

Press release

Malmö, Sweden, March 17, 2021

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The Board of Directors of WntResearch AB has resolved on a fully underwritten rights issue of approximately SEK 56.4 million in accordance with previously announced intention

The Board of Directors of WntResearch AB ("WntResearch" or the "Company") has today, pursuant to the authorization granted by the Extraordinary General Meeting on March 10, 2021, resolved to carry out an issue of units, consisting of shares and warrants, with preferential rights for the Company's existing shareholders (the "Rights Issue") in accordance with the intention announced in a press release from February 5, 2021. Upon full subscription in the Rights Issue, the Company will initially receive approximately SEK 56.4 million before issue costs and upon full exercise of all warrants, the Company will receive an additional maximum amount of approximately SEK 85 million before issue costs. In addition, the Board of Directors of the Company may carry out an over-allotment issue of approximately SEK 5 million if the Rights Issue is oversubscribed ("Over-Allotment Issue"). Due to the Rights Issue, the Board of Directors has resolved to postpone the publication of the interim report for the first quarter of 2021 to May 31, 2021 and to postpone the Annual General Meeting to May 31, 2021.

Summary of the Rights Issue

- Each share held in the Company on the record date April 6, 2021 entitles to one (1) unit right and nine (9) unit rights entitle to subscription of one (1) unit. One (1) unit consists of ten (10) newly issued shares and ten (10) warrants series 2021/2023. The rights issue consists of a maximum of 6,962,407 units.
- The subscription price is SEK 8.10 per unit, which corresponds to a subscription price of SEK 0.81 per share. The warrants are issued free of charge.
- In the event of full subscription, the Rights Issue will provide WntResearch with approximately SEK 56.4 million before issue costs. Upon full subscription and full exercise of all warrants within the framework of issued units, the Company may be provided with an additional capital injection of a maximum of approximately SEK 85 million before issue costs.
- The subscription period for the Rights Issue takes place during the period from and including April 8, 2021 to and including April 22, 2021.
- The Rights Issue is secured to 100 percent by underwriters' commitment.
- The subscription period for subscription of shares by exercise of warrants series 2021/2023 takes place during the period from and including March 23, 2023 to and including April 5, 2023.
- The subscription price for subscription of shares by exercise of warrants series 2021/2023 amounts to 70 percent of the volume-weighted average price of the Company's share on Spotlight Stock Market during the period from and including March 8, 2023 to and including March 21, 2023, however, not lower than SEK 0.09 and not higher than SEK 1.22 per share.
- If the Rights Issue is oversubscribed, the Board of Directors of the Company may carry out an Over-Allotment Issue of a maximum of 620,000 units, corresponding to approximately SEK 5 million before issue costs, aimed at strategic and professional investors who have subscribed for units in the Rights Issue without receiving full allotment. The Over-Allotment Issue may

- increase the total issue proceeds in the Rights Issue to approximately SEK 61 million before issue costs.
- If all warrants issued in connection with the Rights Issue are exercised, the Company will receive an additional maximum of approximately SEK 85 million or an additional maximum of approximately SEK 93 million if the Over-Allotment Issue has been carried out in full.

Background and rationale in summary

WntResearch is a drug development company whose main drug candidate Foxy-5 is being tested in the Phase II clinical study NeoFox in patients with stage 2-3 colon cancer. The purpose of Foxy-5 is to prevent metastases from occurring, i.e. that a tumor spreads to other parts of the body.

Preclinical data support the hypothesis and phase 1 clinical trials have defined appropriate doses and proved that the substance has a very high safety and tolerance. In April 2019, WntResearch launched the NeoFox study in Spain and today a total of 16 hospitals in Spain participate in the study. Due to lower-than-expected initial patient inclusion, the study also opened in 12 hospitals in Hungary in 2020. At the same time, the Covid-19 pandemic hit globally, significantly limiting patient recruitment. Full recruitment of patients has only been possible for a few months and then the Company saw a great interest in participating in the study and a good inclusion of patients. Planned study activities are now expected to resume in June 2021 at a total of 28 hospitals in Spain and Hungary. The company currently estimates that the Covid-19 pandemic will have shifted the schedule by approximately 18 months at the planned restart in June 2021. The NeoFox study is therefore expected to run during the period June 2021 - December 2022 before an interim analysis (analysis of data carried out before data collection from the study has been completed) is assessed to be able to be performed to get the first effect reading of the drug candidate Foxy-5. The interim analysis is also considered to be able to guide the Company in determining the final number of patients in order to be able to complete the study and achieve the study goals with the NeoFox study. The financial effect of the Covid-19 pandemic is estimated to increase the total capital requirements in the Company by approximately SEK 45 million.

WntResearch therefore carries out the Rights Issue, which, upon full subscription, can provide the Company with a total of approximately SEK 56.4 million before issue costs, which are estimated to amount to approximately SEK 10.6 million. In addition, the Board of Directors of the Company may carry out an Over-Allotment Issue of approximately SEK 5 million before issue costs, directed at strategic and professional investors who have subscribed for units in the Rights Issue without receiving a full allotment. The Over-Allotment Issue may thus increase the total issue proceeds in the Rights Issue to approximately SEK 61.4 million before issue costs.

The net proceeds from the Rights Issue of approximately SEK 46 million are mainly intended to be used to carry out the NeoFox study for an additional 18 months as above, to manufacture additional study drugs (Foxy-5), as the shelf life is based on existing stock before the NeoFox study is now deemed complete, and cover the Company's operating costs and necessary development of a new and more cost-effective manufacturing method of Foxy-5. The net proceeds are thus intended to be used for the following uses in order of priority:

- Conduct the NeoFox study for another 18 months, approximately 50 percent.
- Manufacture additional study drugs (Foxy-5), approximately 22 percent.
- Current operating costs 18 months, approximately 28 percent.

In the event that all warrants series 2021/2023 are exercised for subscription of shares, WntResearch will receive additional issue proceeds of a maximum of approximately SEK 85 million before issue costs, which are estimated to amount to approximately SEK 3.8 million or a maximum of approximately SEK 93 million before issue costs, which are estimated to amount to approximately SEK 4.3 million if the Over-Allotment Issue is carried out.

The additional net proceeds from warrants series 2021/2023 are intended to be used to complete the NeoFox study, intensified business development with reconciliations of continued clinical development with regulatory authorities, treating physicians/COPD (Key Opinion Leaders) and commercial stakeholders to anchor the presence of Foxy-5 in a future treatment regimen. The net proceeds are thus intended to be used for the following uses in order of priority:

- Complete the NeoFox study, approximately 40 percent.
- Continued clinical and regulatory development, approximately 40 percent.
- Intensified business development and market access, approximately 20 percent.

In the event of great interest, the Board of Directors has the possibility to resolve on an Over-Allotment Issue of up to 620,000 units aimed at strategic and professional investors who have subscribed for units in the Rights Issue without receiving a full allotment, corresponding to issue proceeds of approximately SEK 5 million before issue costs, which are estimated to amount to approximately 0.3 MSEK. The potential net proceeds from the possible Over-allotment Issue are intended to be used for further research and development of the Company's drug candidate Foxy-5.

Lock-up agreement

All members of the Board of Directors who hold shares have undertaken not to transfer, pledge or otherwise sell existing shares in the Company without Mangold's consent for a period of 12 calendar months from the completion of the Rights Issue. The lock-up agreements are subject to customary exceptions, for example in the event that a public takeover bid is submitted for all shares in the Company.

Terms of the Rights Issue

The Board of Directors of WntResearch resolved on March 17, 2021, pursuant to the authorization granted by the Extraordinary General Meeting on March 10, 2021, to carry out the Rights Issue by issuing a maximum of 6,962,407 units. The right to subscribe for units with preferential rights shall vest with those who on the record date of April 6, 2021 are registered as shareholders in the Company, whereby holding one (1) existing share in the Company entitles to one (1) unit right and nine (9) unit rights entitle to subscription of one (1) unit consisting of ten (10) newly issued shares and ten (10) warrants series 2021/2023. In total, the Rights Issue comprises a maximum of 69,624,070 shares and a maximum of 69,624,070 warrants series 2021/2023. The subscription price amounts to SEK 8.10 per unit, corresponding to a subscription price of SEK 0.81 per share, which means that the Company will initially receive approximately SEK 56.4 million before issue costs and excluding the additional capital contribution that may be added when exercising the warrants and the Over-Allotment Issue. The warrants are issued free of charge. Subscription of units with or without preferential rights shall take place during the period April 8, 2021 - April 22, 2021. Unit rights that are not exercised during the subscription period become invalid and lose their value. Trading in unit rights is expected to take place on Spotlight Stock Market during the period April 8, 2021 - April 19, 2021.

Trading in Paid Subscribed Units ("BTU") is expected to take place on Spotlight Stock Market from and including April 8, 2021, until conversion to shares and warrants takes place after the Rights Issue has been registered with the Swedish Companies Registration Office. Registration with the Swedish Companies Registration Office is expected to take place during week 18, 2021.

Each warrant entitles the holder to subscribe for one (1) new share in the Company at an exercise price corresponding to seventy (70) percent of the volume-weighted average price of the Company's share on Spotlight Stock Market during the period March 8, 2023 - March 21, 2023, however a minimum of SEK 0.09 and a maximum of SEK 1.22 per share. This means that the additional capital injection that may be added when exercising the warrants may amount to a maximum of approximately SEK 85 million before issue costs. Subscription of shares by exercise of warrants takes place during the period March 23, 2023 - April 5, 2023.

If not all units are subscribed for on the basis of unit rights, the remaining units shall be allotted within the framework of the maximum amount of the Rights Issue: firstly, to those who have subscribed for units on the basis of unit rights (regardless of whether they were shareholders on the record date or not) and who have registered an interest in subscribing for units without the support of unit rights and in the event that allotment cannot be made in full, allotment takes place pro rata in relation to the number of unit rights that each of those who have expressed an interest in subscribing for units without the support of unit rights used for subscription of units; secondly, to those who has subscribed for subscription of units without the support of unit rights and in the event that allotment to these cannot take place in full, allotment shall be made pro rata in relation to the number of units that the subscriber has fully subscribed for; and thirdly, to those who have provided underwriting commitments regarding subscription of units, in proportion to such underwriting commitments. To the extent that allotment at any stage according to the above cannot take place pro rata, allotment shall be made by drawing lots.

Over-Allotment Issue

If the Rights Issue is oversubscribed, the Board of Directors of the Company may resolve to carry out an Over-Allotment Issue of a maximum of 620,000 units (corresponding to 6,200,000 shares and 6,200,000 warrants series 2021/2023) aimed at strategic and professional investors who have subscribed for units in the Rights Issue without receiving full allotment, which can provide the Company with additional proceeds of approximately SEK 5 million before issue costs. Thus, the Over-Allotment Issue may increase the total issue proceeds in the Rights Issue to approximately SEK 61 million before issue costs. If all warrants issued in connection with the Rights Issue are exercised, the Company will receive an additional maximum of approximately SEK 85 million or an additional maximum of approximately SEK 93 million if the Over-Allotment Issue is exercised in full.

Change in share capital and number of shares as well as dilution

Upon full subscription in the Rights Issue, the number of shares in the Company will increase by a maximum of 69,624,070 shares, from 62,661,667 shares to 132,285,737 shares and the share capital will increase by a maximum of SEK 6,266,166.30, from SEK 5,639,550.03 to SEK 11,905,716.33. In the event that all warrants are also fully exercised for subscription of new shares in the Company, the number of shares in the Company will increase with an additional maximum of 69,624,070 shares, from 132,285,737 shares to 201,909,807 shares, and the share capital will increase with an additional maximum SEK 6,266,166.30, from SEK 11,905,716.33 to SEK 18,171,882.63. Upon full subscription in the Rights Issue, the dilution amounts to approximately 53 percent and upon full exercise of the warrants, the dilution from the warrants amounts to an additional approximately 34 percent. Upon a fully subscribed Rights Issue and full exercise of the warrants, the total dilution can amount to a maximum of 69 percent.

Upon full subscription in the Rights Issue and if the Over-Allotment Issue is fully exercised so that an additional 6,200,000 shares are issued, the number of shares in the Company may increase to 138,485,737 shares, corresponding to a dilution of approximately 54.75 percent. Upon full subscription in the Rights Issue, full exercise of the Over-allotment Issue, and full exercise of all warrants series 2021/2023, the maximum amount of shares in the Company will amount to 214,309,807, whereby the total dilution can amount to a maximum of 70.76 percent.

Underwriting commitments

The Rights Issue is secured 100 percent by underwriters' commitments received from a number of external investors and Mangold Fondkommission AB. For the underwriting commitments, the usual underwriting commission of ten (10) percent of the underwritten amount in the form of cash compensation or fourteen (14) percent of the underwritten amount in the form of newly issued shares in the Company is paid. If the issue underwriters choose to receive underwriting compensation in newly issued shares, the Board of Directors will resolve on a new issue of such shares pursuant to the authorization granted by the Extraordinary General Meeting on March 10, 2021. The subscription price for any shares issued to issue underwriters will correspond to the volume-weighted average price of the Company's share on

Spotlight Stock Market during the Rights Issue's subscription period, i.e. April 8, 2021 - April 22, 2021. These issue underwriters are not secured by bank guarantee, blocking funds, pledges or similar arrangements. Further information regarding the parties that have entered into underwriting commitments will be available in the EU Growth Prospectus, which is expected to be published around March 30, 2021.

Indicative time-table

- March 30, 2021 - Estimated date for publication of prospectus
- March 31, 2021 - Last trading day including the right to receive unit rights
- April 1, 2021 - First trading day excluding the right to receive unit rights
- April 6, 2021 - Record date for participation in the Rights Issue
- April 8 - April 19, 2021 - Trading in unit rights on Spotlight Stock Market
- April 8 - April 22, 2021 - Subscription period
- Around April 27, 2021 - Publication of results in the Rights Issue

Prospectus

Complete terms and conditions for the Rights Issue and other information about the Company will appear in the EU Growth Prospectus (**the "Prospectus"**) which is expected to be published around March 30, 2021.

Postponement of interim report for the first quarter of 2021 and the Annual General Meeting

The Board of Directors of WntResearch has, with regard to the Rights Issue, resolved to postpone both the interim report for the first quarter of 2021 and the Annual General Meeting 2021. The interim report for the first quarter of 2021 is planned to be published on May 31, 2021 and the Annual General Meeting for WntResearch is scheduled to be held on May 31, 2021.

Advisers

Mangold Fondkommission AB is the financial adviser and Setterwalls Advokatbyrå AB is the legal adviser to WntResearch in connection with the Rights Issue.

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This information was submitted for publication, through the agency of the contact person set out above, on March 17, 2021.

About WntResearch

WntResearch is a biotech company in oncology that develops new therapies intended to prevent the metastatic process. The company's research is focused on studying the endogenous protein WNT5A, which in scientific studies has shown to affect tumor cells' ability to move and spread in the body. WntResearch drug candidate Foxy-5 is a peptide that mimics the function of WNT5A and is intended to reduce the mobility and spread of cancer cells thus preventing metastases from occurring. Although current cancer treatment has become more effective, there are no effective ways to prevent the onset of metastases that cause about 90 percent of all cancer-related deaths. Foxy-5 has a unique mechanism of action and has shown a good safety profile with few side effects in two Phase I clinical trials. The safety and efficacy of Foxy-5 are now being evaluated in the ongoing Phase 2 clinical trial NeoFox, in patients with stage II-III colon cancer.

WntResearch is listed on the Spotlight Stock Market. For more information, please visit:

www.wntresearch.com

IMPORTANT INFORMATION

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in WntResearch. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for units in WntResearch will only be made through the Prospectus that WntResearch estimates to publish on March 30, 2021 on www.wntresearch.com. The upcoming approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares, warrants or any other securities. This release is however not a prospectus in accordance to the definition in the Prospectus Regulation (EU) 2017/1129 (“**Prospectus Regulation**” and 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, warrants or other securities in WntResearch. 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. In accordance with article 2 k of the Prospectus Regulation this press release constitutes an **advertisement**.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares, warrants or other securities in WntResearch have been registered, and no shares, warrants or other securities will be registered, under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities legislation of any state or other jurisdiction in the United States of America and no shares, warrants or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States of America.

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This press release may contain forward-looking statements which reflect the Company’s current view on future events and financial and operational development. Words such as “*intend*”, “*expect*”, “*anticipate*”, “*may*”, “*believe*”, “*plan*”, “*estimate*” and other expressions which imply indications or

predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.