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Cyxone announces outcome of the rights issue

Cyxone AB (“Cyxone” or the “Company”) has completed the new share issue with preferential rights for the Company’s shareholders, which was resolved upon by the board of directors on 21 December 2021 pursuant to the authorization granted by the annual general meeting on 3 June 2021 (the “Rights Issue”). The subscription period ran from and including 3 January 2022 to and including 21 January 2022. Through the Rights Issue, Cyxone will receive approximately SEK 61 million before deduction of issue costs. 9,682,716 shares, corresponding to approximately 25 per cent of the Rights Issue, were subscribed for by exercise of subscription rights. Furthermore, 965,511 shares were subscribed for without subscription rights, corresponding to approximately 3 per cent of the Rights Issue, and 24,119,445 shares, corresponding to approximately 63 per cent of the Rights Issue, were subscribed for by issue guarantors. In total, the Rights Issue was subscribed to approximately 91 per cent.

Cyxone has carried out the Rights Issue to enable continued development and to finance the initiation of the Company’s planned Phase 2b study of Rabeximod for rheumatoid arthritis (RA).

“With the proceeds from this capital raise, we can now continue to work towards our strategic goals in accordance with our plan for delivering value creation to our shareholders and to patients world-wide. I would like to thank our existing shareholders for their continued trust and direct a warm welcome to our new shareholders,” comments Tara Heitner, CEO, Cyxone.

Outcome

The Rights Issue comprised a maximum of 38,206,233 shares, of which 9,682,716 shares, corresponding to approximately 25 per cent of the Rights issue, was subscribed for by exercise of subscription rights. A total of 965,511 shares, corresponding to approximately 3 per cent of the Rights Issue, was subscribed for without subscription rights. In addition, 24,119,445 shares was subscribed for by issue guarantors, corresponding to approximately 63 per cent of the Rights Issue. Thus, 34,767,672 shares, corresponding to approximately 91 per cent of the Rights Issue, was subscribed for. Through the Rights Issue, Cyxone will receive approximately SEK 61 million before deduction of issue costs, which are estimated to approximately SEK 10 million.

Notification regarding allocation

Allocation of shares has been made in accordance with the allocation principles described in the prospectus that was published by the Company in connection with the Rights Issue (the “Prospectus”). Notification regarding allocation of shares subscribed for without subscription rights will be made by post of a contract note to each subscriber. Allocated shares subscribed for without subscription rights shall be paid for in accordance with the instructions in the contract note.

Trading in BTA

Trading in BTA (Sw. betald tecknad aktie) is currently taking place at Nasdaq First North Growth Market and will cease when the Rights Issue has been registered by the Swedish Companies Registration Office (Sw. Bolagsverket), which is expected to take place around week 5, 2022. BTAs will then be converted to ordinary shares.

Number of shares and share capital

Through the Rights Issue, the number of shares in the Company increases by 34,767,672 shares, from 63,677,056 shares to 98,444,728 shares. The Company's share capital increases by SEK 2,623,974.435259, from SEK 4,805,814.063609 to SEK 7,429,788.498868. The Rights Issue entails a dilution of approximately 35 per cent for shareholders who did not participate in the Rights Issue.

Guarantee commitments

In connection with the Rights Issue, the Company has entered into agreements on guarantee commitments. For the guarantee commitments, guarantee compensation is paid, either in cash compensation amounting to ten (10) per cent of the guaranteed amount, or alternatively twelve (12) per cent of the guaranteed amount in the form of newly issued shares in the Company. The subscription price for any shares issued to issue guarantors has been set to SEK 1.75, corresponding to the volume-weighted average share price (VWAP) for the Company's share on Nasdaq First North Growth Market during the subscription period in the Rights Issue rounded to two decimals. In case all guarantors would choose to receive guarantee commission in shares, a total of a maximum of 4,172,120 new shares would be issued as guarantee commission.

Advisers

Vator Securities AB acts as financial adviser and Setterwalls Advokatbyrå AB acts as legal adviser in connection with the Rights Issue. Vator Securities AB also acts as issuing agent in connection with the Rights Issue.

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This information is information that Cyxone 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 set out above, at 19.30 CET on 25 January 2022.

About Cyxone

Cyxone AB (publ) (Nasdaq First North Growth Market: CYXO) develops disease modifying therapies for diseases such as rheumatoid arthritis and multiple sclerosis as well as treatments for virally induced acute respiratory disorders. Rabeximod is a Phase 2 candidate drug being evaluated for the management of rheumatoid arthritis and moderate Covid-19 infections. T20K is a Phase 1 candidate drug for treatment of multiple sclerosis. Certified Adviser is FNCA Sweden AB, +46(0)8-528 00 399, info@fnca.se. For more information, please visit www.cyxone.com

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The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in Cyxone. 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 shares in Cyxone has only been made through the Prospectus that was published by the Company on 23 December 2021. The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority and has been published on the Company's website, www.cyxone.com. The approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares 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 or other securities in Cyxone. 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.

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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.

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