

## AlzeCure intends to carry out a rights issue of approximately SEK 60.4 million

AlzeCure Pharma AB ("AlzeCure" or "the Company"), a pharmaceutical company that develops a broad portfolio of small molecule drug candidates for diseases affecting the central nervous system, with projects in both Alzheimer's disease and pain, today announced that the Company's Board of Directors has resolved on a new issue of shares of approximately SEK 60.4 million, with preferential rights for existing shareholders (the "Rights Issue"). The Rights Issue is subject to approval at an Extraordinary General Meeting on March 1, 2022. Record date for participation in the Rights Issue is March 4, 2022. The purpose of the Rights Issue is to finance planned stages with AlzeCure's candidate drugs in clinical or late preclinical development. According to the terms of the Rights Issue, five (5) existing shares in AlzeCure entitle subscribe for two (2) new shares at a price of SEK 4.00 per share. The Rights Issue is secured to approximately 80 percent through subscription and guarantee commitments. Subscription and guarantee commitments from management and board members amount to a total of SEK 2.5 million. To enable additional capital injection, the Board may exercise an over-allotment option of up to SEK 12.0 million (the "Over-allotment Option"). If the Over-allotment Option is exercised in its entirety, the maximum capital injection amounts to approximately SEK 72.4 million. The exercise of the Over-allotment Option is contingent on resolution by the Board of Directors to issue new shares with the support of the existing authorization to issue new shares. Notice of the Extraordinary General Meeting is published via a separate press release.

### Background and motives for the Rights Issue

AlzeCure develops potentially groundbreaking first-in-class treatments for severe diseases affecting the central nervous system, such as Alzheimer's and pain. The Company's development is based on three different research platforms, NeuroRestore®, Alzstatin® and Painless, from which AlzeCure develops its drug candidates, which provides a broad portfolio of symptom-relieving, disease-modifying and preventive potential new drugs.

NeuroRestore® is a platform consisting of symptom-relieving drug candidates for disorders in which the cognitive ability is impaired, such as in Alzheimer's disease. The Company currently conducts the second part of a phase Ia study with its candidate drug ACD856 and plans thereafter to initiate a phase Ib study with the purpose of obtaining effect data on cognitive function in humans at an early stage. The Company intends to allocate 12 percent of the amount raised in the Rights Issue to NeuroRestore® and the further development of its candidates.

The Alzstatin® platform focuses on developing preventive and disease-modifying candidates for early treatment for Alzheimer's disease. AlzeCure intends to continue the development of the candidates within the Alzstatin platform towards preclinical safety tests in reference to ACD680, with the aim to identify the optimal candidate that can be advanced further towards the clinical development phase. The Company intends to allocate 20 percent of the amount raised in the Rights Issue to Alzstatin® and the further development of its candidates.

Painless is the Company's research platform within pain and contains ACD440, a drug candidate in clinical phase focused on neuropathic pain, and the TrkA-NAM project, which focuses on musculoskeletal pain conditions such as osteoarthritis. In 2022, the Company plans to start a phase IIa study with ACD440, while the

TrkA-NAM program will be advanced towards preclinical safety studies, which are needed in the development towards a clinical drug candidate. The Company intends to allocate 40 percent of the amount raised in the Rights Issue for the implementation of the clinical phase IIa study with ACD440 and 28 percent of the amount raised in the Rights Issue for further development of TrkA-NAM.

*"The addition of funds to AlzeCure through the Rights Issue enables us to implement several value-creating development stages in all our research platforms, and we are now in the clinical phase in both NeuroRestore and Painless, whereas we currently plan to enter phase II with ACD440. We also continue to work on our licensing strategy and our candidates become more relevant, at the same time as the value of the assets increases, for each step in the development we complete",* said AlzeCure's CEO Martin Jönsson

### Summary of the Rights Issue

- One (1) existing share in AlzeCure held on the record date March 4, 2022, entitles to one (1) subscription right. Five (5) subscription rights entitle to subscribe for two (2) newly issued shares.
- The subscription price amounts to SEK 4.00 per share. Payment must be made in cash.
- Through the Rights Issue, AlzeCure can receive a maximum of approximately SEK 60.4 million before issue costs, which are estimated to amount to SEK 9.0 million, of which approximately SEK 4.8 million consists of fees for guarantees.
- The subscription period runs during March 8 - 22, 2022.
- Subscription rights that are not exercised during the subscription period become invalid and lose their value. Trading in subscription rights is planned to take place on the Nasdaq First North Premier Growth Market during the period March 8 - 17, 2022.
- The Rights Issue implies that the Company's share capital increases by a maximum of SEK 377,657.15, corresponding to a maximum of 15,106,286 shares, implying a maximum dilution of 28.6 percent.
- In case all shares are not subscribed for with preferential rights (i.e. with the support of subscription rights), the Board shall, within the maximum amount of the issue, resolve on the allotment of shares subscribed without the support of subscription rights, whereby allotment firstly shall be made to those who also subscribed for shares exercising subscription rights and, in the event that they cannot receive a full allotment, allotment will be made in relation to their subscription on the basis of exercised subscription rights and, if this is not possible, by drawing lots, and secondly allotment shall be made to those who have subscribed for shares in the issue without the support of subscription rights and, in the event that they cannot receive a full allotment, allotment will be made in proportion to the number of shares each has subscribed for and, if this is not possible, by drawing lots. Ultimately, allocation shall be made to guarantors and in relation to the guarantee commitments made.
- Corresponding allotment criteria apply to the Over-allotment Option
- The Board's resolution on the Rights Issue is conditional that the Extraordinary General Meeting on March 1, 2022, approves the Rights Issue. Notice of the Extraordinary General Meeting is published separately in connection with the publication of this press release.
- The Rights Issue is secured with subscription commitments and guarantee commitments to a total of SEK 48.5 million. The subscription commitments amount to approximately SEK 15.7 million, corresponding to approximately 26.0 percent of the Rights Issue and the guarantee commitments amount to approximately SEK 32.8 million, corresponding to approximately 54.2 percent of the Rights Issue. Subscription and guarantee commitments from management and board members amount to a total of SEK 2.5 million. The subscription and guarantee commitments have been agreed in writing. No compensation is paid for the subscription commitments. For the guarantee commitments, compensation of ten (10) percent of the guaranteed amount is paid. The subscription and guarantee commitments are not secured by bank guarantee, blocking funds, pledges or similar arrangements.

Complete terms and conditions for the Rights Issue and other information about the Company will be available in the EU growth prospectus which is expected to be published around March 7, 2022. The schedule is preliminary and may change, among other things based on the processing time for the current prospectus.

### Preliminary schedule for the Rights Issue

March 2, 2022 Last trading day including the right to receive subscription rights

March 3, 2022 First trading day excluding the right to receive subscription rights

March 4, 2022 Record date for participation in the Rights Issue

March 7, 2022 Publication of the prospectus

March 8 - March 22, 2022 Subscription period

March 8 - March 17, 2022 Subscription rights Trading at Nasdaq Premier First North Growth Market

March 25, 2022 Announcement of the outcome in the Rights Issue

### Change in share capital and number of shares and dilution

Through the Rights Issue, the share capital in the Company increases by a maximum of SEK 377,657.15, from SEK 944,142.8750 to SEK 1,321,800,025, by the issue of a maximum of 15,106,286 shares. The number of shares thus increases from 37,765,715 to a maximum of 52,872,001 shares. For existing shareholders who do not participate in the Rights Issue, this implies, when fully subscribed, a dilution effect of 28.6 percent of the capital and votes in the Company.

### Over-allotment Option

In order to enable additional capital injection if the Rights Issue is oversubscribed, the Board may exercise the Over-allotment Option. Upon full exercise of the Over-allotment Option, the Company will receive an additional SEK 12.0 million. Upon full exercise of the Over-allotment Option, the number of shares in the Company will increase by an additional 3,000,000 shares, subscribed for at a price of SEK 4.00 per share. The exercise of the Over-allotment Option is contingent on resolution by the Board of Directors to issue new shares with the support of the existing authorization to issue new shares.

### Approval at the Extraordinary General Meeting

In order to obtain the approval of the Board's issue resolution in a General Meeting, the Board will convene the Company's shareholders to an Extraordinary General Meeting, which is planned to be held on March 1, 2022. Notice of the Extraordinary General Meeting will be published in a separate press release.

### Advisor

In connection with the Rights Issue, AlzeCure has hired Erik Penser Bank AB and Synch Advokat AB as financial and legal advisers.

### For more information, please contact

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## About AlzeCure Pharma AB (publ)

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AlzeCure® is a Swedish pharmaceutical company that develops new innovative drug therapies for the treatment of severe diseases and conditions that affect the central nervous system, such as Alzheimer's disease and pain – indications for which currently available treatment is very limited. The company is listed on Nasdaq First North Premier Growth Market and is developing several parallel drug candidates based on three research platforms: NeuroRestore®, Alzstatin® and Painless.

NeuroRestore consists of two symptomatic drug candidates where the unique mechanism of action allows for multiple indications, including Alzheimer's disease, as well as cognitive disorders associated with traumatic brain injury, sleep apnea and Parkinson's disease. The Alzstatin platform focuses on developing disease-modifying and preventive drug candidates for early treatment of Alzheimer's disease and comprises two drug candidates. Painless is the company's research platform in the field of pain and contains two projects: ACD440, which is a drug candidate in the clinical development phase for the treatment of neuropathic pain, and TrkA-NAM, which targets severe pain in conditions such as osteoarthritis. AlzeCure aims to pursue its own projects through preclinical research and development through an early clinical phase, and is continually working on business development to find suitable outlicensing solutions with other pharmaceutical companies.

FNCA Sweden AB, +46(0)8 528 00 399 [info@fnca.se](mailto:info@fnca.se), is the company's Certified Adviser. For more information, please visit [www.alzecurepharma.se](http://www.alzecurepharma.se). eased number of long-term cancer survivors and increasing prevalence of type-2 diabetes.

### Important information

*The information in this press release does not contain nor constitute an offer to acquire, subscribe for or in any other way trade with shares, warrants or other securities in AlzeCure. No measures have been taken and no measures will be taken in order to allow for an offer to the public in any other jurisdictions than Sweden. Offer to for the relevant persons to subscribe for shares in AlzeCure will only be made through the prospectus which AlzeCure estimates will be published around March 7, 2022.*

*The information in this press release may not be made public, be published or distributed, directly or indirectly, within or to USA, Australia, Hongkong, Japan, New Zealand, Switzerland, Singapore, South Africa or any other jurisdiction where such action would be illegal, subject to legal restrictions or require other actions than what is stipulated under Swedish law. Any actions not in compliance with these instructions may constitute a violation against applicable securities regulation. No shares or other securities in AlzeCure have been registered, and no shares or other securities will be registered, under United States Securities Act of 1933 ("Securities Act") as in force from time to time or under the securities laws in any state or other jurisdiction in the US and may not be offered, sold or in any other way transferred, directly or indirectly, in or to the US, except for pursuant to an applicable exemption from, or in a transaction not subject to, the registration rules in the Securities Act and in compliance with the securities regulations in the relevant state or other jurisdiction in the US. This communication is distributed and aimed for only persons in Great Britain who are (i) professional investors under Article 19(5) in UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("Order") as in force from time to time or (ii) subjects with a high net wealth and other persons to whom this message can be legally addressed, who are subject to Article 49(2)(a)-(d) in the Order (all those persons referred to as "Relevant Persons"). Persons who are not Relevant Persons may not act on or rely on the information in this communication. An investment or investment action referred to in this communication is only possible for Relevant Persons and will only be closed with Relevant Persons. Persons who distribute this communication must themselves make certain that such distribution is allowed.*

### Forward-looking statements

*This press release contains forward-looking statements regarding the Company's intentions, assessments, or expectations in respect of the Company's future results, financial position, liquidity, development, prospects, expected growth, strategies and possibilities as well as the market within which the Company operates. Forward-looking statements are statements which do not refer to historical facts and which typically contain words such as "considers", "expects", "predicts", "intends to", "estimates", "will", "can", "presumes", "should", "may" and, in each case, negations thereof or other similar expressions. The forward-looking statements in this press release are based on different assumptions which, in several cases, are based on additional assumptions. Even if the Company considers the assumptions which are reflected in these forward-looking statements to be true, it cannot be guaranteed that they will in fact occur or that they are correct. Given that these assumptions are based on assumptions or estimates and that they are subject to risks and uncertainties, the actual result may, for many reasons, substantially deviate from what is stated in the forward-looking statements.*

*Such risks, uncertainties, eventualities, and other significant factors may lead to the actual events deviating substantially from the expectations that have been explicitly or implicitly provided for under this press release through the forward-looking statements. The Company does not guarantee that the assumptions which the forward-looking statements in this press release are based on are correct, and a reader of this press release should not unduly rely on the forward-looking statements contained herein. The information, opinions, and forward-looking statements which are either explicitly or implicitly presented herein, are only provided as of the day of this press release and may be subject to change. Neither the Company nor anyone else undertakes to oversee, update, confirm or provide public notification in respect of any change of any forward-looking statement for the purpose of reflecting the actual events or circumstances which occurs in respect of the content of this press release, unless required by law or Nasdaq First North Growth Market's rules for issuers.*

*This information is information that AlzeCure Pharma is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2022-02-10 18:00 CET.*

### Image Attachments

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Martin Jönsson CEO AlzeCure Pharma

### Attachments

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AlzeCure intends to carry out a rights issue of approximately SEK 60.4 million