

18 December 2020

*This press release is an English translation of the Swedish original. In the event of any discrepancies, the Swedish version shall prevail.*

## **Stayble resolves on a rights issue in order to ensure the completion of the ongoing phase 2b study**

Stayble Therapeutics AB (“Stayble” or “the Company”) announces that the Board of Directors, with support of the authorization from the Annual General Meeting in 2019, has resolved on a new issue of shares in which the public is also given the opportunity to participate. The rights issue can provide the Company with a maximum of approximately SEK 41.5 million before issue costs. Prior to the rights issue, existing shareholders and external investors have entered subscription commitments totalling approximately SEK 19.8 million (corresponding to approximately 48 percent of the rights issue). In addition, Stayble has procured guarantee (so-called top-down or top guarantee) of a total of approximately SEK 15 million (corresponding to approximately 36 percent of the rights issue). In total, the Company has thus received subscription and guarantee commitments corresponding to approximately 84 percent of the rights issue. Due to the rights issue, it is also announced that the time for publication of the Company's year-end report for 2020 will be postponed to the 31<sup>st</sup> of March 2021.

CEO Andreas Gerward comments:

*“We are strengthened by the interest and continued confidence shown in our Company by both major existing shareholders and new investors in connection with the market sounding made prior to the decision of the rights issue. With this positive and engaging reception, we see good opportunities to finance the completion of our ongoing phase 2b study and continue discussions with potential partners on further development.*

*Since the IPO earlier this spring Stayble has achieved significant milestones in the development of the drug candidate STA363 for chronic degenerative disc disease. This despite global concerns related to the Covid-19 pandemic. During 2021 and 2022, we look forward to continuing delivering important milestones linked to our clinical phase 2b study with STA363. If we succeed in showing effect in our clinical studies, the Company has the potential to be the first on the market with a drug that can completely change treatments of chronic degenerative disc disease, and thereby reduce the suffering in millions of patients”.*

### **Background and motive**

In order to complete the ongoing clinical phase 2b study, the Board of Directors has resolved on a rights issue of approximately SEK 41.5 million (before issue costs). It is the Board of Directors' assessment that the capital will enable Stayble to maintain a high rate of development in accordance with outlined objectives and thereby build solid shareholder value going forward. Provided that the rights issue is fully subscribed, it is the Board of Directors' and management's assessment that the Company's operations will be financed until completion and processing of results from the phase 2b study. Meanwhile, the Company is further given the opportunity to initiate discussions with potential partners who has financial resources to drive the project further through Phase 3 clinical trials until market approval.

#### The offer in brief

- **Exercise period:** 3 – 17 February 2021.
- **Subscription price:** SEK 6.00 per new share.
- **Issue volume:** The offer comprises no more than 6,923,462 shares, corresponding to SEK 41.5 million.
- **Record date and preferential rights:** Those who on the record date, the 29<sup>th</sup> of January 2021, are registered as shareholders in Stayble own preferential right to subscribe for shares in the current new share issue. For each existing share, one (1) subscription right is received. Each subscription right entitles the holder to subscribe for one (1) new share. The last day of trading in the share, including the right to receive subscription rights, is the 27<sup>th</sup> of January 2021. The first day for trading in the share, excluding the right to receive subscription rights, is on the 28<sup>th</sup> of January 2021.
- **Number of shares before rights issue:** 6,923,462 shares.
- **Valuation (pre-money) in the current offer:** Approximately SEK 41.5 million.
- **Subscription and guarantee commitments:** The Company has received subscription and guarantee (top-down) commitments corresponding to a total of approximately 84 percent of the rights issue.
- **Trading in subscription rights:** Subscription rights will be traded on Nasdaq First North Growth Market during the period 3 - 15\* February 2021.
- **Trading with BTA:** Trading with BTA (Paid Subscribed Share) will take place on Nasdaq First North Growth Market as of February 3, 2021 and will continue until the Swedish Companies Registration Office has registered the rights issue. This registration is expected to take place in mid-March 2021.
- **Dilution:** In the event of a fully subscribed new share issue, the number of shares will increase by 6,923,462, which corresponds to a maximum dilution of 50 percent of the votes and capital for existing shareholders who do not subscribe for shares in the new share issue.

\* The last day of trading in subscription rights may be adjusted to the 12<sup>th</sup> of February 2021 due to regulatory changes at Euroclear Sweden AB.

#### Top-down guarantee and subscription commitments

Stayble has received subscription and guarantee commitments from existing shareholders and external investors totalling approximately SEK 34.8 million, which corresponds to approximately 84 percent of the rights issue. The subscription commitments correspond to approximately SEK 19.8 million (approximately 48 percent) and the guarantee commitments corresponds to approximately SEK 15 million (approximately 36 percent). The guarantee commitments are so-called "Top-down guarantees" or "top guarantees", which means that if the rights issue is subscribed for, for example, 80 percent, a guarantee undertaking is executed for the remaining 20 percent up to a fully subscribed rights issue. The underwriting commitment is thus added to the current subscription level and intends to secure the last subscriptions in the rights issue. Through this procedure, the right issue underwriters' subscription commitments are thus not relieved as in the case of a guarantee structure agreed up to a certain level of the current issue. For issued guarantee commitments, a cash premium compensation of 10 percent is paid.

#### Prospectus, teaser, and subscription forms

The prospectus, teaser and subscription form will be available on the Company's ([www.staybletherapeutics.com](http://www.staybletherapeutics.com)) and Sedermera Fondkommission's ([www.sedermera.se](http://www.sedermera.se)) respective websites, at the latest in connection with the start of the subscription period.

#### Advisors

In connection with the rights issue, Stayble has appointed Sedermera Fondkommission as financial advisor and Markets & Corporate Law Nordic AB as the legal advisor. Nordic Issuing is acting as issuing agent.

## For more information about the rights issue

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## About Stayble Therapeutics AB

Stayble is a clinical stage pharmaceutical company developing the injection treatment STA363 for disc-related low back pain. The treatment is aimed at patients whose back pain persists after physiotherapy and painkillers. The injection is given once, and the effect is expected to remain throughout the entirety of the patient's life and to require minimal rehabilitation. The Company is now focusing on the continued clinical development and is currently conducting a clinical phase 2b study. Stayble's vision is to develop STA363 as a new standard treatment for patients suffering from chronic disc-related low back pain.

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