Scandinavian ChemoTech AB (publ) carries out a directed share issue and receives approximately 4.85 MSEK

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Scandinavian ChemoTech AB (publ) ("ChemoTech" or the "Company") has today, with the support of authorisation from the annual general meeting on 13 May 2025, resolved to carry out a directed issue of 2,110,000 shares of series B with a deviation from the shareholders' pre-emptive rights, whereby the Company receives approximately 4.85 MSEK before issue costs, corresponding to a subscription price of 2.30 per share (the "Directed New Issue"). The Directed New Issue, which is directed to a limited number of qualified investors, is carried out with the aim of strengthening the Company's commercial operations and expanding its marketing and sales team primary within the Animal Care operation, with the ultimate objective of increasing revenues and achieving cash flow positive operations.

The Directed New Issue

The Company's board has, with the support of authorisation from the annual general meeting on 13 May 2025, resolved on the Directed New Issue of 2,110,000 of new shares at a subscription price of 2.30 per share. The right to subscribe for the new shares of series B shall, with deviation from the shareholders' preferential rights, be granted to Amitbir Singh Banga with 900,000 shares, Harbir Singh Banga with 900,000 shares and Gayathri Reddy with 310,000 shares. All shares in the Directed New Issue have been subscribed and allotted. The investors have entered into lock-up undertakings to not sell any shares for a period of eight (8) months.

The subscription price of SEK 2.30 has been determined through negotiations with the investor on arm's length basis. The subscription price entails (i) a premium of approximately 9.52 per cent compared to the closing price for the Company's share on Nasdaq First North Growth Market on 25 July 2025 and (ii) a premium of approximately 13.22 per cent compared to the volume-weighted average price according to Nasdaq First North Growth Market's official price list for the Company's share during the period of ten (10) trading days prior to the resolution. By reason hereof, it is the board of directors' assessment that the subscription price reflects current market conditions and demand with regards to the additional funds that the Company will be contributed by way of a capital contribution. The share premium shall be transferred to the unrestricted premium reserve. Through the Directed New Issue, the Company will receive approximately 4.85 MSEK before issue costs.

The net proceeds from the Directed New Issue are intended to be used to further promote the Company's commercial operations and finance the Company's ongoing research studies.

Deviation from the shareholder's preferential rights

The reasons for deviating from the shareholders' preferential rights is as follows. The board has carefully considered and evaluated alternative financing options, including the possibility of raising capital through a preferential issue of shares. However, after an overall assessment and careful consideration, the board believes that a share issue with a deviation from the shareholders' preferential rights is a more beneficial alternative for the company and its shareholders than a preferential issue of shares and that, from an objective perspective, it is in the interests of both the company and its shareholders to carry out a share issue with a deviation from the shareholders' preferential rights. The board has, inter alia, considered the following.

- Prior to this assessment, a market sounding was carried out with several of the Company's major shareholders and in connection with this, the Company was able to establish that the shareholders' preference in the current situation is that the financing is carried out as a directed share issue, and a directed share issue has therefore been determined as the best alternative for the Company.
- The preferential rights issue of shares resolved by the board on 24 May 2024, pursuant to the authorisation granted by the annual general meeting held on 14 May 2024, and of which the subscription period ended on 18 June 2024, was subscribed to a total of approximately 70.33 per cent. As the Company continues to demonstrate quarter-by-quarter improvements in both sales and cash flow, it is deemed strategically important to reinforce this positive trajectory by allocating additional resources to sales and marketing. The objective is to accelerate the establishment of a stable and sustainable cash flow–positive position. However, it should be noted that certain risks remain, including potential fluctuations in cash flow during the coming year. Therefore, it is considered prudent to secure a financial buffer to manage periods of lower revenues, cash flow delays, or increased demand for rental or leasing solutions from clients as the business scales, which is why the Company still has an imminent need for financing. In order to secure the Company's operations, both in the short and long term, the Company's capital requirements remain. The board assesses that the need for additional capital is limited to such an extent that the costs for a preferential rights issue of shares would be disproportionately high in relation to the capital raised. It is the Company's assessment that it is unlikely that the Company's capital requirements would be met through an additional rights issue.
- An additional preferential rights issue would be significantly more time-consuming and entail significantly higher costs than a directed share issue, not least due to the work involved in securing a preferential rights issue, and there is no guarantee that such an issue would be fully subscribed. Reducing the time required allows for flexibility in terms of potential investment opportunities in the short term, contributes to reduced exposure to potential market volatility, and enables the Company to take advantage of the current interest in the Company's shares.
- A share issue with a deviation from the shareholders' preferential rights can be carried out at a significantly lower cost than a preferential rights issue since, inter alia, based on the market volatility observed in 2024 and the market conditions prevailing at the beginning of 2025, such an issue would also require significant underwriting commitments from an underwriting syndicate, which would entail additional costs and/or additional dilution depending on the type of consideration for such underwriting commitments. In addition, a preferential rights issue of shares would likely need to be carried out at a significant discount, which would lead to greater dilution, whereas this is avoided with a share issue with a deviation from the shareholders' preferential rights where the subscription price has been set at SEK 2.30. The subscription price corresponds to (i) a premium of approximately 9.52 per cent compared to the closing price for the Company's share on Nasdaq First North Growth Market on 25 July 2025 and (ii) a premium of approximately 13.22 per cent compared to the volume-weighted average price according to Nasdaq First North Growth Market's official price list for the Company's share during the period of ten (10) trading days prior to the resolution. From a shareholder perspective, a preferential rights issue at a significant discount also entails a risk of a negative effect on the share price in connection with the execution of the preferential rights issue.
- Those entitled to subscribe for the share issue with a deviation from the shareholders' preferential rights are a limited number of investors who have expressed a long-term commitment to the Company. A share issue with a deviation from the shareholders' preferential rights enables the Company to broaden and strengthen the shareholder base in line with the Company's long-term objectives and which can support the Company's future capital requirements if necessary. Unlike a preferential rights issue of shares, a share issue with a deviation from the shareholders' preferential rights entails an opportunity for the Company to secure new strategic investors with expressed long-term interests as a shareholder in the Company and with the ability and competence to support the Company in reaching its commercial goals, especially in India regarding the Human Care business area. One of the investors has solid experience of the Indian market with extensive knowledge of medical technology and laparoscopy, as well as production and marketing in India, which would be of great benefit to the Company. In addition, a directed share issue entails an opportunity to broaden and strengthen the shareholder base, which the board considers to be of great benefit to the Company.

The board's overall assessment is thus that the reasons for carrying out the Directed New Issue in this way outweigh the reasons that justify the main rule of issuing shares with preferential rights for existing shareholders, and that a share issue with a deviation from the shareholders' preferential rights is thus in the interest of the Company and all shareholders.

Share capital, shares and dilution
Through the Directed New Issue, the number of shares in the Company will increase by 2,110,000 to 25,453,978 and the share capital by 1,055,000 to 12,726,989. The Directed New Issue entails a dilution for existing shareholders of approximately 8.29 per cent of the number of shares and approximately

7.34 per cent of the number of votes in the Company, respectively, based on the total number of shares and votes in the Company after the Directed New Issue.

Advisors
Mangold Fondkommission AB acts as issuing agent and Moll Wendén Advokatbyrå AB is the legal advisor to the Company in connection with the Directed New Issue.

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This press release is not a prospectus within the meaning of Regulation (EU) No 2017/1129 (the "Prospectus Regulation") and has not been approved or reviewed by any regulatory authority in any jurisdiction. A prospectus will not be prepared in connection with the Directed Issue.

This press release does not identify or purport to identify any risks (direct or indirect) that may be associated with an investment in new shares. The information contained in this press release is for the sole purpose of describing the background to the Directed Issue and does not purport to be complete or exhaustive.

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Forward-looking statements
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This disclosure contains information that ChemoTech is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 27-07-2025 12:15 CET.

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Scandinavian ChemoTech AB (publ)

ChemoTech is a Swedish medical technology company based in Lund that has developed a patented technology platform to offer cancer patients access to a new treatment alternative, Tumour Specific Electroporation™ (TSE), available for treatment of both humans and animals. There are a large number of cancer patients whose tumours for various reasons cannot be treated by conventional methods but where TSE can be a solution. Therefore, the company continuously evaluates new opportunities and areas of application for the technology. ChemoTech's shares (CMOTEC B) are listed on Nasdaq First North Growth Market in Stockholm and Redeye AB is the company's Certified Adviser. Read more at: www.chemotech.se.