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# **INVITATION TO SUBSCRIBE FOR SHARES IN CYXONE AB**

**SUBSCRIPTION PERIOD: 1-15 AUGUST 2024**

## **Important information**

This information brochure constitutes marketing and is not a prospectus according to European Parliament and Council Regulation (EU) 2017/1129. Invitation to subscribe for securities in Cyxone AB ("Cyxone" or the "Company") takes place only through the memorandum published in August 2024, which is available on the Cyxone's website [www.cyxone.com](http://www.cyxone.com). Investors are advised to read the memorandum in its entirety before one investment decisions are made. This information brochure may not be distributed, published or made public in or to the United States, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland or Singapore. The memorandum must not be sent to persons in these countries or any other jurisdiction to which it is addressed not permitted to deliver subscription rights, BTAs or new shares, except in accordance with applicable law and provided that does not require additional prospectus, registration or other measures beyond those that follow from Swedish law. Except where expressly stated otherwise in the memorandum, subscription rights, BTAs or new shares may not be offered, sold, transferred or delivered, directly or indirectly, in or to any of these countries.



## CEO Kjell Stenberg comments

Coming back to Cyxone this year is fascinating! Through my 50-year-long career in pharma/life science, I have had the joy of experiencing different roles, and various company structures and working with a wide range of diseases. All this I bring with me to my "new-old" CEO role at Cyxone, and I will, together with the experienced team and the seasoned Board, work tirelessly to make sure we create the best fundament for future deals with strategic partners in the field.

I am impressed by the progress made in recent years with both T20K and rabeximod. In the first half of this year, Cyxone has made significant strides with rabeximod, confirming the biological target protein in an independent scientific analysis and gaining recognition from a renowned arthritis research group in Europe. These milestones are crucial for advancing our drug candidate toward future treatment in areas with significant medical needs for improved therapies.

To continue our development, we are in need of additional funds to advance our efforts with both T20K and rabeximod in the form of preclinical and clinical studies and finding strategic partners. Strategic collaborations in these clinical stages – especially in indications like RA, where further clinical development would mean significant costs for a small company like Cyxone – are quite common. We firmly believe that with a well-executed preclinical and early clinical study data package for rabeximod, we will be in a great position to reach strategic agreements and create increased value for the compound. I welcome you to join us on Cyxone's journey ahead!

**Kjell Stenberg, CEO Cyxone AB**

### Differentiated Pipeline and Clear Strategy

Cyxone's pipeline includes two oral products aiming to offer therapies in two market segments with unmet medical needs: rabeximod, in Phase II development for rheumatoid arthritis ("RA") and autoimmune disease, and T20K, ready for clinical development, with an initial focus in multiple sclerosis ("MS"), but also offering potential in other autoimmune diseases

The Company's strategy is to execute preclinical studies and small clinical studies to obtain an in-depth understanding of the mode of action and generate valuable data for rabeximod to secure a licensing agreement with a partner for further clinical trials.

### Future

Rabeximod is a mature and well-managed program since its inception and into Phase II. With the new, significantly strengthened patent protection, the Company intends to enter a strategic research collaboration with a renowned European research group to conduct a study in inadequate responders to TNF alpha inhibitors focusing on mechanism of action.

For T20K, Cyxone intends to conduct a preclinical study in Q3-Q4 2024 to build on the already existing value in the form of a patent application that involves combining T20K with a kappa opioid receptor agonist (KORA), which has the potential to increase the effect on the MS disease, while reducing the risk of side effects. Cyxone's priority is to find a strategic partner for T20K, same as rabeximod.

### Market

RA and MS present significant market opportunities since RA affects over 20 million people globally, with therapies that show moderate efficacy, severe safety issues, and poor convenience. Similarly, MS affects about 2.8 million people worldwide, with existing therapies showing moderate effectiveness and notable side effects. There is a demand for safer, more convenient treatments.

## About Cyxone AB

Cyxone is a clinical-stage biotech company specializing in developing treatments for autoimmune and autoinflammatory diseases. Cylone aims to create safer and more effective drugs to improve patient quality of life, with rabeximod offering benefits for early and later stages of RA and T20K showing promising results in delaying the onset and severity of MS symptoms. Rabeximod is in Phase II development while T20K is ready for clinical development.

The mechanism of action of the Company's compounds, rabeximod and T20K, enables development in additional autoimmune and autoinflammatory diseases beyond RA and MS. Both compounds are also convenient for patients, as they are orally administered.

### Rabeximod

There is no cure for RA, and treatments for patients with RA aim to control pain and inflammation. Although several options exist, only a few patients achieve long-term clinical responses. Rabeximod is an oral, non-injectable, drug candidate for patients with moderate to severe RA. Rabeximod has a unique mechanism of action compared to currently marketed RA therapies and therapies in development. Rabeximod selectively targets RA via inflammatory cells and macrophages, central to the inflammatory process that causes tissue destruction and clinical symptoms in RA.

With a fully completed Phase IIa study in RA with positive effect after 16 weeks with a good safety profile. Cyxone intends to document the Company's substance further to optimize the value of collaboration and build data in combination with TNF alpha inhibitors and possibly also study additional patient groups in the autoimmune segment.

### T20K

There is no curative treatment available for MS, and most existing therapies are only moderately effective in preventing disease relapse and have limited effect on increasing disability over time. T20K is based on a natural plant protein that has been modified to have good medicinal properties. The substance has been shown to inhibit the release of the body's own substance IL-2, which is considered central to the development of MS. T20K prevents the breakdown of the myelin and can thus potentially delay the onset of the disease and reduce the severity of the symptoms. The hope is that T20K will be able to slow the progression of the disease, prevent relapses and delay the need for second-line treatments.

For T20K, Cyxone intends to conduct a preclinical study to demonstrate synergies with a combination of compounds in Q3-Q4 2024. Given a positive outcome of the study, Cyxone's priority is to find a strategic partner for T20K.

## Objectives

### 2024-2026

- Initiation of collaboration with world-leading clinical experts for the treatment of patients who do not respond to treatment with TNF-alpha inhibitors.
- Preclinical studies to explore details of rabeximod's mechanism of action to guide prioritization of future clinical studies.
- Preclinical studies to investigate T20K's ability to halt the progression of MS symptoms in early, middle and late stages of development.
- Explore combinations of T20K and a kappa opioid receptor agonist (KORA) to optimize efficacy versus safety in the EAE model.
- Preclinical studies to explore the potential use of rabeximod in other diseases where the pathophysiological processes are likely to be inhibited by rabeximod.
- Initiate partnership discussions in mid-late 2025 for rabeximod and/or T20K, depending on the results of the preclinical studies.
- Obtain advice from regulatory authorities and conduct a pre-IND program with a combination of T20K and a KOR agonist results from preclinical studies of T20K. Investigate the potential of T20K alone or in combination with KOR agonist in disease.
- Identify pharmaceutical partners that can fund clinical trials for T20K and/or rabeximod.



# Terms for the offer

## Preferential right for subscription

Those who on the record date 30 July 2024 were registered as shareholders in the share register maintained by Euroclear on behalf of the Company have preferential rights to subscribe for new shares in relation to the number of shares held on the record date, whereby one (1) existing share in the Company entitles to one (1) subscription right and three (3) subscription rights give the right to subscribe for eight (8) new shares.

## Issue volume

The rights issue covers a maximum of 575,802,760 newly issued shares, corresponding to a total of approximately SEK 23 million before transaction related costs.

## Subscription price

The subscription price in the rights issue is SEK 0.04 per share. Brokerage is not charged.

## Record date

The record date at Euroclear for determining who is entitled to receive subscription rights in the rights issue was 30 July 2024. The last day for trading in the Company's shares with the right to participate in the rights issue was 26 July 2024. The first day for trading in the Company's shares without the right to participate in the rights issue was 29 July 2024.

## Subscription period

Subscription of shares with the support of subscription rights must take place by cash payment during the period from and including 1 August 2024 until and including 15 August 2024. The Board shall have the right to extend the subscription period. The Board of Directors for the Company reserves the right to extend the subscription period, which, if relevant, will be announced by the Company via press release no later than the last day of the subscription period.

Subscription of shares without the support of subscription rights must be done by subscription on a certain subscription form during the period from and including the 1 August 2024 to and including the 15 August 2024. The Board shall have the right to extend the subscription period. Payment for subscribed ordinary shares must be made in cash no later than the fourth banking day after the settlement note showing notice of allocation is sent to the subscriber, or such later date as the Board determines.

## Subscription rights

The right to subscribe for shares is exercised with the support of subscription rights. For each existing share in the Company held as of the record date, one (1) subscription right is obtained. Three (3) subscription rights give the right to subscribe for eight (8) new shares.

## Trading in subscription rights

Trading in subscription rights takes place on Nasdaq First North Growth Market during the period from and including 1 August 2024 to and including 12 August 2024. The ISIN code for the subscription rights is SE0022574703. Shareholders must contact their bank or other administrator with the necessary permission directly to carry out the purchase and sale of subscription rights. Subscription rights which are acquired during the aforementioned trading period give, during the subscription period, the same right to subscribe for new shares as the subscription rights shareholders receive based on their holdings in the Company on the record date.

## Not exercised subscription rights

Subscription rights which have not been sold no later than 12 August 2024 or used for subscription of shares no later than 15 August 2024 will be booked out of all VP accounts without compensation. No special notification takes place when subscription rights are cancelled.

## Issue report and subscription forms

### Direct registered shareholders

The shareholders or representatives of shareholders who, on the record date of 30 July 2024, were registered in the share register kept by Euroclear on behalf of the Company, receive a pre-printed issue statement with an attached payment notice, a special notification form with the support of subscription rights, a notification form for subscription without the support of subscription rights. The memorandum with further information about the Company and the risks associated with an investment in the Company's shares is available on the Company's website [www.cyxone.com](http://www.cyxone.com) and Hagberg & Aneborn Fondkommission AB's website [www.hagberganeborn.se](http://www.hagberganeborn.se) for download. Anyone who is included in the list of mortgagees etc. kept separately in connection with the share register, does not receive any information but is notified separately. VP-note reporting the registration of Subscription Rights on the shareholder's VP account was not sent out.

### Subscription with support from subscription rights

Subscription of new shares with the support of subscription rights must take place by cash payment during the period from and including the 1 August 2024 to and including the 15 August 2024. Please note that it may take up to three banking days for the payment to reach the recipient's account. Subscription and payment must take place in accordance with one of the two options below.

#### 1. Issue report – pre-printed payment notice from Euroclear

In the event that all subscription rights obtained on the record day are used for subscription of shares, the pre-printed payment receipt from Euroclear must be used as a basis for notification of subscription by payment. The special notification form must therefore not be used. No additions or changes may be made to the text printed on the payment receipt. Subscription is binding.

#### 2. Special subscription form

In the event that a different number of subscription rights is used than what appears from the pre-printed payment notice from Euroclear, the special subscription form must be used. Registration for subscription by payment must take place in accordance with the instructions stated on the special subscription form. The pre-printed payment notice from Euroclear must therefore not be used. Special registration form can be ordered from Hagberg & Aneborn Fondkommission AB via phone or e-mail as below.

Special subscription form must be at the disposal of Hagberg & Aneborn Fondkommission AB no later than 15.00 on 15 August 2024. Any subscription form that is sent by post should therefore be sent in good time before the last day of subscription. Only one entry form per person or legal entity will be considered. In the event that more than one registration form is submitted, only the last one received will be considered. Incomplete or incorrectly completed special registration forms may be disregarded. Subscription is binding.

Completed special subscription form is sent or delivered to:

Hagberg & Aneborn Fondkommission AB

Issue: Cyxone AB

Jungfrugatan 35

114 44 Stockholm

Phone: 08-408 933 50  
E-mail: info@hagberganeborn.se (scanned subscription form)

#### **Nominee-registered shareholders**

Shareholders whose holdings of shares in the Company are nominee-registered with a bank or other trustee will not receive an issue report. Subscription and payment must take place in accordance with instructions from the respective nominee.

#### **Subscription without the support from subscription rights**

Subscription of ordinary shares without pre-emptive rights must take place during the same period as subscription of shares with pre-emptive rights, that is from and including the 1 August 2024 to and including the 15 August 2024. The Board of Directors for the Company reserves the right to extend the subscription period, which, if relevant, will be announced by the Company via press release no later than the last day of the subscription period.

Notification of subscription without pre-emptive rights takes place by filling in the notification form for subscription without subscription rights, signing it and then sending or handing it to Hagberg & Aneborn Fondkommission AB with contact details as above. The subscription form can be ordered from Hagberg & Aneborn Fondkommission AB via telephone or e-mail as above. The registration form can also be downloaded from the Company's website [www.cyxone.com](http://www.cyxone.com) and from Hagberg & Aneborn Fondkommission AB's website [www.hagberganeborn.se](http://www.hagberganeborn.se).

The subscription form must be received by Hagberg & Aneborn Fondkommission AB no later than 15.00 on 15 August 2024. Subscription forms that are sent by post should therefore be sent in good time before the last day of subscription. It is only permitted to submit one (1) application form for subscription without the support of subscription rights. In the event that more than one subscription form is submitted, only the last one received will be considered. Incomplete or incorrectly filled-in subscription forms may be disregarded. Subscription is binding.

Please note that shareholders who have their holdings registered as trustees must notify their trustee of subscription without priority in accordance with his procedures.

#### **Important information when subscribing without the support of subscription rights**

##### **NID-number is required**

National ID or National Client Identifier (NID number) is a global identification code for private individuals. According to Directive 2014/65/EU ("MiFID II"), from January 3, 2018, all natural persons have an NID number, and this number needs to be entered in order to make a securities transaction.

If such a number is not specified, Hagberg & Aneborn Fondkommission AB may be prevented from carrying out the transaction for the natural person in question. If you only have Swedish citizenship, your NID number consists of the designation "SE" followed by your social security number. If you have several or something other than Swedish citizenship, your NID number can be another type of number. For more information on how to obtain a NID number, contact your bank. Remember to find out your NID number in good time, as the number needs to be entered on the subscription form.

##### **LEI-number for legal persons**

Legal Entity Identifier (LEI) is a global identification code for legal entities. According to MiFID II, from January 3, 2018, legal entities must have an LEI code in order to carry out a securities transaction. If such a code does not exist, Hagberg & Aneborn Fondkommission AB may not carry out the transaction for the legal person in question.

##### **Subscription from accounts covered by specific rules**

Subscribers with accounts that are covered by specific rules for securities transactions, for example IPS account, ISK account (investor savings account) or custody account/account in capital insurance, must check with their respective administrators whether and how subscription of shares can be made in the rights issue.

##### **Shareholders residing in certain unemployed jurisdictions**

Shareholders residing outside Sweden (does not refer to shareholders residing in the USA, Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Switzerland, Singapore, South Africa, South Korea or any other jurisdiction where participation would require an additional prospectus, registration or other authority permission) who have the right to subscribe for shares in the rights issue, can contact Hagberg & Aneborn Fondkommission AB by telephone as above for information on subscription and payment. Due to restrictions in the securities laws of the United States, Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Switzerland, Singapore, South Africa, South Korea or any other jurisdiction where participation would require additional prospectus, registration or other regulatory approvals, no subscription rights are offered to holders with registered addresses in one of these countries. Accordingly, no offer to subscribe for shares in the Company is directed to shareholders in these countries.

##### **Allocation by subscription without support of subscription rights**

If not all shares are subscribed with the support of subscription rights, the allocation of the remaining shares within the framework of the rights issue's maximum amount shall take place: primarily to those who have subscribed for shares with the support of subscription rights (regardless of whether they were shareholders on the record date or not) and who have registered an interest in subscription of shares without the support of subscription rights and in the event that allocation to these cannot take place in full, allocation must be made pro rata in relation to the number of subscription rights that each of those who have registered an interest in subscribing to shares without the support of subscription rights used for subscription of shares; secondarily to others who subscribed for shares in the rights issue without the support of subscription rights and in the event that allocation to these cannot take place in full, allocation must be made pro rata in relation to the total number of shares for which the subscriber has applied for subscription; and thirdly to those who have submitted guarantee commitments regarding the subscription of shares, in proportion to such guarantee commitments. To the extent that allocation in any stage according to above cannot be done pro rata, allocation must be done by lottery.

##### **Notice of allocation in the case of subscription without support of subscription rights**

Notification of any allocation of shares, subscribed without pre-emptive rights, is given by sending an allocation notification in the form of a settlement note. Cash must be paid no later than four (4) banking days after the issuance of the settlement note. No notice is given to those who have not received an allocation. If cash is not paid in time, a number of shares may be transferred to someone else. Should the sale price in the event of such a transfer be lower than the price according to the rights issue, the person who originally received the allocation of these shares may be liable for all or part of the difference.

Those who subscribe for shares without pre-emptive rights through their administrator will receive notification of subscription according to their administrator's procedures.

##### **Paid subscribed shares (BTA)**

Subscription by payment is registered with Euroclear as soon as this can take place, which normally means a few banking days after payment. The subscriber then receives a VP notice with confirmation that the booking of paid subscribed shares (BTA) has taken place on the subscriber's VP account. The newly subscribed shares are booked as BTA in the VP account until the Swedish Companies Registration Office registers the rights issue and the BTA is converted into shares, without special notification from Euroclear Sweden AB, which is expected to happen around week 35, 2024.

According to the Swedish Companies Act, under certain conditions part of the rights issue may be registered with the Swedish Companies Registration Office. If this option for partial registration is used in the present issue, several series of BTA will be issued, whereby the first series will be named ("BTA 1") in Euroclear. BTA 1 will be converted into shares as soon as a first possible partial registration has taken place. A second series of BTA ("BTA 2") will be issued for subscription which took place at such a time that subscribed shares could not be included in the first partial registration and will be converted into shares as soon as the rights issue is finally registered with the Swedish Companies Registration Office, which is estimated to take place around week 35, 2024.

#### **Trading in BTA**

Trading in BTA will take place on the Nasdaq First North Growth Market from and including 1 August 2024 until the Swedish Companies Registration Office has registered the rights issue and BTA has been converted into shares, without special notification from Euroclear Sweden AB, which is expected to take place around week 35, 2024. ISIN code for BTA is SE0022574711.

#### **Trading in new shares**

As of the date of the memorandum published in connection with the rights issue, the Company's shares are admitted to trading on the Nasdaq First North Growth Market. The Company's shares are traded under the short name CYXO and have ISIN code SE0007815428. The new shares will be admitted to trading in connection with the conversion of BTA into shares, which is expected to take place around week 35, 2024.

#### **Announcement of outcome of the rights issue**

The results of the rights issue will be announced around the 16 August 2024 through a press release from the Company.

#### **Shares, share capital and dilution**

Through the rights issue, the number of shares in the Company will increase by a maximum of 575,802,760 shares, from 215,926,036 shares to 791,728,796 shares, and the share capital will increase by a maximum of SEK 23,032,110.40, from SEK 8,637,041.44 to SEK 791,728,796.00. For existing shareholders who do not participate in the rights issue, this means, in the case of full subscription, a dilution effect of approximately 72.7 percent of votes and capital in the Company.

#### **Other information**

The Board of Cyxone does not have the right to cancel, revoke or temporarily withdraw the rights issue to subscribe for new shares in the Company in accordance with the terms set out in the memorandum published in connection with the rights issue.

Subscription of new shares is irrevocable, and the subscriber cannot cancel or modify a subscription of new shares. An incomplete or incorrectly completed registration form may be left without consideration. If the cash for subscribed shares is paid in late, is insufficient or is paid incorrectly, the notification of subscription may be left without consideration or subscription may take place with a lower amount. Cash paid that has not been used will be refunded. If several registration forms of the same category are submitted, only the registration form that Hagberg & Aneborn Fondkommission AB received last will be considered. Payment received late for amounts under SEK 100 will only be refunded on request.