

BrainCool AB (publ): The European Investment Bank finances BrainCool via a loan package of EUR 12.5m

BrainCool AB has secured 12,5 million euros in venture debt financing from the European Investment Bank (EIB). The significant loan agreement recognizes the high potential of BrainCool, its technology and business opportunities. It also secures BrainCool's possible long-term needs in financing products that will be brought to the market.

The funding from EIB is divided into two tranches of six million euros and six-and-a-half million euros. It is available on BrainCool's request upon fulfillment of certain milestones. The financing will support BrainCool in developing into a global medical technology company bringing several new medical device therapies to the market.

Given the satisfactory cash situation of BrainCool, there is no need of additional liquidity as of today, and there is no mandatory requirement to draw a tranche. But the loan agreement could leverage BrainCool's actionplan. Following the development of BrainCool's first product to the market, BrainCool™ System the goal is to becoming the market leader, the mission is to bring several new medical device indications in stroke, sudden cardiac arrest and oncology to the market.

One of the tranches is related to the approval of a new device for treatment of stroke patients that would ensure a major launch in the market. This refers to the Cottis 2 study combining cooling and thrombectomy. The first tranche can also be used to finance a planned clinical study for reimbursement concerning Cooral® System in treating oral mucositis that may affect cancer patients having chemotherapy.

Each of the two tranches has a five-year maturity from the drawdown date and they become available depending on achieved milestones. The interest rate is market based and upon the drawdown of a tranche, the company must, as is customary for EIB- venture debt financing, provide a stock option package consisting of warrants, the terms of which to be negotiated prior to any tranche drawdown. A covenant on solvency is also set in connection with a drawdown of a tranche.

CEO Martin Waleij comments;

- "The loan agreement with EIB further validates BrainCool's cutting-edge technology with the aim to build a major player in the medical device market. It supports our ambitious plan to create an extensive clinical pipeline of game changing therapies first in stroke, followed by sudden cardiac arrest and oncology. We welcome the EIB to our committed group of investors as we continue building a leading European medical device company with the potential to transform the treatment of serious diseases."

Thomas Östros, Vice-President at EIB, said;

- "Research, development and innovation within the medical sector is of utmost importance. However, many small businesses in Europe suffer from a lack of financing options for their growth investments, not the least within the innovative life science sector. Therefore, the EIB is delighted to

back BrainCool in their ambitious investment plan to develop groundbreaking medical cooling technology. The support from EIB will further foster the company's growth while creating new jobs, contributing to economic growth and competitiveness in EU countries."

Contacts**For more information**

Martin Waleij - CEO

+46 - 733 -93 70 76

E-mail: martin.waleij@braincool.se

About Us

BrainCool AB (publ) is an innovative medical device company that develops, markets, and sells leading medical cooling systems for indications and areas with significant medical benefits within the healthcare sector. BrainCool AB (publ) is based in Lund, Sweden, and its share is listed on Nasdaq First North Growth Market, named "BRAIN".

Eminova Fondkommission AB is the company's Certified Adviser.

This information is information that BrainCool 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 2023-12-20 21:24 CET.

Image Attachments

[European Union](#)

Attachments

[BrainCool AB \(publ\): The European Investment Bank finances BrainCool via a loan package of EUR 12.5m](#)