

Herantis Pharma Plc's Board of Directors resolved on a rights issue and publishes the terms and conditions of the rights issue

Herantis Pharma Plc

Company release, 3 May 2022 at 11:20 a.m. EEST

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Herantis Pharma Plc ("**Herantis**" or the "**Company**"), an innovative biotech company developing new disease modifying therapies for Parkinson's disease, announced on 29 March 2022 that it is planning a directed share issue and a rights issue to raise proceeds in order to take Herantis' lead asset, HER-096 into a Phase 1 study and towards proving penetration of the blood-brain barrier and safety in human in H2 2023. On 30 March 2022, Herantis announced successful completion of the directed share issue and its results.

Based on the authorization of the Annual General Meeting of Herantis held on 21 April 2022, the Board of Directors of Herantis has today on 3 May 2022 decided to offer Herantis' shareholders up to 4,831,426 new shares (the "**Offer Shares**") in a rights issue on the basis of shareholders' pre-emptive subscription rights in the same proportion as they already hold shares (the "**Existing Shares**") in the Company and secondarily by other shareholders or by other persons (the "**Offering**").

The subscription price is EUR 1.50 or SEK 15.60 per Offer Share (the "**Subscription Price**"). The Subscription Price must be paid in euro in Finland and in Swedish krona in Sweden.

The principal purpose of the Offering is to obtain additional capital to obtain regulatory approval and perform the first in-human study with the Herantis' lead product candidate HER-096 that is planned to start in 2023. This study, for which the Company anticipates to use the net proceeds from the Offering in addition to the other general corporate purposes, aims to demonstrate safety of HER-096 and to provide evidence of pharmaceutically active concentrations of HER-096 reaching the brain after simple subcutaneous administration.

The Offering in brief

- In the Offering, Herantis is seeking gross proceeds amounting approximately up to EUR 7.25 million by offering up to 4,831,426 Offer Shares for subscription.
- Existing shareholders of Herantis have a primary right to subscribe for Offer Shares with pre-emptive subscription rights, which will be offered to them in the same proportion as they hold shares in Herantis on 5 May 2022, being the record date of the Offering (the "**Record Date**").
- Shareholders who are registered on the shareholders register maintained by Euroclear Finland Ltd ("**Euroclear Finland**") or Euroclear Sweden AB ("**Euroclear Sweden**") on the Record Date shall receive one (1) subscription right (the "**Subscription Right**") per each Existing Share held by the shareholder in the form of a book-entry. The Subscription Rights will be recorded on shareholders' book-entry accounts in the book-entry system maintained by Euroclear Finland on 6 May 2022 and by Euroclear Sweden on 9 May 2022. The first trading day without Subscription Rights is 4 May 2022.

- Five (5) Subscription Rights entitle the holder to subscribe for two (2) Offer Shares at the Subscription Price of EUR 1.50 or SEK 15.60 per Offer Share (the "**Primary Subscription**"). No fractional Offer Shares will be issued, and no Subscription Right may be used only in part.
- The subscription period of the Offer Shares will commence on 10 May 2022 at 10:00 am Finnish time (9:00 am Swedish time) and will end in Sweden on 24 May 2022 at 3:00 pm Swedish time and in Finland on 27 May 2022 at 4:30 pm Finnish time (the "**Subscription Period**"), unless the Subscription Period is extended. Unused Subscription Rights will lapse worthless upon the end of the Subscription Period.
- The Subscription Rights are freely transferable and subject to trading on Nasdaq First North Growth Market Finland ("**First North Finland**") under the trading code "HRTSU0122" and on Nasdaq First North Growth Market Sweden ("**First North Sweden**") under the trading code "HRNTS TR" between 10 May 2022 and 18 May 2022.
- Where not all Offer Shares are subscribed for in the Primary Subscription, both the Company's shareholders and other investors have a right to subscribe for the unsubscribed Offer Shares without Subscription Rights ("**Secondary Subscription**") at the Subscription Price.
- Herantis will publish the Finnish language prospectus to be approved by the Finnish Financial Supervisory Authority concerning the Offering on or about 3 May 2022. The English language translation of the prospectus, including a Swedish language summary, will be published on or about 4 May 2022.
- The Company has received commitments for an aggregate amount of up to EUR 4.1 million from its certain existing shareholders to subscribe for Offer Shares in the rights issue with all of the Subscription Rights granted, i.e. *pro rata* to their shareholding, subject to certain conditions (the "**Subscription Commitments**"). The Existing Shares held by the parties that have given a Subscription Commitment represent 51.5 per cent of all the Existing Shares, and the Subscription Commitments represent up to 56.2 per cent of all the Offer Shares (assuming that the Offering is fully subscribed).
- UB Securities Ltd is acting as the lead manager of the Offering (the "**Lead Manager**").
- The terms and conditions of the Offering are attached to this release.

General

The number of shares in Herantis may as a result of the Offering increase from the 12,078,568 Existing Shares to up to 16,909,994 shares. Assuming that the Offering will be fully subscribed, the Offer Shares will correspond to approximately 28.6 per cent of all the shares following the completion of the Offering.

Herantis' Board of Directors has the right not to approve subscriptions received after the end of the Subscription Period. Herantis' Board of Directors is entitled to extend the Subscription Period.

The Company's Board of Directors will resolve on the allocation of Offer Shares subscribed for without Subscription Rights in the Secondary Subscription as follows:

1. First to those who have subscribed for Offer Shares also with Subscription Rights in the Primary Subscription. If such subscribers oversubscribe the Offering, the allocation to such subscribers

shall be determined on a per-book-entry account basis *pro rata* to the Subscription Rights used to subscribe for Offer Shares and, if this is not possible, by a drawing of lots.

2. Second to those who have subscribed for Offer Shares only without Subscription Rights in the Secondary Subscription. If such subscribers oversubscribe the Offering, the allocation to such subscribers shall be determined on a per-book-entry account basis *pro rata* to the Offer Shares subscribed for by such subscribers and, if this is not possible, by a drawing of lots.

The Company's Board of Directors will on or about 1 June 2022 (unless the Subscription Period is extended) approve subscriptions made with Subscription Rights in the Primary Subscription and in accordance with the terms and conditions of the Offering and applicable law and regulations. In addition, the Company's Board of Directors will on or about 1 June 2022 (unless the Subscription Period is extended) approve subscriptions made without Subscription Rights in the Secondary Subscription and in accordance with these terms and conditions of the Offering and applicable law and regulations.

The Company will on or about 1 June 2022 (unless the Subscription Period is extended) announce the results of the Offering and the aggregate number of Offer Shares subscribed for.

The Offer Shares subscribed for on the basis of Subscription Rights will be recorded on investors' book-entry accounts as interim shares corresponding to the Offer Shares ("**Interim Shares**") after subscriptions having been made and paid for. The ISIN code of the Interim Shares in Finland is FI4000522578 and in Sweden SE0017859838, and the trading code on First North Finland is "HRTSN0122" and on First North Sweden "HRNTS BTA". The Interim Shares will be freely transferable, and trading in the Interim Shares on First North Finland and First North Sweden as a separate share series is expected to commence on 30 May 2022 (subject to the respective listing applications being approved). The Interim Shares will be combined with the Company's shares (ISIN code: FI4000087861; trading code on First North Finland: "HRTIS" and on First North Sweden: "HRNTS") once the Offer Shares have been registered with the Finnish Trade Register. The combination will take place on or about 3 June 2022 in Finland and on or about 10 June 2022 in Sweden (unless the Subscription Period is extended).

Offer Shares subscribed for without Subscription Rights will be recorded on the subscribers' book-entry accounts as shares on or about 3 June 2022 (unless the Subscription Period is extended). Trading in the Offer Shares will commence on First North Finland on or about 3 June 2022 and on First North Sweden on or about 10 June 2022 (unless the Subscription Period is extended).

Important dates

4 May 2022	First trading day without Subscription Rights
5 May 2022	Record date of the Offering
6 May 2022	Subscription Rights are recorded on shareholders' book-entry accounts in Finland
9 May 2022	Subscription Rights are recorded on shareholders' book-entry accounts in Sweden
10 May 2022	Subscription Period of the Offering begins

10 May 2022	Trading in Subscription Rights commences on First North Finland and First North Sweden
18 May 2022	Trading in Subscription Rights ends on First North Finland and First North Sweden
24 May 2022	The Subscription Period of the Offering ends in Sweden and unused Subscription Rights lapse worthless (estimated)
27 May 2022	The Subscription Period of the Offering ends in Finland and unused Subscription Rights lapse worthless (estimated)
30 May 2022	Trading in Interim Shares commences on First North Finland and First North Sweden (estimated)
30 May 2022	The preliminary result of the Offering is published (estimated)
1 June 2022	The final result of the Offering is published (estimated)
3 June 2022	The Offer Shares are registered with the Finnish Trade Register and the Interim Shares are converted into Offer Shares in Finland (estimated)
3 June 2022	Trading in Offer Shares commences on First North Finland (estimated)
10 June 2022	The Interim Shares are converted into Offer Shares in Sweden and trading in Offer Shares commences on First North Sweden (estimated)

Herantis has drawn up an EU recovery prospectus regarding the Offering (the "**Prospectus**"), which Herantis expects to be approved by the Finnish Financial Supervisory Authority on or about 3 May 2022. Provided, that the Finnish Financial Supervisory approves the Prospectus, it will be available on Herantis' website at herantis.com/fi/sijoittajat/merkintaetuoikeusanti on or about 3 May 2022. In addition, the Prospectus will be available on the website of the Lead Manager at unitedbankers.fi/fi/merkintaetuoikeusanti/herantis on or about 3 May 2022.

The unofficial English-language translation of the Prospectus, including a Swedish language summary, will be available on Herantis' website at herantis.com/investors/rights-issue and on the website of the Lead Manager at unitedbankers.fi/en/merkintaetuoikeusanti/herantis on or about 4 May 2022.

UB Securities Ltd is acting as the lead manager of the Offering. Krogerus Attorneys Ltd is acting as the legal counsel to the Company as to Finnish law and Advokatfirman Cederquist KB as to Swedish law.

Herantis Pharma Plc
The Board of Directors

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Herantis Pharma Plc

Herantis Pharma Plc is an innovative biotech company developing disease modifying therapies for Parkinson's Disease. Herantis lead product HER-096, is an advanced small and synthetic chemical peptidomimetic version of the active parent CDNF protein. It combines the compelling mechanism of action of the CDNF protein with the ability to be delivered to the brain via subcutaneous administration.

The shares of Herantis are listed on the Nasdaq First North Growth Market Finland and Nasdaq First North Growth Market Sweden. For more information, please visit www.herantis.com.

Forward-looking statements

This company release includes forward-looking statements which are not historical facts but statements regarding future expectations instead. These forward-looking statements include without limitation, those regarding Herantis' future financial position and results of operations, the Company's strategy, objectives, future developments in the markets in which the Company participates or is seeking to participate or anticipated regulatory changes in the markets in which the Company operates or intends to operate. In some cases, forward-looking statements can be identified by terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "plan," "potential," "predict," "projected," "should" or "will" or the negative of such terms or other comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and are based on numerous assumptions. The Company's actual results of operations, including the Company's financial condition and liquidity and the development of the industry in which the Company operates, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this company release. Factors, including risks and uncertainties that could cause these differences include, but are not limited to risks associated with implementation of Herantis' strategy, risks and uncertainties associated with the development and/or approval of Herantis' drug candidates, ongoing and future clinical trials and expected trial results, the ability to commercialize drug candidates, technology changes and new products in Herantis' potential market and industry, Herantis' freedom to operate in respect of the products it develops (which freedom may be limited, e.g., by competitors' patents), the ability to develop new products and enhance existing products, the impact of competition, changes in general economy and industry conditions, and legislative, regulatory and political factors.

In addition, even if Herantis' historical results of operations, including the Company's financial condition and liquidity and the development of the industry in which the Company operates, are consistent with the

forward-looking statements contained in this company release, those results or developments may not be indicative of results or developments in subsequent periods.

Important notice

The distribution of this release may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restrictions. The information contained herein is not for publication or distribution, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, Singapore, South Africa or the United States or in any other jurisdiction in which publishing or distributing would be prohibited by applicable law. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This release is not directed to, and is not intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

This release does not constitute a prospectus as defined in the Prospectus Regulation ((EU) 2017/1129) and as such, does not constitute or form part of and should not be construed as, an offer to sell, or the solicitation or invitation of any offer to buy, acquire or subscribe for, any securities or an inducement to enter into investment activity.

This release is only addressed to and directed at persons in member states of the European Economic Area (each a "Relevant State") who are "Qualified Investors" within the meaning of Article 2(e) of the Prospectus Regulation. The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Qualified Investors. This release should not be acted upon or relied upon in any Relevant State by persons who are not Qualified Investors.

This release does not constitute an offer of the securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. This release is only being distributed to and is only directed at persons outside the United Kingdom, or persons in the United Kingdom who are "Qualified Investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA") who are (i) investment professionals within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom this release may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This release must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this release relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this release or any of its contents.

This release does not constitute an offer for sale of securities in the United States. The shares may not be offered or sold within the United States absent of registration or an exemption under the U.S. Securities Act 1933 (as amended). The Company has not registered and it does not intend to register, any portion of the offering in the United States, and it does not intend to conduct a public offering in the United States.

Full terms, conditions and instructions for the contemplated rights issue will be included in the prospectus prepared by the Company in connection with the contemplated rights issue. The prospectus will be published on the website of the Company at herantis.com/investors/rights-issue.

An investor is advised to read the prospectus before making an investment decision to fully understand the risks and rewards associated with the investment. The approval by the Finnish Financial Supervisory Authority of the prospectus shall not be considered as an endorsement of the issuer nor of the quality of the securities to which the prospectus relates to.