To succeed with the expansion, strong and long-term owners are required, which is why

we are very strengthened that Vidarstiftelsen continues to actively invest and support Peptonic's development.

Comment from Anders Kumlander, Chairman of Vidar Foundation

Peptonic's focus on under-prioritized women's health and with a product that relieves the healthcare system, the company is taking the next step. We think the company's acquisition of Common Sense is fully in line with the growth strategy the company has now set up and strongly supports the company's continued expansion. Our investment in Peptonic is long-term and we view it very positively.

Change in share capital and number of shares

Upon full subscription in the Rights Issue, the number of shares in the Company will increase from 191.639.642 to 255.519.522, entailing an increase in the share capital by SEK 6.387.988. In the event of the Over-allotment Option also being fully exercised, the number of shares will increase by an additional 9.000.000 and the share capital will increase by an additional SEK 900.000. Upon full exercise of all warrants issued in the Rights Issue and the Over-allotment Option, the number of shares will increase by a further maximum of 48.586.586 shares, which in total exercise yields 313,106,108 shares, implying an increase in the share capital by a maximum of SEK 4,858,658.

Prospect

The prospectus is expected to be published around the first quarter of 2022. Complete terms and conditions and information on subscription and guarantee commitments will be available in PMED prospectuses published on the Company's and Partner Fund Commission's respective websites (www.peptonicmedical.se, www.partnerf.fk.se).

Advisor

Partner Fondkommission AB is the financial advisor and issuer in the transaction, Advokatfirman Lindahls is the legal advisor.

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This disclosure contains information that PEPTONIC Medical AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 04-11-2021 17:33 CET.

About Peptonic Medical AB

Peptonic Medical AB (publ) is an innovative medtech company that conducts research, development and sales of medical devices and lifestyle products in the field of women's health. Peptonic launched its first product, VagiVital®□ Active Gel against vaginal atrophy, in July 2018. In April 2021, VagiVital®□ Moisturizing V Cleanser, was launched, a moisturizing and preventive intimate wash. The company was founded in 2009 and the share has been traded on Spotlight (www.spotlightstockmarket.com) in Stockholm since 2014.

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