

Grant of incentive warrants to Employees, CEO and the Board of Directors

The Board of Directors of Cessatech A/S ("Cessatech" or the "Company") has decided to grant new incentive warrants to existing and new employees, to the CEO and the Board of Directors, in total 1,130,000 warrants are granted. The reason for the new warrant program is to retain and incentivize the employees, the Board of Directors and the CEO by offering a long-term ownership engagement, which will contribute to an alignment of interests between the warrant holders and the shareholders and promote long-term commitment to the Company's development.

Background and final terms

On 16 January 2023 it was decided to grant 550,000 warrants to the CEO, 65,000 warrants to the Chairman of the Board of Directors, 45,000 to the vice-chairman and 30,000 warrants to the ordinary members of the Board of Directors (four persons), and a sum of 350,000 warrants to the employees (together the "Warrantholders"). Thus, in total 1,130,000 warrants are granted under the new warrant program.

The warrants are subject to the terms and conditions set forth in article 3.1.2 of the Company's articles of association as well as appendix 7, 8 and 9 to the Company's articles of association. Each warrant confers the right to subscribe one share of a nominal value of DKK 0.20 against payment of DKK 1.7 which corresponds to the average share price according to Spotlight's official listed share price of the Company's shares based on the five trading days that preceded the date of the allocation of warrants. The granting of warrants shall not be subject to any payment by the Warrantholders.

Generally warrants vest and become eligible for exercise with 1/36 per month as from the date of grant and can be exercised during the period 1 January 2024 – 31 December 2027.

Dilution

In case all of the above-mentioned new warrants granted to the Board of Directors are exercised for subscription of new shares, a total of 230,000 shares (corresponding to nominally DKK 46,000 shares) will be issued, corresponding to a dilution of 1.64 % of the total number of shares and votes (based on the current share capital). If the new and existing warrants granted to the Board of Directors are exercised for subscription of new shares, this corresponds to a total dilution of 2.25%.

In case all of the above-mentioned new warrants granted to the CEO are exercised for subscription of new shares, a total of 550,000 shares (corresponding to nominally DKK 110,000 shares) will be issued, corresponding to a dilution of 3.84 % of the total number of shares and votes on a fully diluted basis (based on the current share capital). If the new and existing warrants granted to the CEO are exercised for subscription of new shares, this corresponds to a total dilution of 5.47%.

In case all of the above-mentioned new warrants issued to the Warrantholders (i.e. the new warrants granted to the Board of Directors and the new warrants granted to the CEO and employees) are exercised for subscription of new shares, in the aggregate 1,130,000 new shares (corresponding to nominally DKK 226,000 shares) will be issued, corresponding to an aggregated dilution of 7.57 % of the total number of shares and votes on a fully diluted basis (based on the current share capital). If the new and existing warrants granted to the Warrantholders are exercised for subscription of new shares, this corresponds to a total dilution of 9.60%

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About Cessatech A/S

Cessatech A/S is a Danish pharmaceutical company committed to developing and commercializing evidence-based and innovative medicines for children for the treatment of paediatric acute pain. Its lead asset (CT001) is an analgesic nasal spray for the treatment of acute and planned painful procedures in children. The advantages include needle-free administration, easy administration, a fast-acting therapeutic effect, and being medically approved for children.