

# Coala-Life Group AB (publ) publishes prospectus in respect of rights issue and updates previously communicated information regarding the use of proceeds

On November 21, 2023, the Board of Directors of Coala-Life Group AB (publ) ("Coala Life" or the "Company") announced through a press release the terms and conditions of a rights issue of units consisting of new shares and warrants with preferential rights for the Company's existing shareholders of approximately SEK 75,4 million that was resolved upon by an extraordinary general meeting on December 22, 2023 (the "Rights Issue"). A prospectus, which has been prepared in respect of the Rights Issue, has today on [January 4], 2024 been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) (the "SFSA"). The prospectus is available at Coala Life's website ([www.coalalife.com](http://www.coalalife.com)) and Penser By Carnegie's website ([www.carnegie.se](http://www.carnegie.se)).

## Prospectus

The prospectus that Coala Life has prepared in connection with Rights Issue has today been approved by the SFSA. The prospectus, containing complete terms and instructions, and application forms can be obtained from Coala Life and Penser By Carnegie and is available at Coala Life's website ([www.coalalife.com](http://www.coalalife.com)) and Penser By Carnegie's website ([www.carnegie.se](http://www.carnegie.se)). The prospectus will also be available at the website of the SFSA (<https://www.fi.se/en/our-registers/prospektregistret/>).

The prospectus has been prepared as an EU-Growth prospectus in accordance with article 15 in the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The prospectus has been approved by the SFSA, which is the Swedish competent authority in accordance with the Prospectus Regulation, in accordance with article 20 in the Prospectus Regulation. The SFSA only approves the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The approval should not be considered as an endorsement of Coala Life or of the quality of the securities that are the subject of the prospectus and does not indicate that the SFSA guarantees that the facts in the prospectus are correct or complete. Investors should make their own assessment as to the suitability of investing in the Rights Issue. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the prospectus. Thus, investors are encouraged to review the prospectus in its entirety.

## Updated information regarding use of proceeds

The Company first announced the intention to carry out the Rights Issue through a press release on November 21, 2023, which included information on the planned use of proceeds. The Company has subsequently taken up additional bridge loans that are planned to be repaid using the proceeds from the Rights Issue and has compiled updated calculations regarding the estimated transaction costs in connection with the Rights Issue, which affects the amounts for and allocation between the presented areas of use for the proceeds. Therefore, the Company hereby provides updated information as below.

If fully subscribed, the Rights Issue will initially provide the Company with approximately SEK 75.4 million in proceeds before deduction of customary transaction costs, which are estimated to amount to approximately SEK 9.6 million assuming full subscription and that all guarantors choose to receive guarantee commitment consideration in cash. The proceeds will strengthen the Company's financial position and give the Company the opportunity to implement its business plan, develop the platform further and continue market penetration. The net proceeds, which upon full subscription are expected to amount to approximately SEK 65.8 million, are intended to be used for the following areas, in order of priority:

- Repayment of bridge loans taken before the completion of the Rights Issue to finance the development of the American market, approximately SEK 34.1 million.
- Financing of ongoing operations, primarily for current operations and sales efforts in the American market, approximately SEK 31.8 million.

If the Rights Issue is fully subscribed and all warrants comprised by the Rights Issue are exercised for subscription of new shares, the Company will in June 2024 receive proceeds of at least an additional SEK 18.8 million (depending on the final exercise price for the warrants) before transaction costs associated with the exercise of the warrants. The Company intends to use the proceeds from the exercise of the warrants for continued financing of the Company's American operations

## Subscription undertakings, declaration of intention to subscribe and guarantee commitments

The Rights Issue is covered by subscription undertakings, declaration of intention to subscribe and guarantee commitments corresponding to a total of approximately SEK 55.0 million, corresponding to approximately 73.0 percent of the Rights Issue. The subscription undertakings amount to approximately SEK 20.9 million, corresponding to approximately 27.8 percent of the Rights Issue, and the declaration of intention to subscribe amounts to SEK 3.5 million, corresponding to approximately 4.6 percent of the Rights Issue. The guarantee commitments amount to approximately SEK 30.6 million, corresponding to approximately 40.6 percent of the Rights Issue. Subscription undertakings and guarantee commitments from senior executives and board members of Coala Life amount to a total of SEK 22.2 million. For guarantee commitments, a cash consideration of twelve (12.0) percent of the guaranteed amount is paid, alternatively fourteen (14.0) percent in the form of newly issued shares in the Company. No consideration is paid for the subscription undertakings or the declaration of intention to subscribe. The subscription undertakings and guarantee commitments are not secured by bank guarantee, blocking funds, pledging or similar arrangements and the declaration of intention to subscribe has neither been formalized in a written agreement nor secured.

## **Subscription period and subscription**

The subscription period in the Rights Issue commences on January 8, 2024. Application forms will be available on the Company's and Penser By Carnegie's web page respectively.

## **Schedule for the Rights Issue**

8 – 17 January 2024 Trading in unit rights (trading in paid subscribed units will commence on the same date and continue until the Rights Issue has been registered with the Swedish Companies Registration Office)

8 – 22 January 2024 Subscription period (with or without preferential right)

Around 24 January 2024 Announcement of outcome of Rights Issue

## **Advisors**

Coala Life has mandated Penser By Carnegie and Setterwalls Advokatbyrå AB as financial and legal advisors respectively in connection with the Rights Issue.

## **Important information**

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in the Company. No action has been taken and no measures will be taken to permit a public offering in any jurisdictions other than Sweden.

This release is not a prospectus in accordance with the definition in the Prospectus Regulation (EU) 2017/1129 ("Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. This announcement does not identify, or purport to identify, risks (direct or indirect) that may be associated with an investment in shares or other securities in the Company. This press release constitutes an advertisement in accordance with article 2 k of the Prospectus Regulation.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Japan, Canada, Hong Kong, New Zealand, Russia, Switzerland, Singapore, South Africa, Belarus or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares or other securities in the Company have been registered, and no shares or other securities will be registered, under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities legislation of any state or other jurisdiction in the United States of America and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States of America.

Within the European Economic Area ("EEA"), no public offering of shares or other securities ("Securities") is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a

relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this press release relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities etc. falling within Article 49(2)(a) to (d) of the Order; or (iii) such other persons to whom such investment or investment activity may lawfully be made available under the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

### **Forward-looking Statements**

This press release contains forward-looking statements that refer to the Company's intentions, assessments or expectations regarding the Company's future results, financial position, liquidity, development, prospects, expected growth, strategies and opportunities as well as the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by the inclusion of expressions such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "assumes", "should" "could" and, in each case, negations thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will occur or that they are accurate. As these assumptions are based on assumptions or estimates and are subject to risks and uncertainties, the actual result or outcome may, for many different reasons, differ materially from what appears in the forward-looking statements.

Such risks, uncertainties, contingencies and other material factors may cause actual events to differ materially from the expectations expressed or implied in this press release through the forward-looking statements. The Company does not warrant that the assumptions underlying the forward-looking statements in this press release are correct and any reader of the press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements expressed or implied herein are provided only as of the date of this press release and are subject to change. Neither the Company nor anyone else undertakes to revise, update, confirm or publicly announce any revision of any forward-looking statement to reflect events occurring or circumstances occurring with respect to the contents of this press release, except as required by law or Nasdaq First North Growth Markets' regulations for issuers.

## About us

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Coala-Life Group AB ("Coala Life" or the "Company") founded in 2015, is a Cloud Based Software as a Service provider, and medical device developer and reseller, listed on Nasdaq First North Growth Market. The Company focuses on B2B solutions for managed Remote Patient Monitoring ("RPM"), offering medical care providers, primarily in the US, with a highly scalable, cost-efficient platform to remotely and virtually manage large volumes of patients suffering from chronic diseases. The company offers care providers a comprehensive solution and lifts the administrative work from the care providers regarding, amongst other things, follow-up, 24/7 monitoring, as well as the reimbursement process from state and private health insurance companies. Patients are monitored long-term in everyday life and typically have diabetes, obesity, and /or cardiovascular disease.

For more information see [www.coalalife.com](http://www.coalalife.com)

**For more information, please contact:**

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Certified Adviser

The Company's Certified Adviser is Carnegie Investment Bank AB (publ).

## Attachments

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