



Press communication

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Neola Medical announces outcome of rights issue

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The Board of Directors of Neola Medical AB (publ) ("Neola Medical" or "the Company") today announces the outcome of the rights issue with preferential rights for the Company's shareholders (the "Rights Issue") which was resolved upon by the Board of Directors on 8 September 2022 and approved by an extraordinary general meeting on 27 September 2022. In the Rights Issue, 20,490,992 shares were subscribed for with support of subscription rights, corresponding to approximately 49 percent of the Rights Issue and 111,948 shares, corresponding to approximately 0.3 percent of the Rights Issue, were subscribed for without support of subscription rights. This implies that 13,204,695 shares, corresponding to approximately 31 percent of the Rights Issue, will be allotted to the share issue guarantors, whereby the Rights Issue will be subscribed to a total of approximately 80 percent. This also implies that the Company is provided with a new shareholder in LMK Venture Partners AB, which was the only external share issue guarantor in the Rights Issue. Neola Medical will receive a total of approximately SEK 44 million before transaction costs through the Rights Issue.

"I would like to thank both existing and new shareholders for their confidence in this rights issue. We are very pleased to welcome LMK Venture Partners AB as a new shareholder in Neola Medical and that we have now secured funding that will enable us to continue to develop, validate and commercialize Neola®. We now look forward to preparing for the market launch of Neola® and continuing to create long-term shareholder value", says Hanna Sjöström, CEO of Neola Medical.

The subscription period for the Rights Issue ended on 18 October 2022. The final outcome shows that a total of 33,807,635 shares have been subscribed for under the Rights Issue. Allotment of shares that were subscribed for without the support of subscription rights has taken place as set out in the prospectus published by the Company on 27 September 2022. Notification of such allotment will be made separately by means of a settlement note sent to the Company. Nominee registered shareholders receive notice of the allotment in accordance with the instructions of the respective nominee.

For guarantee commitments, a guarantee commission of ten (10) percent of the guaranteed amount shall be paid in cash or, alternatively, a guarantee commission of twelve (12) percent shall be paid in the form of newly issued shares in the Company at a subscription price equal to 90 per cent of the volume weighted average price of the Company's share on the Nasdaq First North Growth Market during the period that corresponds to the subscription period in the Rights Issue, but not less than SEK 1.30 per share. The subscription price has been set at SEK 1.30 per share. Any decision to issue shares to the guarantors will be announced in a separate press release.

Following registration of the Rights Issue with the Swedish Companies Registration Office, the number of shares in the Company will increase by 33,807,635 shares, from 21,049,980 shares to a total of 54,857,615 shares, and the share capital will increase by SEK 2,414,840.80, from SEK 1,503,576.06 to SEK 3,918,416.86.

Trading in paid subscribed shares ("BTAs") takes place on Nasdaq First North Growth Market until conversion of BTAs into shares, which will take place 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 45 2022.

Advisors

ABG Sundal Collier is the sole global coordinator and bookrunner in connection with the Rights Issue. Eversheds Sutherland Advokatbyrå is legal advisor to the Company.



Certified Adviser

FNCA Sweden AB is the company's Certified Adviser.

For further information, contact

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Neola Medical AB (publ) develops medical technology device for continuous monitoring of preterm born infants' lungs. Immediate detection of complications provides the possibility of early treatment and improved health care. The patented technology is based on a spectroscopic method developed at Lund University in Sweden. The company was founded in 2016 as a wholly owned subsidiary of Gaspox AB (publ) under the name GPX Medical AB. The company is listed on NASDAQ First North Growth Market (ticker: NEOLA). Read more at www.neolamedical.com. The company's Certified Adviser is FNCA Sweden AB.

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This announcement is not a prospectus for the purposes of regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus, corresponding to an EU growth prospectus, will be prepared by the company and published on the company's website after the prospectus has been reviewed and approved by the Swedish Financial Supervisory Authority.

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Forward-looking statements

To the extent this press release contains forward-looking statements, such statements do not represent facts and are characterized by words that "will", "are expected", "believes", "estimates", "intends", "assumes" and similar expressions. Such statements express Neola Medical's intentions, opinions or current expectations or assumptions. Such future statements are based on current plans, estimates and forecasts which Neola

Medical has made to the best performance, but which Neola Medical does not say in the coming tomorrow. Future statements are combined with risks and uncertainties that are difficult to predict and in general cannot be affected by Neola Medical. It should be kept in mind that actual events or outcomes may differ significantly from what is covered by, or expressed for, in such forward-looking statements.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) articles 9 and 10 of commission delegated directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II product governance requirements) may otherwise have with respect thereto, the shares in Neola Medical have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in the company may decline and investors could lose all or part of their investment; the shares in the company offer no guaranteed income and no capital protection; and an investment in the shares of the company is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the joint bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in the company.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the shares in the company and determining appropriate distribution channels.