



## Company Announcement

June 25, 2020 at 4:00 p.m. Finnish time

### **The Board of Directors of Nanoform Finland Plc decided on issue of stock options to key employees**

The Annual General Meeting of Nanoform Finland Plc (“**Nanoform**”) has on 7 April 2020 authorized the company’s Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in Chapter 10 Section 1 of the Finnish Limited Liability Companies Act by one or several decisions. The amount of the shares to be issued pursuant to the authorization and the amount of the shares issued by virtue of the authorization to issue special rights entitling to shares shall not exceed 1,650,000 shares.

The Board of Directors of Nanoform has on 25 June 2020 resolved to issue stock options to selected key personnel of Nanoform based on the authorization granted by the Annual General Meeting on 7 April 2020. The stock options are offered in deviation from the shareholders' pre-emptive subscription right. The stock options are issued free of charge.

There is a weighty financial reason from the company’s point of view to issue stock options as provided in Chapter 10, Section 1 of the Finnish Limited Liability Companies Act, because the stock options are issued in order to commit key individuals to the company.

The total number of option rights to be issued is at most 700,000. The stock options entitle to subscribe for at most 700,000 shares in Nanoform. Each stock option entitles to subscribe for one new share. The subscription price for shares subscribed with stock options is EUR 5.00 per share, which is approximately 15 percent more than the weighted average trading price of the share since Nanoform’s listing on June 4, 2020 and approximately 45 percent higher than the price per share in Nanoform’s initial public offering. The total subscription price of the shares shall be paid to the company’s fund for invested own free equity.

The theoretical market value of the program is estimated at EUR 1.1 million, which is 700,000 times the value of one stock option. The value of one stock option has been calculated using the Black-Scholes option pricing model. The following assumptions have been used to determine the value of the option: share price EUR 4.30, stock option exercise price EUR 5.00, maturity 5 years, risk-free interest rate 0.01 percent and volatility 50 percent. The calculation of the market value has taken into account that the targets set for the share subscription may not be met.

The subscription period for shares based on the option rights shall commence from the registration of stock options to the Trade Register and ends on 25 June 2025.

The stock options entitle to subscribe for shares during the subscription period in accordance with the subscription schedule agreed in the option agreement between Nanoform and each option holder so that all issued stock options entitle option holders to subscribe for shares at the latest on 25 June 2021. If the option holder’s employment or service relationship or membership in the Board of Directors with Nanoform or a

company within the same group as Nanoform terminates, any stock options, for which the subscription period, as may be separately agreed with the option holder, has not commenced; or in the absence of such agreement, all stock options, shall become void immediately as from the date of the notice of termination regarding the relationship without compensation and for all such stock options for which the subscription period has commenced, the option holder must subscribe for shares in Nanoform with such stock options within 90 days from the notice of termination of the relationship, following which any remaining stock options shall become void without compensation, unless otherwise resolved by the Board of Directors of Nanoform.

### **Further enquiries:**

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### **Nanoform in brief**

Nanoform is an innovative nanoparticle medicine enabling company. Nanoform works together with pharma and biotech partners globally to reduce attrition in clinical trials and enhance their molecules' formulation performance through its nanoforming services. The Company's patented and scalable Controlled Expansion of Supercritical Solutions (CESS®) technology produces nanoformed API particles as small as 10nm. This enables poorly soluble molecules in the pharmaceutical pipeline to progress into clinical development by increasing their rate of dissolution and by improving their bioavailability. Nanoform's unique technology provides novel opportunities in many value-enhancing drug delivery applications. [www.nanoform.com](http://www.nanoform.com)