



Brain+ signs two new Danish sales contracts on CST-Therapist Companion and updates on the product's commercial potential

Investor News

Copenhagen, Denmark, January 18, 2024 – Brain+ A/S (Nasdaq First North: BRAINP)

- **CST-Therapist Companion sales contract signed with Syddjurs municipality to deliver Cognitive Stimulation Therapy (CST) to people with dementia**
- **First important repeat sale to Herning who has extended existing contract**
- **Five 'foot-in-the-door' sales to Danish municipalities so far with a combined value of DKK 0.25 million**
- **A total of 16 Danish municipalities have started using CST-Therapist Companion to deliver CST; under sales contracts, as participants in a usability study or as partners in the CO-PI grant funded implementation project**
- **The sales potential for CST-Therapist Companion in Denmark is estimated at DKK 5-6 million over 1 to 2 years**
- **The Danish sales potential is expected to increase to DKK 20-25 million, as CST adoption grow**
- **In 2024, Brain+' commercial focus will be on the UK market, representing a 10x larger dementia market than in Denmark, higher CST adoption rates and established digital therapy reimbursement pathways**
- **CST-Therapist Companion is expected ready for release in the UK in the 3rd quarter of 2024 with a first sale targeted for end 2024**

Brain+ has signed its first sales contract on CST-Therapist Companion with the municipality of Syddjurs. In addition, the sales contract signed with the municipality of Herning in Q1 2023 has been extended, representing the first repeat sale of the product. Including the important reference sales contract closed with the Copenhagen municipality in December 2023, the company has closed three (3) additional Danish CST-Therapist Companion contracts around the turn of the year in line with announced expectations.

Brain+ released the first Danish version of CST-Therapist Companion in late 2022 as a digital solution to support care personnel in the municipalities deliver Cognitive Stimulation Therapy (CST) to people with mild to moderate dementia. CST is an evidence based non-pharmaceutical therapy, delivered over 14 sessions to groups of typically 4-8 people with dementia, and which has been shown to delay cognitive decline and improve both social skills and quality of life. CST is recommended by the World Alzheimer's Association and gaining increased recognition worldwide, but implementation barriers exist. Specifically, the implementation of procedures to deliver CST, and the need for preparation of material to the group sessions. In addition, the benefits of the therapy depend on the consistent delivery of high-quality content in accordance with the CST method.

CST-Therapist Companion addresses these main barriers for adoption, specifically by reducing preparation time for therapists to allow more face-to-face time with patients, offering consistent CST delivery according to the method, altogether allowing an easier and less resource intensive implementation. The quality assurance of the product instills trust in therapists as the content and

methods are developed closely and with strict approval procedures with leading CST experts from the CST inventor Amiee Spector's group at University College of London (UCL).

In 2023, Brain+ has in Denmark further strengthened its collaboration with the leading CST experts and established sales leads and relevant contacts across the 40 municipalities, who has currently started the implementation of CST as an offering to people with dementia. This has so far led to committed engagements from 16 municipalities for access to use CST-Therapist Companion either through initial sales contracts, via participation in a usability trial, conducted in collaboration with the leading Danish CST specialist, professor Rikke Gregersen, or as partners in the DKK 3.5 million CO-PI grant funded project on the implementation and scaling of CST-Therapist Companion in Denmark. Together with Rikke Gregersen, Brain+ is also working to integrate CST-Therapist Companion training into the Danish education of new CST Therapists. A first test run was completed in Q4 2023, and the integration of CST-Therapist Companion into the official CST training will make new therapists familiar with the product as a standard tool to support both the preparation and delivery of CST, creating a unique position for Brain+ in the market. A similar approach has been taken in Germany in collaboration with the country's certified CST educators.

The five sales contracts on CST, Brain+ has signed so far with Danish municipalities on CST-Therapist Companion cover access to use the product in a select number of dementia care centers, where CST is currently offered. The contracts are considered 'foot-in-the-door' sales as a key starting point for Brain+ to establish reference customers and they have a combined value of DKK ~0.25 million. In 2024, Brain+ expects to close new sales contracts with more municipalities and based on the current CST adoption and penetration of digital health products in Denmark, the total 1-2 years' sales potential for CST-Therapist Companion in this market is estimated to be DKK 5-6 million.

As the benefits of CST are gaining more widespread recognition, adoption and penetration of the therapy will grow. Alongside this, the awareness of the value offerings of CST-Therapist Companion is also increasing, which will be supported by medical device certification of the product in 2024. Altogether, these elements are expected to increase the Danish market potential for CST-Therapist Companion alone to DKK 20-25 million. The next product in Brain+' development pipeline, CST-Home Care to facilitate the offering of CST in the homes of people with dementia is expected to unlock a DKK 200 million sales potential in Denmark.

Even if Brain+ is gaining a commercial foothold in Denmark to ensure initial revenue, important customer references, key user input on product-market fit as well as healthcare market access experience, the Danish digital dementia therapy market is relatively immature and small. As a consequence, the company has changed commercial focus to the UK, where the market for dementia therapy is 10x larger than in Denmark, where the implementation of CST is much more widespread (~6,000 trained CST therapists, compared to ~800 in Denmark) and where digital therapy reimbursement pathways are already established.

In 3rd quarter of 2024, the company expects to release an English version of CST-Therapist Companion in the UK, aiming to close a first sales contract before the end of 2024.

Invitation to investor webinar

Brain+ invites investors to a webinar on Thursday, 18 January 2024, at 16:30 cet, where the company's CEO, Kim Baden-Kristensen will update on recent news and give a status of the company's activities and next steps. The webinar will be on the Stokk.io platform. Sign up and pre-submit questions here: [Sign-up link](#).

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Brain+ Mission: Bringing effective digitally-delivered dementia therapies to those in need, serving a million people with dementia, care-givers and clinicians by 2030