

Realheart Announces Intention to Carry out a Directed Share Issue of up to Approximately SEK 32 Million

Scandinavian Real Heart AB (publ) ("Realheart" or the "Company") hereby announces its intention to carry out a directed share issue, of up to approximately SEK 32 million, to a limited number of qualified and other professional investors (the "Directed Share Issue").

The Directed Share Issue

The share issue is intended to be carried out with deviation from the shareholders' pre-emptive rights and is resolved upon by the Board of Directors, pursuant to the authorisation granted by the annual general meeting on 7 June 2024. The Company may at any time shorten, extend or terminate, and wholly or partially refrain from carrying out the Directed Share Issue. The Company will announce the outcome of the Directed Share Issue through a press release after the negotiations with the subscribers have been completed.

Background and Reasons

Realheart is developing a complete artificial heart (Total Artificial Heart – TAH) for implantation in patients suffering from life-threatening heart failure. The Company's TAH features a patented design that incorporates a four-chamber system (two atria, two ventricles) to generate a physiologically adapted blood flow that mimics the body's natural circulation.

Realheart has conducted several animal studies as part of the preclinical program, which will form the basis for the first clinical study in humans. The results indicate that the Realheart® TAH provides good heart function and a low level of harmful blood impact, while the survival time of the implanted animals exceeded previous attempts. Overall, the results support the potential of the Realheart® TAH to replace the human heart in the future. Parallel blood studies also show that the Realheart® TAH induces approximately 80 percent less blood damage (hemolysis) compared to the market leader's artificial heart.

Realheart is also focused on strengthening collaboration with strategic national and international suppliers and partners to ensure the development and production of the TAH. To finance the preclinical studies and ensure successful outcomes ahead of clinical trials, the Company now intends to carry out the Directed Share Issue.

The net proceeds from the Directed Share Issue are intended to be used for further preclinical studies, development, production and regulatory work, and corporate costs.

Deviation From the Shareholders' Pre-emptive Rights

The Board of Directors has made an overall assessment and carefully considered the possibility to raise capital through a rights issue with preferential right for the Company's existing shareholders. The Board of Directors considers that the reasons for deviating from the shareholders' preferential right are: (i) that a rights issue would take a significantly longer time to complete and entail a higher risk for an adverse effect on the share price, particularly in light of the current market volatility and the challenging market conditions, (ii) to carry out a directed share issue can be made at lower costs and with less complexity than a rights issue, and (iii) with background of the current market conditions and as the rights issues carried out by the Company in recent years have not been fully subscribed, the Board of Directors has assessed that a rights issue would also require external underwriting from a guarantor syndicate that would entail additional significant costs. Considering the above, the Board of Directors has made the assessment that a directed share issue with deviation from the shareholders' preferential right is the most favourable alternative for the Company to finance its operations, create value for the Company and is in the best interest of the Company's shareholders. The Board of Directors thus considers that the reasons outweigh the main rule that new share issues are to be carried out with preferential rights for the shareholders.

Advisers

Setterwalls Advokatbyrå AB acts as legal advisor to the Company in connection with the Directed Share Issue.

Important information

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This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or other securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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This announcement has been issued by, and is the sole responsibility of, the Company.

The distribution of this announcement and the offering of the securities referred to herein in certain jurisdictions may be restricted by law. No action has been taken by the Company or any of its respective affiliates that would, or which is intended to, permit an offering of the securities in any jurisdiction or result in the possession or distribution of this announcement or any other offering or publicity material relating to the securities in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company to inform themselves about, and to observe, such restrictions.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Directed Share Issue. Any investment decision to buy shares in the Directed Share Issue must be made solely on the basis of publicly available information.

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This announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events. These statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan", "estimate", "expect" and words of similar meaning, reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and, except as required by applicable law or the Nasdaq First North Growth Market Rulebook for Issuers of shares, the Company does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor do they intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. No statement in this announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. As a result of these risks, uncertainties and assumptions, the recipient should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

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Scandinavian Real Heart AB (publ) is developing the first artificial heart that mimics the shape, function, and blood flow pattern of the human heart. These unique product features provide completely new opportunities to save lives and give patients a good quality of life while waiting for a heart transplant. In the future, artificial hearts may also become an alternative to transplantation for broader groups of patients with severe heart failure. Realheart® TAH (Total Artificial Heart) is now being evaluated in extensive preclinical trials ahead of a first clinical study in patients. The company's shares are traded on Nasdaq Stockholm First North Growth Market. For more information, visit www.realheart.se

This information is information that Scandinavian Real Heart 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 2025-03-27 17:35 CET.