

Initiator Pharma A/S announces start of subscription period of the rights issue

Today, on January 16th 2017, the subscription period in Initiator Pharma A/S (“Initiator Pharma”) rights issue in connection with the company’s planned listing on AktieTorget, starts. The subscription period ends on February 9th 2017. If fully subscribed, the rights issue will provide Initiator Pharma with approximately SEK 20.5 million before issuance costs. At the commencement of the rights issue, the company has received subscription commitments totaling approximately SEK 11.9 million, representing approximately 58 percent of the total volume of the rights issue. The rights issue is implemented with preferential rights for existing shareholders, whose preferential rights are exercised on the basis of subscription rights. Memorandum, teaser and subscription form are available on the websites of the company (www.initiatorpharma.com), AktieTorget (www.aktietorget.se) and Sedermera Fondkommission (www.sedermera.se). In addition, the corresponding Danish prospectus, teaser and subscription form for subscribers resident in Denmark are available on the websites of the company and Sedermera Fondkommission.

About Initiator Pharma and the rights issue

Initiator Pharma is a Danish pharmaceutical company originally spun out from Saniona AB. The company’s main focus is the pharmaceutical candidate IPED2015, which constitutes a new treatment for the indication of erectile dysfunction (ED) – the inability of a man to achieve and maintain an erection and thus be able to complete sexual intercourse. The company intends to initiate comprehensive studies and continue with further development of IPED2015, and therefore conducts a rights issue in connection with its planned listing on AktieTorget. The reason for the rights issue is to finance the activities of the implementation of the first phases of these studies. The offer encompasses up to 3,721,689 new issued shares at a subscription price of SEK 5.50 per share, corresponding to approximately SEK 20.5 million.

A comment from Claus Elsborg Olesen, CEO of Initiator Pharma

“In my opinion, there are several good reasons why Initiator Pharma will succeed. Firstly, we have a drug candidate that already, in early preclinical tests, has shown good results regarding both effect and absence of side effects. Furthermore, we have a competent team of scientists with world-leading expertise regarding both the working mechanisms of our drug candidate and research on erectile dysfunction. Foremost, it is the combination of our strong drug candidate and the competent research team with good prospects of successful development of IPED2015 that is Initiator Pharma’s primary strength. Another advantage for us is that there is currently a large demand for a new drug candidate for the treatment of ED and this provides us with good conditions for a successful financial development of Initiator Pharma. Our main goal is to develop IPED2015 until a clinical phase II trial to obtain Proof-of-Concept is successfully completed. The rights issue of approximately SEK 20.5 million that we are now conducting is primarily intended to fund the initial parts of this development, which includes initiating the regulatory process concerning toxicology of the drug candidate and completing the pharmacological work.”

The offer in brief

Subscription period:

26 January – 9 February 2017.

Subscription price/Issue price:

SEK 5.50 per share.

The scope of the offer:

The offer encompasses a maximum of 3,721,689 shares, corresponding to approximately SEK 20.5 million. The approved lowest level of acceptance for implementation of the new share issue is approximately SEK 14.9 million, corresponding to SEK 2,700,000 shares.

Payment:

Cash settlement is to be made in late February 2017.

Number of shares before the new share issue:

4,962,254 shares.

Valuation (pre-money):

Approximately SEK 27.3 million.

Listing on AktieTorget:

The plan is for the company to be listed on AktieTorget. March 16th 2017 is the projected date for the first day of trading.

ISIN code:

DK0060775872.

Subscription commitments: The company has received subscription commitments totaling approximately SEK 11.9 million, representing approximately 58 percent of the issue volume.

Record day for the preference rights: The record date for obtaining subscription rights was January 24th 2017. The new share issue is implemented with preferential rights for existing shareholders, whose preferential rights are exercised on the basis of subscription rights. One (1) subscription right will be received for each existing share. Four (4) such subscription rights entitle the holder to subscribe to three (3) new shares.

Trading in subscription rights (TR) and paid subscription shares (BTA): Since the company has not previously been listed, no organized trading in subscription rights or Paid Subscription Shares (BTAs) will take place.

Investor meetings

In connection with the rights issue, representatives of Initiator Pharma will participate in a number of investor meetings, in order to provide information about the company's business activities and its plans for the future. See the schedule below for the company's road show.

Date and time	Organizer	Location (city and site)	Application to attend
January 27, 2017 11:40 – 13:00	Sedermera Fondkommission	Copenhagen Marriott Hotel Kalvebod Brygge 5, Copenhagen, Denmark	event@sedermera.se
January 30, 2017 18:00 – 21:00	Financial Stockholm and Aktiespararna Stockholm Vasa	Hotell Scandic Anglais, Humlegårdsgatan 23, Stockholm, Sweden	www.aktiespararna.se/sajt/kontakt/lokalavdelningar/lok/aktiespararna/Stockholm-Vasa/Lokal-startsida/
January 31, 2017 10:15 – 10:45	Aktiespararna Lund	Medicon Village Scheelevägen 2, Lund, Sweden	www.aktiespararna.se/aktiedagen-lund
February 7, 2017 11:40 – 13:00	Sedermera Fondkommission	Elite Park Avenue Hotel, Kungsporsavenyen 36, Gothenburg, Sweden	event@sedermera.se

The Memorandum, Danish Prospectus, subscription form and teaser

Memorandum, teaser and subscription form are available on the websites of the company (www.initiatorpharma.com), AktieTorget (www.aktietorget.se) and Sedermera Fondkommission (www.sedermera.se). In addition, the corresponding Danish prospectus, teaser and subscription form for subscribers resident in Denmark is available on the websites of the company and Sedermera Fondkommission.

Conditions for listing

Initiator Pharma has been approved for listing at AktieTorget, on the condition that the lowest set limit in the rights issue is reached.

Financial Advisor

Sedermera Fondkommission is the financial advisor to Initiator Pharma in connection with the rights issue and the planned listing on AktieTorget.

For more information about the rights issue and the listing on AktieTorget, please contact:

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This information is information that Initiator Pharma A/S 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 on January 26th 2017.

A few words about Initiator Pharma

Initiator Pharma is a pharmaceutical company based in Aarhus, Denmark, spun off from Saniona AB (listed on Nasdaq Stockholm First North Premier). The Company's main focus is the pharmaceutical candidate IPED2015 which constitutes a new treatment for the indication of erectile dysfunction (ED), that is, the inability of a man to achieve and maintain an erection and thus be able to complete sexual intercourse. Initiator Pharma's new treatment method with IPED2015 is intended to treat the large group of patients suffering from of erectile dysfunction who are resistant to current treatment methods.