

Result of incentive program in Initiator Pharma A/S

PRESS RELEASE

8 September 2017

The warrant program 2017/2020, comprising a maximum of 434,197 warrants as resolved at the Annual General Meeting of 16 May 2017, has been fully subscribed. Subscription of warrants have been submitted by employees, board members and key consultants, in total 7 persons, according to Appendix 2 to the AGM protocol from 16 May, 2017. The warrants are transferred to participants at a price of SEK 0.49 per warrant, equivalent to the market value according to an external independent valuation, applying the Black & Scholes model. The warrants are subject to vesting conditions described in Appendix 4c of the AGM protocol from 16 May, 2017. Upon vesting, each warrant entitles subscription of one new share at a price per share of approximately SEK 4.34 on or before 30 January, 2020.

If all warrants are exercised the company will issue a total of 434.197 new shares at par value of DKK 0.105, representing an increase in the share capital of up to DKK 45.590,69. This represents approximately 5% of the currently issued shares of the company.

For additional information about Initiator Pharma, please contact:

Claus Elsborg Olesen, CEO

Telephone: +45 6126 0035 E-mail: ceo@initiatorpharma.com

This information is the 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 8 September, 2017.

About Initiator Pharma

Initiator Pharma is a Biotech company established in Aarhus, Denmark. Its main asset IPED2015 represents a novel treatment paradigm for the treatment of Erectile Dysfunction (ED). The treatment will improve the quality of life for the growing number for patients that do not respond or cannot be treated with the current marketed medication.

About Erectile dysfunction

ED 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, fueled by aging demographics and increasing prevalence of life style diseases such as diabetes. 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)