OncoZenge

Press Release
27 August 2026 20:15:00 CEST

Investor withholds remaining payment for fourth tranche resulting in short-term liquidity shortfall

OncoZenge AB (publ) ("OncoZenge" or the "Company") has received a letter from Sichuan Yangtian Bio-Pharmaceutical Co., Ltd (the "Investor") with information that the Investor will withhold payment of the remaining subscription proceeds of approximately SEK 10.1 million under the fourth and final tranche of the directed share issue resolved by the Board of Directors and announced on 5 June 2026 (the "Directed Share Issue"), pursuant to the investment agreement dated 27 January 2025 between the parties (the "Investment Agreement"). The payment deadline for the fourth tranche had most recently been extended to 28 August 2026. The Investor has now informed the Company that it is actively withholding payment, which means that the delay can no longer be considered administrative. As a consequence, the Company assesses that payment will not be made by the deadline, and that the Company will face a short-term liquidity shortfall until the Company's ongoing rights issue of approximately SEK 33.3 million, announced on 25 August 2026 (the "Rights Issue"), has been completed.

In its letter, the Investor has stated that it is withholding payment of the remaining subscription proceeds because the timing and terms of the Rights Issue risk causing significant economic loss to the Investor. The Investor considers that the Rights Issue is in breach of the Investment Agreement and under general principles of Swedish contract law. The Investor has therefore stated that it will withhold payment until a settlement has been reached.

The Company considers that there is no legal basis under the Investment Agreement for the Investor to withhold payment and that the Rights Issue has been resolved in accordance with the Board of Directors' obligations and not in violation of the terms of the Investment Agreement.

The Company notes that it has on several previous occasions granted the Investor extensions of the payment deadline for the fourth tranche, and that the Company considers itself to have fulfilled its own obligations under the Investment Agreement, including the operational milestones agreed between the parties. The reason for these extensions was that the Company had been informed by the Investor that it had been unable to complete the transfer of the subscription proceeds due to the expiry of a currency exchange certificate with the State Administration of Foreign Exchange (SAFE), required for completing the transaction. According to information from the Investor, the certificate renewal was in progress, and the Investor had further informed the Company that it held all requisite regulatory approvals for the Directed Share Issue and that the SAFE renewal was an administrative matter that did not reflect any regulatory impediment to completion of the payment. The Company had further been informed by the Investor that one additional partial payment of SEK 5 million would be transferred in August, which has not yet been made.

The Company assesses that the remaining subscription proceeds of approximately SEK 10.1 million under the Investment Agreement will not be paid by the extended deadline of 28 August 2026. This will result in a short-term liquidity shortfall until the Rights Issue is carried out.

OncoZenge will inform the market when the letter has been further analysed and a dialogue with the Investor has been initiated and will work on a solution to bridge the shortfall until completion of the Rights Issue.

BupiZengeTM - Potential to be the leading treatment for oral pain.

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About

OncoZenge AB (publ) is a clinical-stage pharmaceutical company developing an innovative, effective, and well-tolerated treatment for oral pain in conditions where current options are insufficient, such as oral mucositis from cancer therapy. Its lead candidate, BupiZengeTM, represents a novel formulation of bupivacaine in a lozenge form, aimed at providing rapid and sustained local pain relief without the risks associated with systemic opioids. The Company recently received European regulatory approval to initiate its pivotal Phase III study 'BEAM-Pain'. The first patient has been enrolled in the trial and site activations are currently ongoing. OncoZenge is headquartered in Stockholm, Sweden, and is publicly traded on Nasdaq First North Growth Market under the ticker ONCOZ. For more information, please visit **www.oncozenge.se**.

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Certified Adviser

Redeye Nordic Growth AB is the company's Certified Adviser.

This information is information that OncoZenge 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 2026-08-27 20:15 CEST.