

COMPANY ANNOUNCEMENT

Brain+ A/S announces amended terms for upcoming TO 3 warrant exercise

Brain+ A/S (Nasdaq First North: BRAINP) - This announcement constitutes inside information that Brain+ is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was provided by the contact person below for publication on 7 March 2024

- **The previously announced minimum and maximum exercise price levels for Brain+ warrants of series TO 3 have been eliminated**
- **With the amended terms, the exercise price for warrants of series TO 3 has been set at DKK 0.11 per new Brain+ share subscribed for, which represents a 33% discount to the closing price of the Company's existing shares on 6 March 2024**
- **The exercise period for the TO 3 warrants have been changed from previously announced Friday 8 March – Friday 22 March 2024 to Monday 11 March – Friday 22 March 2024**
- **Compensation will be available to investors who exercise warrants of series TO 3 and realise a loss in doing so as a result of the amended terms**

Copenhagen, Denmark, 7 March 2024 – The board of directors in Brain+ A/S ("Brain+" or "the Company") has today resolved to amend the terms for the upcoming exercise of warrants of series TO 3. With the amendment, the previously announced minimum and maximum price levels for subscription of new shares in the company based on the warrants have been eliminated. Following this amendment, the exercise price for the warrants of series TO 3 has been set at DKK 0.11 per new share subscribed, representing a 33% discount to the closing price of the Company's shares on 6 March 2024.

Further, the first day of the exercise period for warrants of series TO 3 has been changed from Friday 8 March 2024 to Monday 11 March 2024, meaning the exercise period will run for 10 trading days from Monday 11 March 2024 up to and including Friday 22 March 2024 (a shorter exercise period is likely to be set by some custodian banks).

Background and motivation for the amended TO 3 warrant terms

Brain+ completed a pre-emptive rights issue of units in May 2023. As part of the issue, a total of 28,542,348 warrants of series TO 3 were issued. Each warrant gives the holder the right to subscribe for one (1) new share in the Company. The exercise price for warrants of series TO 3 was to be determined as 70% of the volume-weighted average price of the Company's share on Nasdaq First North Growth Market calculated over a period of 20 trading days, determined to run

from 8 February 2024 up to and including 6 March 2024, and not to fall below DKK 0.30 or to exceed DKK 1.20 per share.

Since the unit rights issue in 2023, Brain+ has made significant operational progress and reached important milestones for its digital health business, including

- signed four CST-Therapist Companion sales contracts with Danish municipalities,
- received a DKK 3.5 million grant to scale the implementation of CST-Therapist Companion in Denmark,
- completed of a Danish usability study, validating the relevance of CST-Therapist Companion to enable more effective delivery of Cognitive Stimulation Therapy to people with dementia,
- developed an upgraded version of CST-Therapist Companion targeted for commercial release in Denmark in Q2 2024 and in the UK in Q3 2024,
- signed a contract with the leading healthtech go-to-market and sales specialist in the UK
- attracted experienced international healthtech business and investor profiles to its board of directors

However, and nonetheless, the Company's share price has declined to a level below the minimum exercise price of DKK 0.30 set for the warrants of series TO 3.

To align with the promises made upon the announcement of the unit rights issue in 2023, Brain+ intends to return value of the warrants of series TO 3 and maximize the likelihood that they will represent an attractive opportunity for the warrant holders. On this background, it has been decided to remove the previously set minimum and maximum exercise price levels of the warrants. However, the exercise price cannot fall below the nominal value of DKK 0.10 per share.

During the calculation period, the volume-weighted average trading price of the Company's shares was approximately DKK 0.16, and the exercise price of the warrants of series TO 3 has been set at DKK 0.11 per share. If all outstanding warrants of series TO 3 are exercised, the Company will receive proceeds of DKK 3,139,658 before transaction related costs.

To allow time for the information in this announcement to be digested and absorbed by the market including by Brain+ share and warrant holders, custodian banks, and other stake holders, the Company's board has also decided to move the first day of the exercise period for the TO 3 warrant by one trading day from previously Friday 8 March 2024 to Monday 11 March 2024. The last day of the exercise period remains Friday 22 March 2024.

Offer of compensation

The warrants of series TO 3 have been traded since the rights issue was completed in June 2023, and Brain+ wants to compensate warrant holders against losses incurred as a consequence of the change in the exercise terms for the warrants. So, any warrant holder who has sold warrants at any time from 13 June 2023 to 6 March 2024 and suffered a loss from the subsequent purchase of such warrants following this announcement of changed terms for the warrants will be entitled to receive compensation from Brain+. This right will be conditional upon subsequent exercise of such warrants.

Detailed compensation criteria will apply as set out below. These criteria will also be detailed on the Company's website from Monday 11 March including worked examples in order to make the calculation process for compensation as transparent as possible to shareholders.

Compensation criteria

Following the amendments to the exercise terms for the warrants of series TO 3, Brain+ will be offering compensation to warrant holders who meet all the following criteria:

- The warrant holder must have sold warrants of series TO 3 between 13 June 2023, 9:00 AM (CEST) and 6 March 2024, 5:00 PM (CET) and provide bank documentation of the sale(s).
- The warrant holder must have repurchased warrants of series TO 3 between 7 March 2024, 9:00 AM (CET) and 20 March 2023, 5:00 PM (CET) and provide bank documentation of the purchase(s).
- Compensation is only given if the warrant holder has realized a loss (ie. purchase price minus sales price).
- The warrant holder must have exercised warrants of series TO 3 between 11 March 2024, 9:00 AM (CET) and 22 March 2024, 5:00 PM (CET) and provide bank documentation of the exercise.
- The warrant holder will be compensated for the difference between the sold amount and the purchased amount. Compensation is only given up to the maximum units of warrants of series TO 3 sold before 6 March 2024, 5:00 PM (CET).
- The warrant holder cannot be compensated for a higher number of warrants of series TO 3 than what has been exercised.
- Warrant holders must exercise warrants of series TO 3 to be eligible for compensation.

After the exercise period ends, warrant holders who fulfill the above criteria for compensation must send a request to Brain+ with documentation proving their eligibility for compensation and the final compensation amount.

Brain+ will provide detailed information of the process on how to request and document eligibility for compensation as well as the timeframes in which such claims must be made through a further announcement to the market, as well as on the Company's website, in due time before the end of the exercise period for the warrants of series TO 3.

Action required from warrant holders

For the warrants to not expire without value, it is required that the holder actively exercises the rights attached to the warrants to subscribe for new shares no later than 22 March 2024 or sells the warrants over the market no later than 20 March 2024. Please note that custodian banks might have different deadlines to their customers than the official exercise period.

Complete terms and conditions for the warrants of series TO 3 can be found in the prospectus approved by the Danish Financial Supervisory Authority and published by the Company on 24 April 2023, including announced amendments. The approved prospectus as well as additional informative documents, including the company announcement is available at the Company's webpage (https://www.brain-plus.com/investor/announcements_and_financial_documents/). The prospectus is also available on the Danish Financial Supervisory Authority's website (<https://oam.finanstilsynet.dk>).

Summarized terms for the warrants of series TO 3:

Exercise period:	11 - 22 March 2024
Exercise price:	DKK 0.11
Last day of trading in warrants of series TO 3:	20 March 2024
Issue volume:	28,542,348 warrants of series TO 3 which entitle to a maximum subscription of 28,542,348 new shares. If all warrants are exercised, the Company will receive DKK 3,139,658 before issuing costs.
Dilution:	Upon full exercise of warrants of series TO 3, the number of shares of nominal value DKK 0.10 each will increase by 28,542,348 shares from 65,462,430 shares to 94,004,778 shares, and the share capital will increase by DKK 2,854,234.80 from DKK 6,546,243.00 to DKK 9,400,477.80. If all warrants of series TO 3 are exercised, the dilution of the number of shares and votes in the Company amounts to approximately 30.3 percent.

How warrants are exercised (Nominee-registered warrants):

Subscription and payment by exercise of warrants shall be made in accordance with instructions from each custodian bank. Please contact your custodian bank directly for additional information.

Outcome

The outcome of the exercise of warrants of Series TO 3 will be published in a company announcement on or around 26 March 2024. Shares that have been subscribed and paid for will be delivered to the subscriber when registration of the capital increase has been completed with the Danish Companies Registration Office. Application will then be made to Nasdaq Copenhagen A/S for the new shares to be admitted to trading on Nasdaq First North Growth Market, Denmark.

Advisors

In connection with exercise of the warrants of series TO 3, Gemstone Capital A/S and Sedermera Corporate Finance AB act as financial advisors to Brain+. Markets & Corporate Law Nordic AB act as legal advisor. Nordic Issuing AB is the issuing agent.

For more information about the warrant exercise, please contact:

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