



Scandinavian Real Heart AB announces outcome in the Company's rights issue

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Scandinavian Real Heart AB (publ) ("Realheart" or the "Company") has completed the rights issue of units, consisting of shares and warrants of series TO2, which the board of directors decided on May 15, 2023, with authorization from the annual general meeting on June 14, 2023 (the "Rights Issue"). The outcome concludes that 13 532 749 units have been subscribed through use of unit rights, corresponding to approximately 38.7 percent of the Rights Issue. Additionally, the Company has received applications for subscription of 2 332 251 units without unit rights, corresponding to approximately 6.7 percent of the Rights Issue. A total of 15 865 000 units were subscribed with the support of unit rights and applications for subscription without unit rights, corresponding to 45.4 percent of the Rights Issue. Hence, underwriting commitments of 5 349 649 units, corresponding to 15.3 percent of the Rights Issue, will be exercised. In total, 21 214 649 units were subscribed, corresponding to 60.6 percent of the Rights Issue. Through the Rights Issue, the Company will receive approximately SEK 33.9 million before issue costs.

On May 15, 2023, Realheart announced that the board of directors of the Company had resolved on a rights issue of approximately SEK 56 million. The subscription price in the Rights Issue was SEK 1.60 per unit, consisting of two (2) newly issued shares and one (1) warrant of series TO2. The total number of units offered in the Rights Issue amounted to 34,979,248.

Outcome in the Rights Issue

The subscription period in the Rights Issue ended on July 7, 2023. The final outcome shows that 13 532 749 units has been subscribed for with support of unit rights, corresponding to approximately 38.7 percent of the Rights Issue. Additionally, the Company has received applications for subscription of 2 332 251 units without support of unit rights, corresponding to approximately 6.7 percent of the Rights Issue. Consequently, 15 865 000 units were subscribed with and without unit rights, corresponding to approximately 45.3 percent of the Rights Issue. Underwriting commitments of 5 349 649 units will be exercised by the Company, corresponding to 15.3 percent of the Rights Issue. In total, 21 214 649 units were subscribed, corresponding to 42 429 298 newly issued shares and 21 214 649 warrants of series TO2.

Through the Rights Issue, the Company will initially receive approximately SEK 33.9 million before deduction of issue costs.

Comment from Ina Laura Perkins, CEO

"We are delighted that so many shareholders have chosen to subscribe for units in Realheart and we welcome all new shareholders to join us on our journey. Your support is critical for us to continue our current trajectory of successes and to effectively progress the development of the Realheart® TAH into the clinic towards product approval. With the valuable contributions from the Rights Issue we are looking forward to completing our pre-clinical studies.", commented Ina Laura Perkins, CEO at Realheart.

Allocation of units subscribed for without the support of unit rights

Allocation of units subscribed for without the support of unit rights has taken place in accordance with the principles set out in the prospectus that the Company published on June 19, 2023, due to the Rights Issue (the "**Prospectus**"). Notification of such allocation is announced separately through settlement notes. Nominee-registered shareholders receive notification of allotment in accordance with instructions from the respective nominee.

Shares, share capital, and dilution

Through the Rights Issue, the total number of shares in the Company increase by 42 429 298 shares, from 34,979,248 shares to 77 408 546 shares, and the share capital increase by SEK 4 242 929.80, from SEK 3,497,924.8 to SEK 7 740 854.60, corresponding to a dilution effect of 54.8 percent of the total number of shares and votes in the Company. If all warrants of series TO2 are fully exercised for subscription of new shares in the Company, the total number of shares in the Company will increase with an additional 10 607 324 shares, from 77 408 546 shares to 88 015 870 shares, and the share capital will increase with an additional SEK 1 060 732.4, from SEK 7 740 854.60 to SEK 8 801 587.0, corresponding to a dilution effect of 12.1 percent of the total number of shares and votes in the Company.

Trading in paid subscribed units ("BTU")

Trading in BTU takes place until the conversion of BTU into shares and warrants of series TO2 after the Rights Issue has been registered with the Swedish Companies Registration Office. Registration with the Swedish Companies Registration Office is expected to take place during week 30, 2023.

Warrants of series TO2

Two (2) warrants of series TO2 entitles the holder to subscribe for one (1) new share in the Company at an exercise price corresponding to seventy (70) percent of the volume-weighted average price (VWAP) paid for the Company's shares ten (10) days prior to the subscription period, but not more than SEK 2. Subscription of new shares through warrants of series TO2 shall be carried out in accordance with the terms and conditions of the warrants during the period from and including January 2, 2025, up to and including January 31, 2025. Trading in warrants of series TO2 shall take place from and in conjunction with the conversion of BTU into shares and warrants of series TO2, which is expected to take place during week 30, 2023.

Compensation to underwriters

In connection with the Rights Issue, a number of investors have entered underwriting commitments. For underwriting commitments made, an underwriting compensation of 15 percent of the underwritten amount is paid if the underwriters choose compensation in the form of cash or alternatively 17.5 percent of the underwritten amount if the underwriters choose compensation in the form of newly issued units. Underwriters who wish to receive underwriting compensation in the form of units must notify Skills no later than two days after having been notified.

Advisers

Skills Corporate Finance Nordic AB is financial adviser and Setterwalls Advokatbyrå AB is legal adviser to Realheart in connection with the Rights Issue.

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Scandinavian Real Heart AB develops a total artificial heart (TAH) for implantation in patients with life-threatening heart failure. Realheart® TAH has a patented design that resembles that of the natural human heart. The artificial heart consists of a four-chamber system (two atria and two ventricles) designed to generate a physiological blood flow pattern that mimics the body's natural circulation. A unique concept in the medical technology world.