

# Invitation to subscribe for shares in

## Initiator Pharma

### IMPORTANT INFORMATION

The following summary is not an offer but should be seen as an introduction to the Initiator Pharma A/S ("Initiator Pharma") prospectus and does not necessarily contain all the information for an investment decision to be made. The investor is advised to consult the prospectus, which is available on Initiator Pharma's website ([www.initiatorpharma.com](http://www.initiatorpharma.com)) before making an investment decision, and to take note of the potential risks associated with the decision to invest in the securities. Initiator Pharma A/S, CVR /dk.no. 37663808.

[www.initiatorpharma.com](http://www.initiatorpharma.com)

 SHARKCOMMUNICATION

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**Initiator Pharma is a Danish life sciences company focusing on the development of innovative drugs, targeting key unmet medical needs within the central and peripheral nervous system. Initiator's research is focusing on monoamine reuptake inhibitors, molecules that are modulating the synaptic concentrations of neurotransmitters such as dopamine, serotonin and noradrenaline.**

The major part of the capitalization will finance an expansion of Initiator's clinical pipeline with an additional disease indication. The new program will target the neuropathic pain Indication Trigeminal Neuralgia, a rare disease with a prevalence of 10-20 per 100,000 where the female-to-male ratio is about 3:2 and the disease is more common above 50 years of age.

Trigeminal Neuralgia is a debilitating orofacial pain condition characterized by sudden onset of an extreme, short-duration yet debilitating pain, often referred to as suicidal pain. There is only one FDA-approved pharmacological treatment for Trigeminal Neuralgia available, Carbamazepine. The treatment only provides limited pain relief and is associated with a significant number of side effects. Therefore, the unmet need for a new efficacious, tolerable and safe treatment is exceptionally high. It is Initiator Pharma's ambition to develop a First-Line treatment for these patients.

Thus, Initiator Pharma will advance a pipeline with three clinical programs. The previously communicated priorities remain for the already ongoing and upcoming clinical trials in Phase II with IP2018 and IPED2015 for treatment of erectile dysfunction of psychogenic and organic origin, respectively.

The new candidate drug – IPTN2021 – is based on Initiator Pharma's IP2015 assets that already have proven safe and tolerable in clinical trials and have demonstrated efficacy for erectile dysfunction. The preclinical data package for IPED2015 also consists of substantial effects in animal pain models and provides the scientific rationale for expanding into the pain field. The intent is to start with a Proof-of-Principle Pain study in healthy volunteers with inflected pain and then follow up with a Phase II trial including Trigeminal Neuralgia patients.

The clinical development timeline and commercial attractiveness of the program will benefit from the opportunity to apply for Orphan Drug Designation and subsequent Fast Track designation or conditional approval by the FDA or EMA, respectively. The interaction with the regulatory authorities will provide valuable guidance for both the design of the first IPTN2021 trial in patients and for a potential subsequent registration trial.

The proceeds will finance the clinical development of the new Orphan Drug indication and secure a solid runway for Initiator Pharma well into 2023 covering both the company's operational costs and the continuation of the already ongoing and upcoming clinical trials with IP2018 and IPED2015 for treatment of erectile dysfunction of psychogenic and organic origin, respectively.

### **INITIATOR'S DRUG CANDIDATES, BESIDES THE NEWLY ADDED IPTN2021, ARE:**

- **IPED2015**, which is targeting the medical condition organic consistency (mainly caused by diabetes and age), primarily targeting the dopamine system, and specifically patients with erectile dysfunction that are non-responsive to drugs within the PDE5i class, including the approved drugs Viagra®, Cialis®, Levitra®.
- **IP2018** is a monoamine reuptake inhibitor for the treatment of psychogenic erectile dysfunction (mainly caused by anxiety and depression) primarily targeting the serotonin followed by the dopamine system. Due to the unique profile, IP2018 will, if successful, treat patients suffering major depressive disorder where the majority also suffer from comorbid sexual dysfunction or treatment-emergent sexual dysfunction.

### **USE OF PROCEEDS**

*With the proceeds from the preferential rights issue, the company intends to finance the following activities:*

- Proof-of-Principle clinical trial in neuropathic pain with IPTN2021.
- Drug Product development activities supporting the above clinical trial.
- Phase I MAD multiple ascending dose study clinical trial with IPTN2021 in preparation for the Phase II program if successful results from the Proof-of-Principle trial.

The proceeds will finance the new orphan drug indication and secure Initiator's operations well into 2023 regarding both the company's operational costs and the continuation of the already ongoing and upcoming clinical trials with IP2018 and IPED2015.

## The offer in brief

**Subscription period:** 22-26 July 2021.

**Preferential right for subscription:** Anyone who was a shareholder in the company on the record date, 5 July 2021, has a preferential right to subscribe for shares in the preferential rights issue in relation to previous holdings, whereby one (1) existing share entails receiving one (1) subscription right. Nine (9) subscription rights entitles the shareholder to subscribe for two (2) new shares.

**Issue volume:** The preferential rights issue comprises up to 7,958,628 shares, corresponding to an issue volume of a maximum of SEK 29,446,923.60 before issue costs.

**Subscription price:** The subscription price is SEK 3.70 per share (DKK 2.72 per share).

**Pre-subscription- and underwriting commitments:** The company has agreed upon pre-subscription commitments of approximately SEK 6.7 million, which corresponds to approximately 23 percent of the issue volume, and underwriting commitments of approximately SEK 22.8 million, which corresponds to approximately 77 percent of the share issue volume. Thus, the preferential rights issue is agreed upon to a total of 100 percent.

**Number of shares before the preferential rights issue:** 35,813,834 shares.

**Valuation in the offer (pre-money):** Approx. SEK 132.5 million.

**Trading in subscription rights:** Trading in subscription rights will take place at Spotlight Stock Market during the period 12-21 July 2021.

**Trading in BTA:** Will take place at Spotlight Stock Market from 12 July 2021 and last until the Danish Companies Registration Office has registered the preferential rights issue. This registration is expected to take place in the beginning of August 2021.



## Future objectives

Initiator's objectives for the forthcoming years are presented below.

2021

Q3-Q4

- Complete Proof-of-Concept in phase II study that IP2018 has effect on ED in patients with ED of psychogenic origin
- Initiate Phase IIb intercourse study in patient suffering from Organic erectile dysfunction
- Start Proof-of-Principle Pain study in healthy subjects IPTN2021 Program

2022

Q1-Q2

- Start Phase I Multiple Ascending Dose (MAD) Clinical study IPTN2021
- Complete Phase IIb study in patients with ED of organic origin

2023

- Initiate Phase II study in IPTN2021 program to examine the effect on Trigeminal Neuralgia

# CEO Claus Elsborg Olesen comments

The medical need for a new effective treatment for ED is massive, expected to affect more than 300 million men worldwide by 2025. Initiator Pharma's two main assets, IPED2015 and IP2018, are both clinical phase drug candidates in the field of erectile dysfunction, and both candidates represent First in Class treatments within their indication 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. Recently we expanded our clinical portfolio and added a third clinical program, the orphan drug candidate IPTN2021. The new clinical program strongly complements our promising current clinical pipeline, supporting our ambition to bring functional medication to patients in need and to create value for our shareholders.

The major part of the raised capital from the preferential rights issue will be used to finance the expansion of Initiator's clinical pipeline, and specifically the development of IPTN2021. The new program will target the orphan neuropathic pain indication Trigeminal Neuralgia, a rare disease with a prevalence of 10-20 per 100,000 where the female-to-male ratio is about 3:2, and the disease is more common above 50 years of age. Trigeminal Neuralgia is a debilitating orofacial pain condition characterized by sudden onset of an extreme, short-duration yet debilitating pain, often referred to as suicidal pain. There is only one FDA-approved pharmacological treatment for Trigeminal Neuralgia available, named Carbamazepine. The treatment only provides limited pain relief and is associated with a significant number of side effects. Therefore, the unmet need for a new efficacious, tolerable and safe treatment is exceptionally high. It is Initiator Pharma's ambition to develop a First-Line treatment for these patients.

The clinical development timeline and commercial attractiveness of the program will benefit from the opportunity to apply for Orphan Drug Designation and subsequent Fast Track designation or conditional approval by the FDA or EMA, respectively. The interaction with the regulatory authorities will provide valuable guidance for both the design of the first IPTN2021 trial in patients and for a potential subsequent registration trial.

Our intention is to start with a Proof-of-Principle Pain IPTN2021 trial in healthy volunteers with inflected pain and then follow up with a Phase II trial including Trigeminal Neuralgia patients.

IPTN2021 is based on Initiator Pharma's IP2015 assets that already have proven safe and tolerable in clinical trials and have demonstrated efficacy for ED in a Phase IIa Proof-of-Concept study. We recently received CTA approval for a Phase IIb study with IPED2015 in ED patients, which will be carried out in collaboration with MAC Clinical Research, UK, at multiple centers across UK. The preclinical data package for IPED2015 also consists of substantial effects in animal pain models and provides the scientific rationale for expanding into the pain field.

Besides the development of the orphan drug candidate IPTN2021, the proceeds from the preferential rights issue will also finance the already ongoing and upcoming clinical trials with IPED2015 and IP2018 and secure a solid runway for Initiator Pharma well into 2023.

When summarizing the above, Initiator Pharma is in an extremely exciting phase. We have a pipeline with three clinical-stage programs, all with upcoming key value inflection points in the form of Phase II data read-outs over the next couple of years. To support these clinical programs, we have also recently strengthened our management team and will continue to do so over the next few months. Through the recently performed directed issue we also strengthened our investor base with specialized and long-term investors led by Linc AB and Adrigo Asset Management AB.

I am confident that Initiator Pharma can make a change in people's lives, and I really look forward to continue driving the company forward. I hereby invite both new and already existing shareholders to take part in the exciting journey we are on.

**Claus Elsborg Olesen** | VD, Initiator Pharma A/S



**Claus Elsborg Olesen**  
CEO, Initiator Pharma A/S



**“**  
I am confident that Initiator Pharma can make a change in people's lives, and I really look forward to driving the company forward.  
**”**

## TERMS AND CONDITIONS OF THE OFFER

### THE OFFER

On 2 July 2021, the Board of Directors of Initiator decided, with authorization from the Extraordinary General Meeting on 11 May 2021, to carry out the rights issue. The Offer is carried out with preferential rights for the existing shareholders. The new shares are expected to be issued on 11 August 2021. No other resolutions, authorizations or approvals have been made in Initiator to issue new shares or warrants.

The rights issue will be conducted in both Euroclear Sweden AB ("Euroclear") and VP Securities A/S ("VP Securities"). A total of 35,813,834 shares are registered in VP Securities and a total of 35,718,545 shares are mirrored and registered in Euroclear.

The maximum number of shares issued will be 7,958,628. One (1) existing share in the company entitles the owner to one (1) subscription right and nine (9) subscription rights give the owner the right to subscribe for two (2) new shares. The subscription price per share is SEK 3.70 for Euroclear shareholders (shareholders holding shares in both VP Securities and Euroclear) and DKK 2.72 per share for VP Securities shareholders (shareholders holding shares in only VP Securities).

### DILUTION

Through the rights issue, the company's share capital will increase with a maximum of DKK 835,655.94 (SEK 1.1 million), through the issuing of a maximum of 7,958,628 shares of nominal DKK 0.105 each. The existing shares, which have been issued as at the date of the prospectus, will be diluted by the issue of new shares. Following the completion of the rights issue, and if existing shareholders decide not to exercise their pre-emptive subscription rights (i.e. decide not to defend their percentage shareholding in the company) and provided that the Rights Issue is fully subscribed for, such shareholders' proportionate ownership will be diluted by 18.2 percent.

### PREFERENTIAL RIGHT FOR SUBSCRIPTION

Parties who on the record date on 5 July 2021 were shareholders in the company, have preferential right to subscribe for shares in the rights issue in relation to their previous shareholdings, whereby one (1) existing share entitles to one (1) subscription right.

Shareholders whose shares were registered in Euroclear on the record date receives pre-emptive subscription rights through the Euroclear system.

Shareholders whose shares were not registered in Euroclear on the record date, receives subscription rights through the VP Securities system.

### RECORD DATE

Record date in Euroclear and VP Securities for participation with preferential right was 5 July 2021. The last day of trading with shares in the company including preferential right was 1 July 2021. The first day of trading with shares in the company without preferential right was 2 July 2021.

### SUBSCRIPTION PERIOD IN EUROCLEAR SWEDEN AB

The subscription period starts on 12 July 2021 and ends on 26 July 2021. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without a specific notification from Euroclear. The board of directors in the company reserves the right to extend the subscription period. A possible extension will be announced by the company through a press release no later than 26 July 2021.

### SUBSCRIPTION PERIOD IN VP SECURITIES A/S

The subscription period starts on 12 July 2021 and ends on 26 July 2021. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without a specific notification from VP Securities. The board of directors in the company reserves the right to extend the subscription period. A possible extension will be announced by the company through a press release no later than 26 July 2021.

### CROSS-BORDER TRANSFER OF SECURITIES

A cross-border transfer is not possible between 2 July 2021 until the 5 July 2021, both days included, meaning that transfer of shares from VP Securities to Euroclear or from Euroclear to VP Securities is not possible during the aforementioned period. Subscription rights and subscribed and paid for shares ("BTA") in the company will not be transferrable between VP Securities and Euroclear or from Euroclear to VP Securities.

### TRADING WITH SUBSCRIPTION RIGHTS

Only subscription rights issued through the Euroclear system will be tradeable on Spotlight Stock Market during the subscription period. Trading in subscription rights will take place on Spotlight Stock Market from 12 July 2021 until 21 July 2021. Shareholders shall contact their bank or other nominee with the necessary authority to carry out the purchase or sale of subscription rights directly. Subscription rights that are acquired during the above-mentioned trading period provide the same right to subscribe for new shares as shareholders with subscription rights based on their shareholding in the company on the record date. Subscription rights must be exercised no later than 26 July 2021 or sold no later than 21 July 2021, in order to not become void or lose their value.

### SUBSCRIPTION OF SHARES FOR SHAREHOLDERS IN EUROCLEAR

#### Preprinted paying slips and subscription forms

#### SHAREHOLDERS DIRECTLY REGISTERED IN EUROCLEAR

Shareholders or representatives of shareholders, who on the record date 5 July 2021, were registered in the Euroclear system, receives a preprinted paying slip (account statement), the subscription form "Subscription with subscription rights", the subscription form "Subscription without subscription rights" and a folder containing the terms and conditions for the rights issue with referral to the prospectus and a money laundering form. The information can be downloaded at Nordic Issuing's web page

([www.nordic-issuing-se](http://www.nordic-issuing-se)) or at the web page of the company ([www.initiatorpharma.com](http://www.initiatorpharma.com)). Shareholders who are included in the separate list of pledgees and others in relation to Euroclear's system to not receive information and will be notified separately. An account notice, which declares the delivery of subscription rights on the shareholder's book-entry account, are not distributed.

#### SHAREHOLDERS REGISTERED WITH A NOMINEE

Shareholder whose holdings of shares in the company are nominee registered with a bank or other trustee do not receive a preprinted paying slip or subscription form but will receive a folder containing a summary of the rights issue and reference to the full prospectus. Subscription and payment should instead be made in accordance with instruction from the respective bank or trustee. Please note that if the use of subscription rights takes place via a bank or a trustee, this should be done early in the subscription period, as the respective bank/trustee may set different deadlines for the last subscription date.

#### SUBSCRIPTION OF SHARES WITH PREFERENTIAL RIGHT THROUGH EUROCLEAR

Subscription with the support of subscription rights shall be made by simultaneous cash payment no later than 26 July 2021. Subscription by payment must be made either with the prepaid payment slip attached to the account statement or by payment instruction on the subscription form in accordance with the follow two options:

##### Preprinted paying slip (account statement)

If all subscription rights allotted on the record date shall be exercised, only the preprinted paying slip shall be used for subscription by way of cash payment. The subscription form "Subscription with subscription rights" shall not be used in this case.

##### Subscription form – "Subscription with subscription rights"

If a different number of subscription rights than what is stated on the pre-printed paying slip shall be exercised, for example, if subscription rights are acquired or sold, the subscription form "Subscription with subscription rights" shall be used for subscription by means of cash payment. The shareholder must state on the subscription form, the number of subscription rights being exercised, the number of shares they are subscribing for, and the amount that shall be paid. If the payment is made in another way than with the pre-printed paying slip, the securities account must be indicated as a reference. Incomplete or incorrectly filled out subscription forms may be disregarded. The subscription form "Subscription with subscription rights" can be downloaded at Nordic Issuing's web page ([www.nordic-issuing.se](http://www.nordic-issuing.se)). A complete subscription form must, in connection with cash payment, be sent to, and received by Nordic Issuing no later than 26 July 2021 on the contact details stated below. The subscription is binding.

E-mail: [info@nordic-issuing.se](mailto:info@nordic-issuing.se) (scanned subscription form)

Subject: Initiator Pharma A/S  
Nordic Issuing  
Stortorget 3  
211 22 Malmö, Sweden  
Phone: +46 (0)40-632 00 20

### SUBSCRIPTION OF SHARES FOR SHAREHOLDERS IN VP SECURITIES

#### SUBSCRIPTION OF SHARES WITH PREFERENTIAL RIGHT THROUGH VP SECURITIES

Subscription and payment of shares with pre-emptive subscription rights for shareholders who, on the record date, were only registered in VP Securities, and thus not registered in Euroclear, shall be carried out according to instructions from each account holding bank or broker registered in VP Securities no later than 26 July 2021. Payment shall be made in DKK.

#### NOMINEE-REGISTERED SHAREHOLDERS

Shareholders whose shares in the company were nominee registered through a bank or broker will not receive preprinted paying slips or subscription forms. However, shareholders who, on the record date, were nominee registered in the Euroclear system, receive a folder containing the terms and conditions for the Rights Issue with referral to the investment prospectus. Subscription and payment shall be carried out according to instructions from each account holding bank or broker.

#### SUBSCRIPTION WITHOUT PREFERENTIAL RIGHT

It is only possible to apply for subscription of shares without preferential right in SEK. A subscription of shares without preferential rights is to be made on the form "Subscription without subscription rights" available for downloading at Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)) and at the website of the company ([www.initiatorpharma.com](http://www.initiatorpharma.com)). Subscription can also be made with BankID/NemID signatures on Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)).

Nominee-registered shareholders, requesting subscription of shares without preferential right, must coordinate such a subscription with the account-holding bank in accordance with instructions from the respective account-holding bank, or if shares are registered at several different nominee-registered accounts, from each of these account-holding banks or brokers. Subscription can also be made on the form "Subscription without subscription rights".

Note that shareholders or other investors who have an account with specific rules for securities transactions, such as an investment savings account (Sw. *Investeringsparkonto*) or endowment account (Sw. *Kapitalförsäkring*), must check with the account holding bank or broker, whether, and if so, the subscription of shares in the rights issue is possible. The subscription shall in that case be made in accordance with instructions received from the account-holding bank or broker.

Incomplete or incorrectly filled out subscription forms may be disregarded. It is only permissible to submit one (1) subscription form "Subscription without subscription rights." If more than one such subscription form is submitted, only the one last received will be considered, and other such subscription forms will be disregarded. The subscription form must be Nordic Issuing at hand no later than 26 July 2021. The subscription is binding.

#### **ALLOCATION OF SHARES SUBSCRIBED FOR WITHOUT PREFERENTIAL RIGHT**

If not all shares in the rights issue are subscribed for with preferential right, the board of directors shall decide on allocation of shares within the limits of the maximum amount of the rights issue to shareholders or other investors that have subscribed for shares without preferential right.

Firstly, allocation of shares which are subscribed for without preferential right shall be made to shareholders or other investors who have also subscribed for shares by exercising subscription rights, regardless if the subscriber was a registered shareholder on the record date or not. In case that allocation of shares cannot fully be provided in accordance with subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the quantity of subscription rights exercised for subscription of shares in the rights issue, and to the extent this is not possible, by drawing of lots.

Secondly, allocation of shares which are subscribed for without preferential right shall be made to other investors than the above mentioned, who have subscribed for shares without subscription rights. In case that allocation of shares cannot fully be provided in accordance with subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the amount of subscribed for shares without subscription rights in the rights issue, and to the extent this is not possible, by drawing of lots.

Thirdly, the allocation of shares shall be made to the underwriters in proportion to the size of the underwriting commitments made, and to the extent this is not possible, by drawing of lots.

#### **Notification of allocation of shares subscribed for without preferential right**

Notification of allotment of shares without preferential rights will be made via a settlement note sent via e-mail. Settlement notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in accordance with the payment instructions on the settlement note. Payment is due within three (3) Swedish business days from the date the settlement note was distributed. Note that payment for any allotted shares will not be withdrawn from the specified securities account. If payment is not received in due time, the subscribed for shares may be assigned to another party. Should the price by such an assignment be lower than the subscription price of the rights issue, the subscriber who initially was allocated these shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares will not receive any notification.

#### **NOTIFICATION OF ALLOCATION OF SHARES SUBSCRIBED FOR WITHOUT PREFERENTIAL RIGHT**

Notification of allotment of shares without preferential rights will be made via a settlement note sent via e-mail. Settlement notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in accordance with the payment instructions on the settlement note. Payment is due within three (3) Swedish business days from the date the settlement note was distributed. Note that payment for any allotted shares will not be withdrawn from the specified securities account. If payment is not received in due time, the subscribed for shares may be assigned to another party. Should the price by such an assignment be lower than the subscription price of the rights issue, the subscriber who initially was allocated these shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares will not receive any notification.

#### **SUBSCRIPTION ABOVE 15,000 EUR**

If the subscription amounts to, or exceeds EUR 15,000.00, a money laundering form shall be completed and sent to Nordic Issuing in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Nordic Issuing cannot distribute any securities, even if payment have been received, before the money laundering form has been received by Nordic Issuing.

#### **SHAREHOLDERS RESIDING OUTSIDE OF DENMARK AND SWEDEN**

Shareholders who reside outside of Sweden and Denmark (with the exception of shareholders residing in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation in the rights issue requires supplementary prospectus, further registration or other measurements than those which are required by Swedish and Danish legislation) who have preferential right in the rights issue can contact Nordic Issuing for further information about subscription and payment.

Due to restrictions in the legislation regarding securities in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation requires supplementary prospectus, further registration or other measurements than those which are required by Swedish and Danish legislation, subscription rights through Euroclear will not be issued to shareholders with registered addresses in any of these countries. Accordingly, no offer is made to subscribe for shares in the company to shareholders residing in these countries.

#### **SHAREHOLDERS AND INVESTORS RESIDING IN DENMARK OR OTHER COUNTRIES OUTSIDE OF SWEDEN**

Shareholders and other investors residing in Denmark or other countries outside of Sweden who can subscribe for shares in the Rights Issue are notified that subscription and payment of shares through a non-Swedish bank or broker might be associated with additional costs or fees which will be charged the shareholder or investor by the specific bank or broker. Furthermore, delivery and account holding of shares via a non-Swedish bank or broker may be associated with additional costs or fees, which will be charged the shareholder or investor by the specific bank or broker.

#### **PAID AND SUBSCRIBED FOR SHARES ("BTA")**

Subscription via payment is registered with Euroclear and VP Securities as soon as feasible, which normally means a few banking days after payment is made. Subscribers who have subscribed and paid in the Euroclear system will subsequently receive a securities depository account notification confirming that the registration of Paid Subscribed Share (BTA) has occurred in the subscriber's securities account. Subscribed for shares are entered as BTA's in the securities account until the Rights Issue has been registered with the Danish Business Authority.

Shareholders who have their holdings in a custodian account at a bank or brokerage firm will receive information from their respective custodian.

Shareholders who have their holdings in a custodian account at a bank or brokerage firm will receive information from their respective custodian.

#### **TRADING IN BTA**

Only BTA's issued through the Euroclear system will be tradeable on Spotlight Stock Market. Trading in BTA's will take place on Spotlight Stock Market from 12 July 2021 until the rights issue is registered at Erhvervsstyrelsen (Danish Companies Registration Office). Subscribed for shares are entered as BTA in the securities depository account until the preferential rights issue has been registered with Erhvervsstyrelsen, which is expected to take place on 9 August 2021.

#### **DELIVERY OF SHARES**

As soon as the rights issue has been registered with Erhvervsstyrelsen, which is expected to take place on 9 August 2021, BTA is rebooked to shares without special notification from Euroclear.

#### **INFORMATION REGARDING DELIVERY AND REGISTRATION OF SHARES**

Since the company is a Danish public limited liability company, all of the company's shares are issued through, and hence registered in, the VP Securities system. In order to trade the shares on Spotlight Stock Market, clearing need to occur within the Euroclear system which means that the shares must be registered in Euroclear. All shares registered in Sweden are mirrored in the Euroclear system from VP Securities. This means that Euroclear is registered as owner of the shares on behalf of underlying shareholders, in the shareholder register kept by VP Securities.

Shares which are subscribed for on basis of subscription rights, by exercising subscription rights issued in the VP Securities system, and which are paid for in DKK, will not be registered in Euroclear and will hence not be tradeable on Spotlight Stock Market. In order for such shares to be tradeable on Spotlight Stock Market, the shareholder must first administrate a cross-border transfer of shares to Euroclear. Such a cross-border transfer of shares may be subject to additional costs or fees, which will be charged the shareholder or investor by the specific account holding bank or broker.

Shares which are subscribed for without subscription rights and paid for in SEK, will be delivered to investors through the Euroclear system and will hence be tradeable on Spotlight Stock Market.

As soon as the rights issue has been registered at the Danish Business Authority, as expected at the beginning of August 2021, BTA's are converted into shares without further notice from Euroclear and VP Securities. Partial registration of shares in the rights issue may occur at the Danish Business Authority. Publication of the outcome in the rights issue is scheduled to 4 August 2021, or as soon as possible after the subscription period ends. The company will publish the result of the rights issue through a press release.

#### **TRADING IN THE SHARE AND ISIN**

The shares of the company are listed on Spotlight Stock Market. The shares are traded under the short name "INIT" and have the ISIN-code DK0060775872. Only shares that are affiliated to Euroclear are, and will be, tradeable on Spotlight Stock Market. Newly issued shares which are delivered through the Euroclear system are tradeable in conjunction with the conversion of BTA's to shares in the Euroclear's system. Newly issued shares will have the same ISIN-code as the current shares. ISIN-code for the subscription rights will be SE0016275309. ISIN-code for the BTA will be SE0016275317.

#### **ISSUING AGENT AND PAYING AGENT**

Issuing agent in Sweden in connection to the rights issue is Nordic Issuing. The issuing agent and settlement agent in Denmark in connection to the rights issue is VP Securities A/S and Nordic Issuing.

#### **OTHER**

The Board of directors is authorized to decide on minor corrections required for registration with the Erhvervsstyrelsen and Euroclear Sweden AB. Minor corrections refer to corrections of a minor extent, such as, for example, spelling errors or other typing errors, which may prevent the decision from being registered with Erhvervsstyrelsen or Euroclear Sweden AB.

The board of directors is not entitled the right to withdraw the offer.

In the case an excess amount has been paid by a subscriber for the new shares, the excess amount will be repaid to the subscriber. Excess amounts less than SEK 100 (DKK 73) will not be refunded.

The Rights Issue may be withdrawn at the discretion of the Board of Directors before registration of the new shares with the Danish Business Authority. If the rights issue is withdrawn, any exercise of the subscription rights that has already taken place will be cancelled automatically. The subscription amount for the new shares will be refunded (less any transaction costs) to the last registered owner of the new shares as the date of such withdrawal. All pre-emptive subscription rights will lapse, and no new shares will be issued.

Trades of subscription rights on Spotlight Stock Market will, however, not be affected. Consequently, investors who have acquired subscription rights will incur a loss corresponding to the purchase price of the subscription rights and any transaction costs.

The company is not liable for any losses that investors may suffer as a result of withdrawal of the rights issue including but not limited to any transaction costs or lost interest. A withdrawal of the rights issue will be announced through Spotlight Stock Market.