



## ProstaLund decides on a rights issue of Units and updates financial objectives

The Board of ProstaLund AB ("ProstaLund" or "the Company") has on 13 July 2022 decided to carry out a rights issue of up to 5,152,536 Units at a subscription price of SEK 3.50 per Unit, raising up to SEK 18 million to the Company before issue costs (the "Rights Issue"). The company has also decided to update its financial objectives for CoreTherm® treatments during the coming twelve-month period and to introduce a new target of positive cash flows from operating activities during the fourth quarter of 2023.

The Rights Issue is carried out to finance the Company's continued growth in the wake of a growing interest in the Company's products and treatment method. The pandemic related effects which have negatively affected the Company's sales in recent years, due to limited access for patients to healthcare services, now appear to be diminishing, hence the previously communicated target of 1,500 CoreTherm® treatments on an annual basis is reiterated for the coming twelve-month period starting with the third quarter of 2022. The Board also introduces an additional financial target in the form of positive cash flows from operations during the fourth quarter of 2023.

ProstaLund's Board of Directors has decided to carry out the Rights Issue based on the authorization granted by the Annual General Meeting on 5 May 2022. The record date to receive unit rights is 21 July 2022 and the subscription period runs between 25 July and 10 August 2022. The company has collected subscription undertakings for a total of SEK 11.5 million, corresponding to 64% of the Rights Issue, with all board members and executives as well as external investors.

"The issue proposed by the Board is, in my view, very forward leaning in the sense that it is carried out to prepare for the next step in our expansion plan. We have several CoreTherm Eagles that need be manufactured to be ready when the CE marking is completed. We need to build and increase our inventory for the Schelin catheter and CoreFlow - Soft Stent to have products in stock to be able to meet the demand we anticipate is around the corner. We will need to register products in a number of countries and build an organization for further international expansion.", says CEO, Johan Wennerholm.

### Terms for the Rights Issue

For every one (1) existing share in the Company on the record date of July 21, 2022, one (1) unit right is allotted. Trading in unit rights will take place on Nasdaq First Growth Market during the period July 25 - August 5, 2022. Ten (10) unit rights give the right to subscribe for one (1) Unit at a subscription price of SEK 3.50, where each Unit consists of one (1) share and one (1) warrant of series TO2. The warrant entitles the holder to subscribe for one (1) share in the Company at a price of SEK 4.67 during the period 14 - 30 August 2023 and the Company will apply for admission to trading of the TO2 series warrants on Nasdaq First North Growth Market. In case of high demand to subscribe for additional Units without use of unit rights, the Board has the right to issue additionally up to 515,253 Units via



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an over-allotment option (the “Over-allotment option”). If the Rights Issue is fully subscribed, 5,152,536 Units will be issued, which means that the number of shares in the Company will increase from 51,525,365 to 56,677,901 and that 5,152,536 warrants of series TO2 will be issued, which means that the number of shares in the Company may increase to 61,830,437 at full exercise of the warrants. If the Board decides on full utilization of the Over-allotment Option, additionally up to 515,253 Units may be issued, which may lead to a maximum number of shares in the Company, upon full exercise of the warrants, amounting to 62,860,943.

Additional information regarding the Rights Issue can be found in the Information Memorandum (only in Swedish) expected to be published around 22 July 2022.

#### Advisors

Västra Hamnen Corporate Finance AB acts as financial advisor, the law firm Delphi is the legal advisor and Aqurat Fondkommission AB acts as issuing agent in connection with the Rights Issue.

#### For further information, please contact:

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#### About ProstaLund

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ProstaLund AB is a Swedish medical technology company and a leading developer and manufacturer of innovative urological devices and treatments. The company's lead product, CoreTherm, is a patented Thermotherapy treatment method for Benign Prostatic Hyperplasia (BPH) which can be tailored to suit the needs of each individual patient. CoreTherm is used today in hospitals and clinics in Sweden and worldwide. ProstaLund is listed on the Nasdaq First North Growth Market.

#### Certified Adviser:

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#### Attachments

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