

Initiator Pharma is allocated approximately SEK 12.7 million through exercise of warrants and directed share issue

On November 1st, 2018, the exercise period for series TO 1 warrants in Initiator Pharma A/S ("Initiator Pharma") ended. In total, 5.462.843 warrants of series TO 1 were exercised, which means a subscription rate of 94,4 percent. In order for the company to receive the full financing intended with the exercise of warrants, the Board, with authorization from the 2018 Annual General Meeting, has decided on a directed share issue of 326.451 shares, corresponding to approx. SEK 0,7 million, to Wilhelm Risberg who has been consideration-free guarantee subscriber in the warrant exercise. Initiator Pharma is provided with approx. SEK 12.7 million before issue costs as a result of the warrant exercise and the directed share issue.

CEO Claus Olesen comments

"I would like to thank all those who have shown - and continue to show - interest and confidence in Initiator Pharma and our development of better drugs for erectile dysfunction. The funds we are now provided with will finance our continued development of IPED2015 and we estimate that the company is now capitalized to the extent that we do not need further capital injections so that the development of IPED2015 will reach the stage we have had as our focus point since launch, clinical phase IIa-Proof-of-Concept."

Series warrants TO 1 and directed share issue

A total of 5.462.843 series TO 1 warrants were exercised. Furthermore, the Board, with authorization from the 2018 Annual General Meeting, has decided on a directed share issue of 326.451 shares to Wilhelm Risberg based on the consideration-free guarantee subscription agreed on before the warrant exercise. This means that 5 789 294 new shares will be registered with the Danish Companies Registration Office ("Erhvervsstyrelsen"). Initiator Pharma is therefore allocated approx. SEK 12.7 million before issue costs, which are estimated to amount to approx. SEK 0,6 million. The reason for the decision to waive shareholders' preferential rights through a directed share issue was to enable Wilhelm Risberg to fulfil his guarantee subscription and subscribe for new shares in the company corresponding to the amount shares not subscribed by warrant holders during the exercise period that took place in October/November 2018.

Number of shares and share capital

When the new shares have been registered with the Erhvervsstyrelsen, the number of shares in Initiator Pharma will amount to 23.157.178 and the share capital will amount to 2.431.503,69 DKK.

Financial advisor

Sedermera Fondkommission is the financial advisor and issuing agent to Initiator Pharma in connection with the exercise of warrants of series TO 1.

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This information is information that Initiator Pharma is required to disclose under the EU Market Abuse Regulation. The information was provided under the above contact person's auspices, for publication on November 6, 2018.

About Initiator Pharma

Initiator Pharma is a Biotech company established in Aarhus, Denmark. Its main asset IPED2015 represents a novel treatment paradigm for patients suffering from Erectile Dysfunction (ED) and will improve the quality of life for the growing number for patients (and their partners) that do not respond to the current market PDE5i medications. Learn more at initiatorpharma.com.

About erectile dysfunction

Erectile dysfunction is 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 life style diseases such as diabetes. The large diabetic ED patient segment is often responding poorly to the current medication and is therefore of particular interest for Initiator Pharma. ED patients have decreased quality of life due to various psychosocial factors such as low self-esteem, depression, sadness, anger, frustration, anxiety, relationship problems etc. (Althof, 2002; Shabsigh et al., 1998, Tsai, 2008; Litwin et al., 1998).

This is an English translation of a press release originally drafted in Swedish. In the case of any discrepancies, the Swedish version shall prevail.