

Initiator Pharma A/S rights issue oversubscribed

PRESS RELEASE

29 July 2021

On July 26, 2021, the subscription period in Initiator Pharma A/S ("Initiator Pharma" or "the Company") rights issue of shares ended. The rights issue was subscribed for to a total of approximately 227 percent by existing shareholders, the public and through pre-subscription commitments. Thus, none of the underwriting commitments had to be activated. The Company is provided the total issue volume of approximately SEK 29.4 million before issue costs. Settlement notes are scheduled to be sent out today, 29 July 2021.

"We are thrilled to have secured funding to drive our exciting projects forward at a good pace. As previously mentioned, the capital will primarily finance the clinical development of our new Orphan Drug indication and at the same time ensure operating costs and continued development of the already ongoing and upcoming clinical trials with IP2018 and IPED2015 for the treatment of erectile dysfunction of psychogenic and organic origin, to a good bit into 2023. Together with the entire team, I would like to thank both existing and new shareholders who chose to invest in our business", says CEO Claus Elsborg Olesen.

Subscription and allocation

The rights issue was subscribed for a total of approximately SEK 66.9 million, including subscription commitments of approximately SEK 6.7 million, corresponding to a subscription ratio of approximately 227 percent. No underwriting commitments had to be activated. A total of 7,958,628 shares will be newly issued. Initiator Pharma is thus provided with approximately SEK 29.4 million before issue costs of approximately SEK 3 million (including compensation to guarantors of approximately SEK 2.3 million). In total, approximately 88 percent of the rights issue will be allocated to subscribers with preferential rights (including subscription commitments of approximately SEK 6.7 million). Those who are allotted shares without preferential rights will receive settlement notes, which are expected to be sent out today, 29 July 2021.

Number of shares and share capital

When the rights issue has been registered with Erhvervsstyrelsen, the number of shares in Initiator Pharma will amount to 43,772,462. The share capital will amount to 4,596,108.51 DKK.

Trading in BTA

Trading in BTA (Paid Subscribed Shares) on Spotlight Stock Market will continue until the rights issue is registered at Erhvervsstyrelsen. This registration is expected to take place at the beginning of August 2021. Please note that trading in BTA only takes place in Sweden (i.e. not in Denmark).

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This information is the type of information that Initiator Pharma A/S is obligated to publish pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on 29 July 2021 at 16:00.

About Initiator Pharma

Initiator Pharma is a clinical-stage Life Science company based in Aarhus, Denmark. The company's main clinical Phase assets are IPED2015, intended for patients with erectile dysfunction, and IP2018, for the

treatment of psychogenic erectile dysfunction. The treatments both represent First in Class treatments for psychogenic and organic ED, respectively, and are expected to improve the quality of life for a growing number of patients who are not responding to or cannot be treated with existing drugs on the market. Read more on www.initiatorpharma.com.

About Erectile dysfunction (ED)

Erectile dysfunction is sexual dysfunction characterized by the inability to develop or maintain an erection of the penis during sexual activity. ED affects more than 150 million men worldwide and that number is expected to increase to more than 320 million by 2025, fuelled by aging demographics and increasing prevalence of lifestyle diseases such as diabetes, and performance anxiety. The number of ED patients is most likely grossly underestimated, particularly for Psychogenic patient segment. ED patients have decreased quality of life due to various psychosocial factors such as low self-esteem, depression, sadness, anger, frustration, anxiety, medication, and relationship problems (1,2,3). Erectile dysfunction can be divided into two main categories – Organic and Psychogenic ED – that requires different treatments. Initiator Pharma is developing IPED2015 and IP2018, respectively, for these similar but separate patient segments.

1. Shabsigh R, et al. (1998) Increased incidence of depressive symptoms in men with erectile dysfunction. *Urology*52(5):848–852.
2. McCabe MP, Althof SE (2014) A systematic review of the psychosocial outcomes associated with erectile dysfunction: Does the impact of erectile dysfunction extend beyond a man's inability to have sex? *J Sex Med*11(2):347–363.
3. Nguyen HMT, Gabrielson AT, Hellstrom WJG (2017) Erectile Dysfunction in Young Men—A Review of the Prevalence and Risk Factors. *Sex Med Rev*5(4):508–520.