

PRESS RELEASE

March 29, 2022

Saniona Announces Strategic Program Prioritization and Restructuring to Streamline Operational Costs

Saniona (OMX: SANION), a clinical-stage biopharmaceutical company focused on rare diseases, today announced a strategic program reprioritization and restructuring intended to immediately and substantially reduce operating expenses and maximize the utility of current and future cash resources. The Board has resolved to implement multiple actions including a voluntary pause of the Phase 2b clinical trials of Tesomet™ for hypothalamic obesity (HO) and Prader-Willi syndrome (PWS) and a workforce reduction of approximately 30%. The decision to voluntarily pause the Phase 2b clinical trials of Tesomet is not related to the safety or efficacy of Tesomet and is entirely due to funding limitations.

Comments from Rami Levin, President and CEO of Saniona:

“We are extremely disappointed to have to undertake such drastic measures to conserve resources, especially since we know HO and PWS patients and their families are desperately waiting for treatments, and because our employees had made such significant progress in 2021. Over the past year we have accelerated our efforts to support our operations by evaluating multiple strategic financing and business development options. However, during this time, and particularly recently, the environment for obtaining financing has changed dramatically, given the current global macroeconomic and biotech sector market conditions. We will tirelessly continue these efforts, but we believe it is in the best interest of the company and our shareholders to immediately decrease our operating expenses, which will increase the utility of any future cash inflows obtained by the company.

“I extend my sincere gratitude to the employees who are affected by this decision; their hard work enabled us to achieve multiple significant milestones in 2021, including obtaining orphan drug designation from the FDA and initiating Phase 2b trials in HO and PWS, as well as advancing our ion channel pipeline. We are acutely aware of the high unmet need in these disorders and the multiple setbacks the HO and PWS communities have faced; we thank them for their patience as we temporarily pause these trials. I would also like to address all Saniona shareholders and reassure them that the Board and management are determined and fully committed to lead the company through this difficult time.”

The decision to voluntarily pause the Phase 2b clinical trials of Tesomet for HO and PWS is not related to the safety or efficacy of Tesomet and is entirely due to funding limitations. The Tesomet programs previously achieved highly encouraging results in initial Phase 2 trials, and the international Phase 2b trials were by far the largest expenditure for the company. Saniona will continue its ongoing Phase 1 clinical trial of SAN711, which is expected to deliver data by the end of the first half of 2022. The company will also continue to invest in its ion channel drug discovery engine, including SAN903, which is expected to enter Phase 1 clinical trials in the second half of 2022, and discovery research efforts, which are expected to result in a new ion channel modulator advancing into the preclinical pipeline in 2022. Saniona will also continue to pursue strategic financing options and expand its business development efforts to include opportunities that could allow Tesomet to advance.

Saniona reported cash and cash equivalents of approximately SEK 357 million (USD 37.8 million) as of December 31, 2021. Total operating expenses were approximately SEK 422 million (USD 46.6 million) during 2021. The approximate 30% reduction will include employees and contractors and will have an impact across most areas of Saniona's

organization, including at the executive team level. In addition, the company plans to reduce other operating expenses as well as the physical footprint of its facilities. The company's current cash resources are expected to fund the company's current operating plan further into the second half of 2022. The strategic restructuring actions, which will take some time to be fully realized, are expected to decrease Saniona's anticipated future average quarterly operating expenses by about 50%. Importantly, the reduction in operating expenses will increase the utility of any future cash inflows obtained by the company.

For more information, please contact

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This information is such information as Saniona AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 16.00 CET on 29 March 2022.

About Saniona

Saniona is a clinical-stage biopharmaceutical company focused on discovering, developing and commercializing innovative therapies for patients suffering from rare diseases for which there are a lack of available treatment options. The company's lead product candidate, Tesomet™, has been advanced into mid-stage clinical trials for hypothalamic obesity and Prader-Willi syndrome, serious rare disorders characterized by severe weight gain, disturbances of metabolic functions and uncontrollable hunger. These clinical trials are voluntarily paused due to funding limitations. Saniona has developed a proprietary ion channel drug discovery engine anchored by IONBASE™, a database of more than 130,000 compounds, of which more than 20,000 are Saniona's proprietary ion channel modulators. Through its ion channel expertise, Saniona is advancing two wholly-owned ion channel modulators, SAN711 and SAN903. SAN711 is in a Phase 1 clinical trial and may be applicable in the treatment of rare neuropathic disorders, and SAN903 is in preclinical development for rare inflammatory, fibrotic and hematological disorders. Led by an experienced scientific and operational team, Saniona has an established research organization in the Copenhagen area, Denmark, and a corporate presence in the Boston, Massachusetts area, U.S. The company's shares are listed on Nasdaq Stockholm Small Cap (OMX: SANION). Read more at <http://www.saniona.com>.