



Episurf Medical publishes prospectus in connection with the company's partially guaranteed rights issue of up to approximately SEK 120 million

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On 22 April 2024, Episurf Medical AB (publ) ("Episurf", "Episurf Medical" or the "Company"), (NASDAQ Stockholm: EPIS B) announced that the Board of Directors had, subject to the subsequent approval by an Extraordinary General Meeting (the "EGM"), resolved on a new issue of units with preferential rights for existing shareholders of up to approximately SEK 120 million before deduction of costs attributable to the rights issue (the "Rights Issue"). The Rights Issue is covered to approximately 75 percent, corresponding to approximately SEK 90 million, by subscription commitments and intentions as well as guarantee commitments. The Board of Directors' resolution on the Rights Issue was approved by the EGM held on 22 May 2024. A prospectus that has been prepared in connection with the Rights Issue has today, 24 May 2024, been approved and registered by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) ("SFSA") and is available in Swedish on Episurf's website <http://episurf.com/>, as well as on Pareto Securities' website www.paretosec.com.

Publication of the prospectus

Complete information about the Rights Issue is included in the prospectus that has been prepared by the Board of Directors of the Company and that today, 24 May 2024, has been approved and registered by the SFSA. The prospectus in Swedish is available on the Company's website (<http://episurf.com/>) and on Pareto Securities' website (www.paretosec.com). The prospectus will also be available in Swedish on SFSA's website (www.fi.se/sv/vara-register/prospektregistret/).

Application forms

The subscription period will commence on 28 May 2024. Subscription forms for subscription without preferential rights will be available on the Company's, Pareto Securities' and Nordic Issuing AB's respective websites. Subscription for units without preferential rights can also be made with Swedish BankID or Nordic eID via www.minasidor.nordic-issuing.se.

Timetable of the Rights Issue

24 May 2024	Record date for receipt of unit rights
24 May 2024	Publication of the prospectus
28 May – 7 June 2024	Trading in unit rights
28 May – 12 June 2024	Subscription period
28 May – 24 June 2024	Trading in BTUs (paid subscribed units)
13 June 2024	Expected announcement of the outcome of the Rights Issue
28 June 2024	Expected first day of trading in warrants of series TO13 B on Nasdaq First North Growth Market

Advisors

Pareto Securities has been appointed as Sole Manager and Bookrunner in the Rights Issue. Hannes Snellman Advokatbyrå AB is legal adviser to Episurf in connection with the Rights Issue. Advokatfirman Vinge KB is legal adviser to the Sole Manager and Bookrunner in connection with the Rights Issue. Nordic Issuing acts as issuing agent in connection with the Rights Issue.

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About Episurf Medical

Episurf Medical is endeavoring to bring people with painful joint injuries a more active, healthier life through the availability of minimally invasive and individualised treatment alternatives. Episurf Medical's Episealer® individualised implants and Epiguide® surgical drill guides are developed for treating localised cartilage injury in joints. Episurf Medical's µiFidelity® system enables implants to be cost-efficiently tailored to each individual's unique injury for the optimal fit and minimal intervention. Episurf Medical's head office is in Stockholm, Sweden. Its share (EPIS B) is listed on Nasdaq Stockholm. For more information, go to the company's website: www.episurf.com.

The information was submitted for publication, through the agency of the contact person set out above, at 11.30 CEST on 24 May 2024.

Important information

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. A prospectus, prepared in accordance with the simplified disclosure regime for secondary issuances as set forth in the Prospectus Regulation, regarding the Rights Issue described in this press release has been prepared by the Company, reviewed and approved by the SFSA and published on the Company's website.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement relating to the Rights Issue is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Pareto Securities are acting for Episurf Medical in connection with the Rights Issue and no one else and will not be responsible to anyone other than Episurf Medical for providing the protections afforded to its clients nor for giving advice in relation to the Rights Issue or any other matter referred to herein. Pareto Securities are not liable to anyone else for providing the protection provided to their customers or for providing advice in connection with the Rights Issue or anything else mentioned herein.

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In the United Kingdom, this document 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 document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of the Prospectus Regulation as it forms part of domestic law in the United Kingdom 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"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of 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 reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq Stockholm's rule book for issuers.

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 offered shares 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 in 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 Rights Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Manager and Bookrunner 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