

COMPANY ANNOUNCEMENT

Brain+ A/S announce a partially secured rights issue of units of approximately DKK 8.94 million to fund operations and execution of its UK commercialization plan

Copenhagen, Denmark, 7 May 2024 – Brain+ A/S (Nasdaq First North: BRAINP)

This announcement constitutes inside information that Brain+ A/S is obliged to make public pursuant to the EU Market Abuse Regulation (EU no. 596/2014). The information was submitted for publication by the contact person below on 7 May 2024.

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The Board of Directors of Brain+ A/S (“Brain+” or “the Company”) has today, on 7 May 2024, decided to carry out a rights issue of units, with preferential rights for the Company’s existing shareholders (the “Rights Issue”). The units consist of new shares and warrants of series TO 4 in Brain+. The Rights Issue is subject to approval at the Annual General Meeting to be held on 22 May 2024 (the “AGM”). Notice to the AGM will be published in a separate company announcement.

If the Rights Issue is fully subscribed, Brain+ will receive approximately DKK 8.94 million in gross proceeds. The subsequent exercise of warrants of series TO 4 in September 2024 can, if fully exercised, provide the Company with additionally DKK 9.14 million. The Rights Issue is secured in advance to approximately 60.2 percent, corresponding to secured gross proceeds to Brain+ of DKK 5.38 million, through subscription commitments from existing shareholders and guarantee commitments. In connection with the Rights Issue, Brain+ has entered into a loan agreement of DKK 2.00 million, which is to be received in May 2022 pending approval of the Rights Issue at the AGM and to be repaid upon completion of the Rights Issue.

The Rights Issue

The Rights Issue comprises of an offer to current Brain+ shareholders as well as to non-shareholder investors to subscribe for units in Brain+. A unit is a bundle of shares and warrants. The offer consists of 10,161,031 units, each of which includes eleven (11) new shares in Brain+ and nine (9) warrants of series TO 4, exercisable in September 2024. The subscription price is DKK 0.88 per unit which corresponds to a subscription price per new share of DKK 0.08. Considering that the offered subscription price per new share is below the current DKK 0.10 nominal value per share in Brain+, please see information in this announcement’s chapter 7. “Share capital” about a proposed reduction in the Company’s share capital and a corresponding adjustment of the nominal value per share from currently DKK 0.10 to DKK 0.08.

Upon full subscription, the Rights Issue will provide Brain+ with approximately DKK 8.94 million in gross proceeds and approximately DKK 7.09 million in cash net of transaction related costs. Brain+ has obtained subscription commitments of approximately DKK 2.65 million and two tranches of guarantee commitments of a total of approximately DKK 2.73 million, which ensures a combined minimum subscription of DKK 5.38 million (60.2 percent) in the Rights Issue.

The purpose of the Rights Issue is to provide Brain+' with working capital to deliver on its UK focused business plan including the following milestones: a) certify the CST-Assistant v2.0 as an EU Class 1 MDR medical software, including UK- compliance, b) launch the CST-Assistant v2.0 in the UK and in Denmark, c) close the first contracts with the UK National Health Services (NHS) by end 2024, d) continue market penetration in Denmark, e) scale sales and market penetration in the U K, and f) achieve break-even of UK operations by end 2025 as a key step towards projected full corporate cashflow break-even by end 2026.

Summary of the Rights Issue

- All existing shareholders in Brain+ will receive one (1) Unit Right for each share held on the record date, the 10 June 2024. For nine (9) Unit Rights the holder will be entitled to subscribe for one (1) unit.
- One (1) unit consists of eleven (11) new shares in Brain+ and nine (9) warrants of series TO 4. So, subscription for one unit means subscription for eleven (11) new Brain+ shares and nine (9) warrants of series TO 4.
- The subscription price is DKK 0.88 per unit, corresponding to a subscription price of DKK 0.08 per share. Warrants are issued free of charge.
- The subscription period is scheduled to commence on 11 June 2024 at 9:00 a.m. CEST (Central European Summer Time = local Danish and Swedish time) and will close on 24 June 2024 CEST (the "Subscription Period").
- The Rights Issue comprises a maximum of 10,161,031 units, corresponding to a total of 111,771,341 new shares and 91,449,279 warrants of series TO 4. If fully subscribed, Brain+ will receive approximately DKK 8.94 million in gross proceeds before issue related costs of approximately DKK 1.85 million. DKK 0.36 million of the issue related costs are compensation to guarantors of the issue and DKK 1.49 million relates to other costs. After repayment of the loan of DKK 2.00 million to be received by Brain+ prior to the Rights Issue including associated loan costs, maximum net proceeds to Brain+ from the Rights Issue amounts to DKK 5.01 million. The warrants of series TO 4 can, if the Rights Issue is fully subscribed, and all warrants of series TO 4 subsequently is exercised for subscription at the highest exercise price of DKK 0.10, provide the Company with up to approximately DKK 9.14 million in additional gross proceeds before deduction of warrant exercise related costs of approximately DKK 0.74 million (if warrants of series TO 4 are fully exercised).
- Each (1) warrant of series TO 4 will entitle the holder to subscribe for one (1) new share during the exercise period from 16 September to 27 September 2024. The exercise price of the TO 4 warrant may not be lower than DKK 0.08 and not higher than DKK 0.10 per share. The final exercise price will, within the interval above, be determined to 70 percent of the volume-weighted average share price ("VWAP") of Brain+ shares during 20 consecutive trading days ending on 12 September 2024. Brain+ will inform the market on the final exercise price via a company announcement on 13 September 2024. Warrants of series TO 4 are to be admitted to trading on Nasdaq First North Growth Market Denmark following completion of the Rights Issue, with first day of trading expectedly on 11 July

2024. The last day of trading of warrants of series TO 4 will be 25 September 2024.

- Total maximum gross proceeds from the Rights Issue thus amounts to approximately DKK 18.09 million (if both steps of the transaction are fully subscribed), which will provide total net cash proceeds to Brain+ of DKK 15.21 million (including loan associated costs). Maximum net proceeds can secure funding for Brain+ current business plan until April 2026.
- Brain+ has received written subscription commitments from members of the board and management as well as larger shareholders of approximately DKK 2.65 million. Additionally, Brain+ has received bottom-up guarantee commitments from external investors of DKK 2.37 million and a top-down guarantee commitments from members of the board and management of approximately DKK 0.36 million. Hence, the Rights Issue is via pre-commitments secured to approximately DKK 5.38 million, corresponding to approximately 60.2 percent. Neither the guarantee nor the subscription commitments are secured by bank guarantees, escrow funds, pledges, or similar, thus there is a risk that the commitments, in whole or in part, may not be fulfilled.
- The decision of the Board of Directors in Brain+ to carry out the Rights Issue is subject to approval at the AGM. The AGM is planned to be held on 22 May 2024 and notice to convene the meeting will be published through a separate company announcement.

Information memorandum

Before the subscription period in the Rights Issue commences, Brain+ will publish an information memorandum containing a summary of the Company and its business activities and outlook as well as relevant information of the Rights Issue.

Questions related to the Rights Issue

In case of any question about Brain+, the Rights Issue or the financial instruments, please reach out to either Brain+ CEO, Kim Baden-Kristensen (email: kim@brain-plus.com, mobile: +45 31 39 33 17) or Brain+ CFO, Hanne Vissing Leth (email: hanne@brain-plus.com, mobile: +45 53 88 99 02).

Questions can also be addressed to Brain+' financial advisor, Sedermera Corporate Finance, or the issuing agent, Nordic Issuing, using the contact details at the bottom of this company announcement.

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1. CERTAIN DEFINITIONS RELATED TO THE RIGHTS ISSUE

“Rights Issue” refers specifically to the Rights Issue of Units with subscription period between 11 June 2024 – 24 June 2024, as a result of which new shares and warrants of series TO 4 are issued.

“Unit” refers to a bundle of eleven (11) new shares in Brain+ and nine (9) warrants of series TO 4, which are offered in the Rights Issue.

“Temporary Unit” refers to an interim financial instrument representing paid-for units that will be registered on the subscribers’ in VP Securities in a temporary ISIN during the period up until the Rights Issue is finalized. Upon registration of the Rights Issue at Erhvervsstyrelsen (the Danish Business Authority), the Temporary Unit will automatically be exchanged for shares and warrants in the Company and delivered to the subscribers’ accounts. The Temporary Unit will not be admitted to trading on Nasdaq First North Growth Market.

“Unit Right” refers to the financial instrument representing the pre-emptive right associated with current shareholdings. Upon subscription in the Rights Issue, nine (9) Unit Rights will give the holder the right to subscribe for one Unit with guaranteed allocation.

“Guarantor” refers to an investor who have provided a guarantee (also commonly referred to as a “underwriting”) commitment in the Rights Issue. By submitting a guarantee commitment, the guarantor commits to subscribe for a certain number of Units in the Rights Issue if subscription from existing shareholders and other investors does not reach a pre-determined amount.

2. BACKGROUND AND PURPOSE

Brain+ in brief

Brain+ is a health tech company, committed to help people with dementia live better lives by treating cognitive decline, which is the most devastating consequence of dementia. The Company’s aim is to become the preferred provider of certified health tech solutions for better dementia management, servicing several million people affected by dementia by 2030.

To reach this target, Brain+ has to date developed three health technologies to support dementia management. Two of these are for the treatment of cognitive decline: software-facilitated Cognitive Stimulation Therapy (“CST”) and; Computerized Cognitive Training (“CCT”), and one is a software-based cognitive test, Starry Night for the detection of early indications of dementia and assessment of cognitive function. Based on these health technologies, Brain+ has so far built a pipeline of three health tech dementia products, which are at different stages of development. The most mature product, the CST-Assistant, is a software solution, which can support therapists and scale the delivery of group-based Cognitive Stimulation Therapy (CST) to people with mild to moderate dementia. A version 1.0 of the CST-Assistant has been made commercially available in Denmark and Germany for proof of demand and early revenues, user feedback and data collection. This input has guided the development of a significantly upgraded version 2.0. which is in late regulatory phase for expected launch in Denmark and the UK in Q2 2024 and Q3 2024, respectively. The two upcoming products in the pipeline, the CST-Home Care to extend the benefits of CST to a home setting, and a CST/CCT combination product to offer cognitive training to people with Mild Cognitive Impairment (MCI), will be further developed towards market launch in the coming years. Brain+’ UK focused business and commercialization plan for 2024-2026 is

however so far based only on the launch and scaling of the CST-Assistant mainly in the UK market.

CST-Assistant

Brain+' most mature product, the CST-Assistant (formerly referred to as CST-Therapist Companion), is a software solution that offers CST therapists a readily accessible, customizable, and validated high-quality CST software solution to support CST delivery. A CST dementia therapy program involves 14 sessions of theme structured group therapy sessions to run twice a week over 7 weeks. CST is today's leading non-drug dementia therapy, as it has been shown to improve cognitive function, quality of life and communication abilities of people with mild to moderate dementia. CST is becoming a recognized global standard, based on consistent health outcomes and a strong evidence base over two decades of research and policy support from international dementia interest organizations. The CST-Assistant solves major pain points for CST therapists and health systems because it enables a more consistent and scalable implementation of CST to benefit more people with dementia, while saving valuable time for CST-therapists. The product has been developed in close collaboration with leading dementia Key Opinion Leaders (KOLs), the UK inventors of the CST method and leading CST educators and therapists.

A v1.0 of the CST-Assistant has been commercially available in Denmark since late 2022, which has led to six (6) initial sales contracts with four (4) Danish municipalities, and a DKK 3.5 million grant to support and scale the implementation of the CST-Assistant into an additional six (6) municipalities and three (3) elderly care and dementia non-profit organizations. The v1.0 has also been available on a smaller scale in Germany since Q2 2023 fostering a collaboration with the German CST KOLs on the integration of the product into the German CST education and an agreement with one of Germany's largest dementia charity and care organizations on pilot use.

A significantly upgraded v2.0 of the product is in late-stage regulatory phase and targeted for EU and UK medical software certification in Q2 2024 with subsequent commercial release planned in Denmark in Q2 and in the UK in Q3 2023, and first UK sales in Q4 2024.

Purpose of the Rights Issue

Since mid-2023, Brain+ has streamlined its business activities on several fronts and progressed its product pipeline, while tightly managing costs and optimizing the allocation of organizational resources to extend its financial runway. On the commercial side, the Company started to shift its business focus to the UK, which has been evidenced to represents the most health tech ready, CST mature and attractive market for the company's dementia products, in order to scale sales the fastest and show proof-of-business for the Company's solutions for better dementia management.

The Company in early 2024 sharpened and focused its business plan further and defined targeted milestones to accelerate the time to its major objectives of proof-of-business and break-even: a) certify the CST-Assistant v2.0 as an EU Class 1 MDR medical software including UK-compliance, b) launch the CST-Assistant v2.0 in the UK and in Denmark, c) close the first contracts with the UK National Health Services (NHS) by end 2024, d) continue market penetration in Denmark, e) scale sales and market penetration in the UK, and f) achieve break-even of UK

operations by end 2025 as a key step towards projected full corporate cashflow break-even by end 2026.

As communicated to the market in earlier announcements, Brain+ does not currently have the working capital needed to be able to deliver on the UK focused business plan, despite very diligent cost management. This is why the Board of Directors has decided to carry out the Rights Issue as announced in this announcement. If the Rights Issue is subscribed to 100 percent and subsequently, the warrants of series TO 4 are fully exercised at the highest exercise price, the Company will be provided with sufficient capital to fund operations until April 2026 and meet all the defined milestones of the current business plan. At the secured 60.2 percent subscription of the Rights Issue, Brain+ has funding until October 2024 to meet the milestones of commercial launch of the CST-Assistant in Denmark and the UK. To extend the Company's runway from October 2024, the exercise period for the warrants of series TO 4 is scheduled for late September 2024. At a 55 percent exercise rate for the TO 4 warrants at the lowest exercise price, Brain+ will be provided with sufficient capital to fund its operations into 2025 and past expected first UK sales.

Bridge financing

To sustain continued momentum of operational activities during the period up to receipt of proceeds from the Rights Issue, Brain+ has secured a bridge loan of approximately DKK 1.80 million net. The loan has been provided from external investors that also have provided guarantee commitments for the Rights Issue. Release of the bridge loan is conditional that the AGM on 22 May 2024 approve the Rights Issue. Upon approval, funds will be released to the Company on the same day. For the bridge loan, an interest rate of 2 percent is paid per started 30-day period, starting from the release of the funds on 22 May 2024. The bridge loan is to be repaid with proceeds from the Rights Issue. The Board of Directors of the Company assesses the terms of the bridge loan as market-based.

Use of the proceeds

Maximum gross proceeds from the Rights Issue amounts to approximately DKK 18.09 million (if both steps of the transaction are fully subscribed), which will provide total net cash proceeds to Brain+ of DKK 15.21 million. Net proceeds from the Rights Issue will be used primarily to fund the Company's operations to meet the milestones defined in the UK focused business plan. This includes regulatory and other preparatory go-to-market activities for the CST-Assistant v2.0 in the UK, launch of the CST-Assistant v2.0 in Denmark and the UK, and commercial scaling towards projected UK business break-even by end 2025 as an important step towards full company break-even by end 2026 based mainly on UK sales. Secondly, proceeds will be used to advance the product pipeline towards market ready versions of the CST-Home Care product and the CST/CCT combination product for MCI.

Brain+ receives, if the Rights Issue is fully subscribed, approximately DKK 8.94 million before transaction related cost of approximately DKK 2.13 million. The Company intends to use the approximately DKK 6.81 million in net proceeds (including the bridge loan of net DKK 1.8 million) from the Rights Issue to finance following activities:

- CST-Assistant v2.0 launch and market penetration in the UK – **Approximately 35%**

- Regulatory and other preparatory go-to-market activities for the CST-Assistant v2.0 in the UK – **Approximately 30%**
- Development of the CST-Assistant v2.0 for launch as a certified medical software in the UK – **Approximately 15%**
- CST-Assistant v2.0 launch and scaling in Denmark – **Approximately 10%**
- Advancement of product pipeline (CST-Home Care and CST/CCT for MCI) – **Approximately 10%**

Through the exercise of the warrants of series TO 4 in September 2024, Brain+ can, if all warrants are exercised to the highest exercise price, receive up to additionally approx. DKK 9.14 million before transaction related costs. The approximately DKK 8.40 million in net proceeds from the TO 4 warrant exercise in the maximum exercise price scenario are estimated to finance an acceleration of the above listed activities. Any excess proceeds will be used to develop a German v2.0 of the CST-Assistant and expand market access efforts in Germany.

3. RISK FACTORS

The management team is responsible for risk management, including mapping, assessment of probabilities, potential impacts as well as mitigating measures. Executive management reports to the Board of Directors on all important matters including risk management. Although no guarantees can be given that other risks will not emerge and have negative adverse effect on the business, the Management believes that the key risks can be summarized as follows:

Financing

Since its launch, Brain+ has achieved limited revenue and although it has begun to commercialize its products, it remains in a phase that requires ongoing R&D projects. The Company launched its first product in November 2022 and secured its first commercial contract the following month, and more traction since. There is a risk that Brain+ will not generate sufficient revenue or cash flow to sustain its operations and investments in the future. Inadequate financing could compromise its competitiveness and financial health, and the current liquidity position poses an operational risk if further funding is not obtained. Product development success, market acceptance, securing grants, and potential strategic investments will affect the Company's future capital needs.

Market adoption

The acceptance and utilization of health tech dementia solutions depend on several factors, including the healthcare system, prescribers, and patients' readiness or reluctance to adopt health tech solutions. Brain+ operates in areas predominantly involving elderly patients and caregivers who may lack technological proficiency, which could create difficulties in utilizing and comprehending health tech solutions. These challenges can result in slower-than-anticipated market acceptance and achievement of sales targets.

Clinical development

The progress and commercial success of Brain+ products hinges on achieving positive outcomes in scientific and clinical trials, which are currently in preliminary phases and include feasibility studies. The first product, the CST-Assistant, is an efficiency tool primarily, and is thus less depending on clinical studies, nevertheless, the aim is to add additional medical claims in the coming years to achieve higher reimbursement levels, which will depend on successful trials and data collection. Given the innovative nature of Brain+ health tech dementia products, there is an inherent risk that these trials might not conclude successfully or deliver anticipated results. Additionally, there is a possibility of trial delays due to third parties and subcontractors.

Medical device regulation

Large-scale commercialization and reimbursement depend on obtaining regulatory approval and public certifications. Regulatory authorities are focused on digital health care products that seek to create medical benefits for patients and users, which is reflected in the new European MDR, which governs the CE Mark process, local Software-as-a-Medical-Device (SaMD) guidelines, and the US FDA regulatory guidelines and processes. The primary risk related to SaMD and MDR is the risk of the clinical evaluation report not being accepted by an external reviewer. The initial medical claims of the CST-Assistant lean on the strong scientific evidence base for CST, which mitigates this risk.

Dependency of key staff

Brain+ is dependent on skilled and experienced persons to conduct its business and maintain permits. The management consists of a highly experienced team where each member independently being very important for the continued development and growth of the Company. It is only the contract with the CEO that contains a non-compete clause. There is a risk that loss of one or more key members of staff would have adverse short-term consequences for the Company's business operation and its financial results. There is a risk that Brain+ needs to recruit staff to replace key personnel, which can be a costly process, in terms of time and money.

4. TIMELINE

Preliminary timeline for the Rights Issue

Annual General Meeting	22 May
Publication of information memorandum	31 May
Last day of trading in the share incl. Unit Rights	6 June
First day of trading in the share excl. Unit Rights	7 June
First day of trading in Unit Rights	7 June
Record date for obtaining Unit Rights.	10 June
Subscription period	11 June – 24 June
Last day of trading in Unit Rights	20 June

Estimated date for publication of outcome	27 June
Estimated date for first day of trading in new shares and warrants of series TO 4	11 July

Admission to trading

The first day of trading in Unit Rights is on 7 June 2024 at 9.00 am (CEST) and the last day of trading in Unit Rights is 20 June 2024 at 5.00 pm (CEST). Temporary Units obtained when subscribing for units in the Rights Issue, will not be admitted to trading on Nasdaq First North Growth Market Denmark. Temporary Units will have the ISIN code DK0062955688 but will only be registered in Euronext Securities Copenhagen solely as an interim instrument during the lead time between the time of subscription until registration of the capital increase in the Danish Business Authority. When the Rights Issue is registered with the Danish Business Authority, expectedly on 4 July 2024, the Temporary Units will be merged with the Company's existing shares with ISIN DK0061670205 in Euronext Securities Copenhagen. The first day of trading with the shares and warrants issued in the Rights Issue will take place on Nasdaq First North Growth Market Denmark expected starting from 11 July 2024. The last day of trading of the warrants of series TO 4 will be two business days prior to the end of the warrant exercise period which is 27 September 2024.

5. DETAILED TERMS AND CONDITIONS

The Rights Issue

The Rights Issue consists of Units to be offered in Denmark and Sweden. Brain+ is offering a total of 10,161,031 Units at the subscription price of 0.88 DKK per Unit. Each Unit comprises of eleven (11) new shares in the Company at the subscription price of DKK 0.08 per share with a nominal value of 0.08 DKK each (see information about a reduction in share capital and a corresponding adjustment of the nominal value per share in this announcement's Chapter 7. "Share capital"), and nine (9) warrants of series TO 4. Hence a total of maximum 111,771,341 new shares and 91,449,279 warrants of TO 4 can be issued in the Rights Issue.

Minimum proceeds from the Rights Issue

In the case of subscription where only pre-subscribers and guarantors take part in the Rights Issue, gross proceeds will amount to approximately DKK 5.38 million and net proceeds to approximately DKK 3.71, after costs related to the issue of approximately DKK 1.67 million, including guarantor commission. The net proceeds from the Rights Issue in case of only subscribed and guaranteed amounts (60.2 percent) is deemed to be sufficient for the Company to carry out its planned activities up and until the exercise of the TO 4 warrant.

Record date and unit structure

Each shareholder as per the record date on 10 June 2024, will for each one (1) share receive one (1) Unit Right. Nine (9) Unit Rights give the holder the right to subscribe for one (1) Unit. Each Unit consists of eleven (11) new shares and nine (9) warrant of series TO 4. The issue ratio between old vs new shares will thus be nine to eleven (9:11).

Subscription/exercise period

The subscription period for Units in the Rights Issue will commence on 11 June 2024 at 9:00 a.m. CEST and will close on 24 June 2024 at 5:00 p.m. CEST. The exercise period for warrants of series TO 4 is from 16 September 2024 at 9.00 AM (CEST) to 27 September 2024.

Announcement of exercise price of TO 4

The Company will inform the market on the exercise price of the TO 4 warrants in a company announcement one business day before the start of the exercise period.

Trading and procedure for exercising Unit Rights

The Unit Rights have, subject to approval of the Rights Issue at the AGM on 22 May 2024, been approved for admission to trading on Nasdaq First North Growth Market Denmark with ISIN DK0062955415 and will be traded in the ISIN code under the symbol "BRAINP UR" from 7 June 2024 at 9:00 a.m. CEST to 20 June 2024 at 5:00 p.m. CEST. Holders of Unit Rights wishing to subscribe for Units must do so through their own custodian banks or financial intermediary, in accordance with the rules and instructions of such organization. Note that custodian banks and financial intermediaries might have different deadlines for last day of subscribing for Units in the Rights Issue which can be earlier than the deadlines of the actual subscription period. Once a holder has exercised its Unit Rights, the exercise may not be revoked or modified.

Holders of Unit rights who do not wish to exercise their pre-emptive right to subscribe for Units in the Rights Issue may sell their Unit Rights on Nasdaq First North Growth Market Denmark during the Unit Right trading period. Acquirers can then utilize the Unit Right to pre-emptively subscribe for new units in the Rights Issue with guaranteed allocation of Units. Trading with Unit Rights are to be done via investors' custodian institutions or other financial instructions. Any Unit Rights not exercised nor sold during the Subscription Period will lapse without value, and the holders of such Unit Rights will not be entitled to any compensation.

Temporary Units

Upon subscription and payment of the Subscription Price, Temporary Units will be delivered through VP Securities by being recorded on subscribers' accounts with VP Securities. The Temporary Units will not be admitted to trading. The Temporary Unit will be assigned an ISIN code and be registered in VP Securities solely for illustrating subscription of Units in the Rights Issue up and until new shares and warrants can be delivered to the subscriber after the Rights Issue is registered with the Danish Business Authority. The Temporary Units will be issued under the ISIN code DK0062955688. Upon registration, the new shares and warrants will be delivered to subscribers in the Rights Issue of Units and admitted for trading on Nasdaq First North Growth Market on or around 11 July 2024. The TO 4 warrants will be issued under the ISIN DK0062955761.

Every investor should be aware of that their respective bank/financial institute may classify subscription of units as a complex product and may therefore request information from the investor before subscription can be carried out.

Subscription for remaining units

The general public and existing shareholders can subscribe for any remaining units not subscribed for with support from Unit Rights. Such remaining units will be subscribed for to the same terms, including dates, as for those subscribing with support from Unit Rights. Subscription shall be made on a subscription form, which is available on the Company's website (www.brain-plus.com), and Nordic Issuing's website (www.nordic-issuing.se). The subscription shall be filled out and submitted to the account holders own bank according to their respective instructions. It is also possible to subscribe for shares digitally through custodian banks' (like Nordnet's) and financial intermediaries' respective trading platforms. In case of oversubscription of remaining units in connection with the Rights Issue, the allocation of such remaining units will be determined according to allocation principles made by the Board of Directors.

Upon subscription of the remaining units, the holder must pay an amount equal to the subscription price multiplied by the number of units allocated. Payment for remaining units will be made via a delivery versus payment transfer through the subscribers' custodian bank or financial intermediary and will be withdrawn from the account by the subscribers own custodian bank or financial intermediary.

Allocation principles

Allocation of units will be decided by Brain+'s Board of Directors, according to the following priority:

- 1) Subscription with support of pre-emptive Unit Right.
- 2) Subscription without support of pre-emptive Unit Right.
- 3) Guarantors of the bottom-up guarantee.
- 4) Guarantors of the top-down guarantee.

Investors' right to withdraw applications of subscription

Subscription with support of Unit Rights or notification for subscription of Units without support from Unit Rights are irrevocable.

Completion of the Rights Issue

The Rights Issue will only be completed if and when the new shares from the Rights Issue are registered with the Danish Business Authority and the new shares and warrants are delivered to subscribers' accounts. Registration of the Rights Issue is expected to take place on or around the 4 July 2024 and delivery of shares and warrants are expected to take place on or around 15 July 2024. A company announcement concerning the results of the Rights Issue is expected to be disclosed around 27 June 2024.

Dilution

As at the date of this company announcement, the registered share capital in Brain+ has a nominal value of DKK 9,144,927.90 divided into 91,449,279 existing shares with a nominal value of DKK 0.10 each. All existing shares are issued and fully paid up, and each existing share represents 1 vote.

It will be proposed for the Company's AGM on 22 May 2024 to resolve that DKK 1,828,985.58 of financial losses are offset against a reduction in the share capital. Pending approval at the AGM, the share capital in Brain+ will after the reduction amount to DKK 7,315,942.32, which will correspond to a reduction of the nominal value of the Company's shares from DKK 0.10 to DKK 0.08.

Through the Rights Issue, the Company's share capital can increase with a maximum of DKK 8,941,707.28 through the issuing of a maximum of 111,771,341 new shares with a nominal value of DKK 0.08 each. This would imply a dilution of approximately 55 percent to existing shareholders who do not exercise the allocated Unit Rights to subscribe for Units. Shareholders who exercise their Unit Rights in full will not be diluted. The dilution is based on the total amount of shares issued provided that the Rights Issue will be fully subscribed.

If the Rights Issue is subscribed in full and the subsequent exercise of warrants of series TO 4 is exercised in full, the Company's share capital can after the warrant exercise increase with a maximum of DKK 7,315,942.32 through the issuing of a maximum of 91,449,279 new shares with a nominal value of DKK 0.08 each. Shareholders who do not participate in the Rights Issue nor in exercise of the TO 4 warrant can experience a dilution of up to of 69 percent if both steps in the Rights Issue are subscribed and exercised at maximum.

6. SUBSCRIPTION AND GUARANTEE COMMITMENTS

The Rights Issue is secured to approximately 60.21 percent through a combination of written pre-subscription and guarantees commitments according to the below:

	DKK million	Percentage of Rights Issue
Subscription commitments	2.65	29.66
Guarantee Commitments	2.73	30.55
Total commitment	5.38	60.21

Subscription commitments

Brain+ has received legally binding written subscription commitments from members of the board and management team and other external investors who all are existing shareholders in the Company. The subscription commitments amount to approximately DKK 2.65 million, which corresponds to approximately 29.66 percent of the Rights Issue. All shareholders leaving subscription commitments, except for Kim Baden-Kristensen, have committed to utilize Unit Rights to be allocated to them to subscribe for Units in the Rights Issue. Kim Baden-Kristensen has committed to subscribe for approximately DKK 0.59 million without support of Unit Rights and to transfer all his received Unit Rights to Nordic Issuing. The reason being that Kim holds his current shares in a private deposit but intends to subscribe in the Rights Issue through his pension account. None of the subscription commitments have been secured through advance

transaction, bank guarantee or similar. The full list of pre-subscribers and their subscription amounts are set out in the table following this section.

First name	Last name	Via Company	Pre-commitment (DKK)	Share of the Rights Issue (%)	Relation to the Company
John	Haurum	-	814,488.89	9.11%	Senior advisor
Kim	Baden-Kristensen	-	591,735.52	6.62%	CEO
Leif	Tomasson	-	304,577.78	3.41%	Investor
Kenneth	Egtved Pedersen	-	195,555.56	2.19%	Investor
Hanne	Vissing Leth	-	108,843.88	1.22%	CFO
Claus	Dalsgaard	CD Holding ApS	100,000.00	1.12%	Investor
Karsten	Egtved	-	99,050.06	1.11%	Investor
Tim	Juergens	JuePes Cool Ventures UG	97,777.78	1.09%	Nominated Chairman*
Luigi Alessandro	Isoletti	-	72,600.00	0.81%	Investor
Johan	Luthman	-	70,400.00	0.79%	Interim Chairman
Jia	Li	-	68,139.28	0.76%	Investor
Simon	Frøsig Kristensen	-	50,000.00	0.56%	Investor
Jannie	Egtved Pedersen	-	44,000.00	0.49%	Investor
Allan	Henriksen	-	26,400.00	0.30%	Investor
Simon	Nielsen	-	8,888.88	0.10%	CSIO
Total			2,652,457.62	29.66%	

*Pending approval at the AGM on 22 May 2024.

Bottom guarantee commitments

The Company has received legally binding guarantee commitments from members of the board and management and external professional investors, for a total of approximately DKK 2.73 million, which corresponds to approximately 30.55 percent of the Rights Issue. Guarantee commitments are exchanged for binding subscription to the extent the Rights Issue is not subscribed for by the market.

Out of the total guarantee commitments, approximately DKK 2.37 million (approximately 26.56 percent of the Rights Issue) are so called “bottom up” guarantee commitments in which the guarantors commit to subscribe for any remaining Units, up to a subscription in the Rights Issue of approx. DKK 5.03 million (56.22 percent) (the “Bottom Guarantee”). If the Rights Issue is subscribed to less than DKK 5.03 million, the amount activated for subscription from the Bottom Guarantee will be calculated as DKK 5.03 million less the total amount subscribed for by current

shareholders and other investors with and without support of Unit Rights. If the Rights Issue is subscribed for more than DKK 5.03 million, no Bottom Guarantee will be activated for subscription. Any activated guarantee subscription will be shared amongst all Bottom Guarantee guarantors in relation to the size of commitments (“pro-rata”). The Bottom Guarantee commitments carry an alternative underwriter’s compensation of 15 percent of the guaranteed amount in cash, or 20 percent of the guaranteed amount in the form of Units which are to be issued to the same terms as the Units in the Rights Issue.

First name	Last name	Company	Guarantee commitment (DKK)	Share of the Rights Issue (%)	Relation to the Company
		Formue Nord Marknadsneutral A/S	1,200,000.00	13.42%	Investor
Patric	Sjölund	Pronator Invest AB	350,000.00	3.91%	Investor
Jean	Dühning	JMD Holding ApS	200,000.00	2.24%	Investor
Gerhard	Dal	CapMate Aktiebolag	175,000.00	1.96%	Investor
Axel	Lindberg		125,000.00	1.40%	Investor
Iman	Ziai	LTZ Consulting AB	125,000.00	1.40%	Investor
John	Moll		100,000.00	1.12%	Investor
Anders	Haskel	Haskel Konsult Aktiebolag	100,000.00	1.12%	Investor
Total			2,375,000.00	26.56%	

Top Guarantee commitments

In addition to the above-mentioned Bottom Guarantee, Brain+ has secured a second tranche of guarantee commitments of approximately DKK 0.36 million (approximately 3.99 percent of the Issue (the “Top Guarantee”). The Top Guarantee is a top-down guarantee in which the guarantors (members of the board and management) commit to subscribe for any remaining Units in the Rights Issue up to a total subscription of approximately DKK 0.36 million (3.99 percent), however not more than the committed amount of DKK 0.36 million. For guarantors of the Top Guarantee, a compensation of 10 percent will be payable in the form of Units, issued to the same terms as the Units in the Rights Issue.

First name	Last name	Company	Guarantee commitment (DKK)	Share of the Rights Issue (%)	Relation to the Company
Anish	Shindore	GSD Group SL	150,000.00	1.68%	Board Member
Johan	Luthman		79,600.00	0.89%	Board Member
Tim	Juergens		52,222.22	0.58%	Nominated Chairman*
Hanne	Vissing Leth		50,000.00	0.56%	CFO
Simon	Nielsen		25,000.00	0.28%	CSIO

Total	356,822.22	3.99%
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**Pending approval at the AGM on 22 May 2024*

7. SHARE CAPITAL

Change of share capital and number of shares and dilution

In order to decrease the nominal value per share from the current DKK 0.10 to DKK 0.08 (to enable the planned Subscription Price of DKK 0.08 per share in the Rights Issue), it is proposed to the AGM, to decide to offset DKK 1,828,985.58 of financial losses in Brain+ against a reduction in the Company's share capital. Upon approval of the reduction in the share capital at the AGM on 22 May 2024, the share capital will amount to DKK 7,315,942.32, corresponding to a nominal value per share of DKK 0.08. The Rights Issue is conditioned that the AGM resolve to decrease the share capital and hence the nominal value per share.

Through the Rights Issue, the number of shares in Brain+ will increase by a maximum of 111,771,341 shares, from 91,449,279 shares to 203,220,620, shares of nominal value DKK 0.08 each and the share capital will increase by a maximum of DKK 8,941,707.28, from DKK 7,315,942.32 (after reduction of the share capital) to DKK 16,257,649.60. For existing shareholders who do not participate in the Rights Issue this means, upon full subscription, a dilution effect of approximately 55 percent of the votes and capital held in the Company.

In the event that the Rights Issue is fully subscribed and all warrants of series TO 4 subsequently are fully exercised for subscription of new shares, the number of shares in Brain+ will increase by additionally 91,449,279 shares to a total of 294,669,899 shares of nominal value DKK 0.08 each and the share capital will increase by additionally DKK 7,315,942.32 to DKK 23,573,591.92. This corresponds to a total dilution effect for investors not participating in the Rights Issue nor in the warrant exercise of approximately 69 percent.

8. TERMS AND CONDITIONS OF THE SECURITIES

General rights attached to the new shares

The shares issued in the Rights Issue will have identical rights as the existing shares. These include voting rights, right to receive dividend, the right to participate in the proceeds in case of a dissolution or liquidation of the Company. The warrants of series TO 4 do not give the holder such rights before being exercised and the resulting shares are issued. Further, all shares have equal rights in the event of insolvency, liquidation or winding up. The rights of the shareholders can only be changed in accordance with the procedures specified in the Articles of Association and the Danish Companies Act (no. 1451 of 09/11 2022). The new shares which are to be issued in connection with the Issue are ordinary shares and all shares in the Company carry identical rights. At general meetings, each share has one vote, and each shareholder can vote for their full number of shares without limitation. The right of a shareholder to attend a general meeting and to vote is determined by the shares held by the shareholder at the record date. The record date is one week before the general meeting is held. The warrants do not give any voting rights. The new shares subscribed for using the warrants will carry voting rights starting from the day of registration of the new shares with the Danish Business Authority.

The shares' transferability and lock-up

As at the date of this announcement, there are no general restrictions in the transferability of the shares or warrants. However, members of the board and management who together hold approximately 4.50 percent of the outstanding shares in the Company have entered into lock-up undertakings with the Company's financial adviser, Sedermera Corporate Finance AB, which limits them from selling any shares in Brain+ for twelve months following completion of the Rights Issue. The lock-up also covers any Unit Rights obtained and not exercised in the Rights Issue as well as any shares and warrants acquired in the Rights Issue.

Rights to dividend

The new shares will, when fully paid up and registered with the Danish Business Authority, have the same rights as the existing shares, including with respect to eligibility for any dividends paid to holders of shares. Brain+ is a growth company and has not since its formation paid dividends to the shareholders, the Company has per the date of this announcement no dividend policy and there are currently no plans of adopting such policy. The Board of Directors intends to finance development, operations, and growth with a combination of the possible profit and if needed future equity issues. In the event of a dividend, all shares in the Company carry equal right to dividends. Consequently, the new shares from the Rights Issue are eligible for dividends as of the date of registration with the Danish Business Authority. The registration is expected to take place on or around 4 July 2024. Further, the right to dividends applies to investors who are registered as shareholders in Brain+ on the record day applicable for the distribution of dividend. Any dividends will be paid in DKK to the shareholder's account with VP Securities. No restrictions on dividends or special procedures apply to holders of shares who are not residing in Denmark. Dividend withholding tax may be withheld by the Company in accordance with applicable Danish law. The warrants give the holder no right to dividend until the warrant has been exercised into an ordinary share. Dividends which have not been claimed by shareholders within three (3) years from the time they are payable will in accordance with applicable Danish law be forfeited and will accrue to the Company.

Change of terms

The Company may – if it is deemed that it will benefit current shareholders, warrant holders and the Company – at the time of the exercise period for the TO 4 warrants, resolve to amend the terms of exercise of those warrants including, but not limited to, the minimum exercise price.

If the Company decide to amend the terms of the exercise price, such information will be communicated to the market via a company announcement, latest two weeks before the start of the exercise period.

Should such an event occur, the Company will compensate investors for any demonstratable loss incurred as a result of such change of terms.

If the Company resolve to amend the terms and this cause an investor to realize a financial loss, the investor will be compensated by the Company for such loss if the investor 1) have sold warrants of series TO 4 before amendment of terms, 2) repurchased warrants of series TO 4 after terms have been amended and 3) exercised TO 4 to subscribe for new shares to the amended terms. The investor will in such case be compensated for the difference between the selling and purchasing price, provided that the investor have realized a loss.

Pre-emptive subscription rights

Under Danish law, shareholders in a company generally have pre-emptive subscription rights if the general meeting of the Company resolves to increase the share capital by cash payment. However, the pre-emptive subscription rights of the shareholders are subject to exceptions due to authorizations granted by the general meeting.

9. LEGAL RIGHTS AND OBLIGATIONS

Compliance

Any holders of Unit Rights which exercises Unit Rights for subscription of Units, shall be deemed to have represented that they have informed themselves about and complied with applicable laws. Custodian banks exercising Unit Rights on behalf of beneficial holders shall be deemed to have represented that they have complied with the Issue procedures set forth in this Announcement. Upon expiry of the Subscription Period, any Unit Rights not exercised will lapse without value, and the holders of lapsed Unit Rights will not be entitled to any compensation. Every investor should be aware of that their respective bank/financial institute may classify subscription of unit as a complex product and may therefore request information from the investor before subscription can be carried out.

Legal regulations

The new shares are issued according to the Danish Companies Act (no. 1451 of 09/11 2022) and the Company's Articles of Association as at the date of this Announcement. Brain+ is, moreover, subject to general Danish legislation, including Regulation (EU) 2017/1129 and the Danish Act on Capital Markets (no. 41 of 13/01/2023). Due to its listing on Nasdaq First North Growth Market Denmark, a multilateral trading facility platform, Brain+ is bound to the obligations set out in the applicable Nasdaq First North Growth Market regulations. Companies admitted to trade on Nasdaq First North Growth Market are subject to the European parliament and the Council Regulation (EU) No 596/2014 on Market Abuse Regulation (MAR) which contains regulation on information obligations and a prohibition on market abuse. Such obligations include, but are not limited to, complying with disclosure and information requirements in the Danish Securities market.

Tax considerations

An investment in the Rights Issue may result in tax consequences for the investor. Brain+ is a Danish registered company that has unlimited tax liability in Denmark. The Company's new shares and warrants will be traded on Nasdaq First North Growth Market Denmark, a multilateral trading facility platform (MTF), and the shares and warrants in Brain+ are therefore covered by the Danish tax rules for listed shares. The tax legislation in the investor's jurisdiction may influence any income received from the Issue described in this announcement. Taxation of any dividend, as well as capital gains tax and rules regarding capital losses on sale of securities depends on the individual investors' specific situation. Shareholders may need to consult their own accountant or tax adviser for a closer assessment of tax consequences, including applicability and effect of foreign tax rules and tax treaties when a shareholder being in Brain+.

Withdrawal and delay of the Issue

The Company is not allowed to withdraw the Rights Issue. However, it may delay or suspend the Rights Issue in the event that the registration of the new shares is refused by the Danish Business Authority. Any delay of the Rights Issue will be announced as a company announcement through a press release. The Company is not authorized to close the Subscription Period of the Rights Issue on an earlier date than the communicated last subscription date.

Conflicts of interest

Sedermere Corporate Finance ("Sedermere") are the financial advisers, Markets and Corporate Law Nordic ("MCL") is a legal advisor and Nordic Issuing is the Issuing agent and settlement agent to Brain+ in connection with the Rights Issue. These parties receive a pre-agreed remuneration for services in connection with the Rights Issue.

Some members of the Company's board and management have financial interest in the Company because of share- and or warrant holdings in the Company. Apart from the mentioned shareholdings, there are to the Company's best knowledge, no member of the Board of Directors or executive management who has any other private interests which might conflict with the Company's interests.

Miscellaneous

Brain+ has not been a party to any legal, arbitration or governmental proceedings (including pending cases or such that the Company is aware may arise), during a period covering at least the previous 12 months, that have had or could have significant effects on the Company's financial position or profitability. Nor has the Company been informed of claims that could lead to Brain+ becoming a party to such a process or arbitration. There are no arrangements, known to Brain+ (the "Issuer"), which may at a subsequent date result in or prevent a change in control of the Issuer. No provisions in Brain+ articles of association, statutes, charter, or bylaws have an effect of delaying, deferring, or preventing a change in control of the Issuer.

Name and registered office

The Company's address and the registered office of the Board of Directors is Købmagergade 53, 3, 1150 København K, Denmark. Company representatives may be reached at telephone +45 31 39 33 17, and by e-mail at contact@brainplus.com. The Company's visiting address is Købmagergade 53, 3, 1150 København K, Denmark, and the website is www.brain-plus.com.

Advisors

In connection with the Rights Issue, Sedermere 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 and the settlement agent.

For more information about the Rights Issue, please contact:

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