

**marONWARD Medical N.V.**

**Postponement of the disclosure of inside information regarding the implementation of a capital increase (ad-hoc publicity) pursuant to Art. 17 para. 4 of the Market Abuse Regulation (“MAR”) in conjunction with Art. 4 of the Commission implementing regulation (EU) 2016/1055 of June 29,**

**2016**

**I. Facts**

**1. Current status of the planned capital increase**

Reference is made to the decision of the Chief Executive Officer and the Chief Financial Officer of Onward Medical N.V. (the “Company”) on the postponement of the disclosure of inside information pursuant to Art. 17 para. 4 MAR dated March 18, 2024.

The Company plans to implement a capital increase with expected gross primary proceeds between EUR15 million and EUR 25 million and under the exclusion of shareholders subscription rights by way of an private placement to institutional investors outside the United States as well as to a limited number of qualified institutional buyers inside the United States, to qualified investors in the United Kingdom and in the European Economic Area, and a simultaneous public offering with certain retail investors in France following a separate public offering through the PrimaryBid platform under an exemption from the prospectus publication requirement in accordance with Regulation (EU) 2017/1129 (the “Capital Increase”). For this purpose, the Company has engaged a consortium of banks in order to increase the likelihood of success of such Capital Increase, and to agree on the terms to support such Capital Increase.

In this context, the Company has selected Bryan Garnier as the Sole Global Coordinator, and Bryan Garnier, Bank Degroof Petercam SA/NV and KBC Securities NV as joint global coordinators and joint bookrunners to act as the Company’s joint bookrunners (together, the “Banks”) and has instructed them to, including but not limited to, advise and assist the Company in determining the offer structure, timing and organization of the Capital Increase, assist in the preparation of and arrange, host and attend investor meetings during the wall-crossing under the market sounding rules of the MAR. The Banks have been mandated on March 18, 2024.

The preparations for the Capital Increase have meanwhile progressed to such an extent that a prospectus for the admission to listing and trading of the new shares that will be issued in the Capital Increase on Euronext Brussels (primary listing) and Euronext Amsterdam (secondary listing) has been filed with the Dutch Authority for the Financial Markets (“AFM”) and a near-final version of the prospectus was submitted to the AFM on March 12, 2024. Wall-crossing, which is conducted by the Banks, started on March 18, 2024 and informs potential investors about the timing and structure of the Capital Increase.

On March 18, 2024, the Company and the Banks executed an Engagement Letter pertaining to the Capital Increase. The Company plans on using authorized capital for the Capital Increase. The resolution regarding the creation of this authorized capital for 50% of the Company's issued share capital has been granted at the Company's annual general meeting on May 8, 2023 and is valid for a period of 18 months, until November 8, 2024.

The implementation and timing of the Capital Increase is likely to occur but an outcome cannot yet be predicted, among other things, due to market conditions and the absence of final, firm commitments by the potential investors who were wall-crossed on March 18, 2024. There is no definitive visibility as to how much investor interest there is in the Capital Increase and whether it is sufficient to be able to carry out the Capital Increase. Nonetheless, the Company and the Banks have jointly decided to progress the transaction and expect the Capital Increase to be conducted in the week commencing March 18, 2024.

## **2. Inside information**

In today's overall view of the circumstances, the status of the planned Capital Increase as described above constitutes, in our opinion, inside information within the meaning of Art. 7 MAR, which would have to be published by the Company pursuant to Art. 17 para. 1 MAR by way of a so-called ad-hoc announcement.

Even if decisive steps for the implementation of the Capital Increase are still outstanding – in particular the AFM's final approval of the listing prospectus, the conclusion of placement agreements, as well as the Company's board decision and resolutions on the final implementation of a Capital Increase, the preparation status achieved could, if it becomes publicly known, have a significant impact on the stock exchange price of the Company's shares.

The Chief Executive Officer and the Chief Financial Officer of the Company consider it plausible that a reasonable investor would also use the information about the current status of the preparation of a Capital Increase as an interim step within the meaning of Art. 7 para. 3 MAR regarding the possible future implementation of a Capital Increase probably as part of the basis of his investment decisions.

## **II. Postponement of the disclosure of inside information (ad-hoc publicity)**

### **1. Subject of the postponement**

The present postponement pursuant to Art. 17 para. 4 MAR relates to an obligation of the Company to immediately announce and publish inside information pursuant to Art. 17 para. 1 MAR (ad-hoc publicity) regarding the facts described above under section I.

## **2. Reasons for the postponement of the inside information**

Pursuant to Art. 17 para. 4 MAR, the issuer may (temporarily) postpone the disclosure of inside information pursuant to Art. 7 para. 1 MAR on its own responsibility as long as the following conditions are met:

- a. immediate disclosure would be likely to prejudice the legitimate interests of the issuer,
- b. postponing disclosure would not be likely to mislead the public; and
- c. the issuer can ensure the confidentiality of this information.

As outlined below, these conditions are fulfilled.

### **a. Immediate disclosure would be likely to prejudice the legitimate interests of the Company**

The immediate disclosure of information on a possible Capital Increase at the present time would be likely to prejudice the legitimate interests of the Company (Art. 17 para. 4 subpara. 1 lit. a) MAR).

At the present time, the Capital Increase is being prepared, but a final decision by the Company's board as to whether and in what time frame and under what conditions, including pricing, a Capital Increase can and should be carried out, has not been made.

The publication of the fact that a Capital Increase is possibly to be carried out, could lead to the fact that the announcement on the possible implementation a Capital Increase would have to be revoked if the Capital Increase is not carried out in the end. If it were to be announced today - albeit with reservations - that a Capital Increase could possibly take place, this could initially lead to an increase in the stock market price of the Company's share. However, if the Capital Increase were not implemented, there would be a risk of a corresponding decline in the Company's share price. Due to the tendency of significant fluctuating share price, it is to be feared that this will not only occur at the original level prior to the publication of a possible Capital Increase, but also significantly below. This, in turn, would be likely to have a significant negative impact on the Company's reputation and standing in the capital market, and thus on its ability to raise equity or debt capital in the future.

This is all the more serious as not all information on the final Capital Increase is available and the market would thus be incompletely and insofar misleadingly informed in advance.

In addition, publication of the current project status as an interim step in the time-stretched process of the Capital Increase would jeopardize proper assessment and execution of the transaction. The Company and the Banks assessed and believe that potential investors are less likely to participate and invest in the event of an increased share-price due to the potentially and temporarily increased share price following an ad hoc

publication about the current status of the transaction, as described above. It is therefore not in the legitimate interest of the company, that is, in the interest of ensuring the progression of the transaction, to issue a temporary ad hoc release as it would negatively impact the likelihood of successfully completing the transaction.

Art. 17 subpara. 1 lit. a) MAR provides for the possibility of self-exemption if immediate disclosure would be likely to prejudice the legitimate interests of the issuer. For the above reasons, a postponement of the publication is in the legitimate interest of the Company.

**b. Postponing disclosure would not be likely to mislead the public**

There is no reason to fear that the public will be misled (Art. 17 para. 4 subpara. 1 lit. b) MAR). Neither the Company nor the Banks have made any public comments on a possible Capital Increase, nor have any signals been or will be otherwise sent to the public in this regard. This is also not intended. So far, there have also been no inquiries from the public in this regard. In addition, the postponement of disclosure serves precisely to counter the risk associated with the publication of preliminary information of price fluctuations not based on substantial events and thus to mislead the public.

**c. Confidentiality of the inside information is ensured**

Furthermore, the Company has taken extensive measures to ensure confidentiality and to maintain the secrecy of potential inside information. This is monitored by the Company at regular intervals and, in particular, the market is observed for signals from third parties and unusual price fluctuations.

Confidentiality was and is ensured (Art. 17 para. 4 subpara. 1 lit. c) MAR), as the Company ensures that only a limited group of persons, who need the information to perform the tasks assigned to them, have access to this information. This is done in particular by limiting access in the IT system, such as closed e-mail recipient groups and locked drives, as well as by storing documents in locked containers and cabinets.

The persons involved are also included in the insider list pursuant to Art. 18 para. 1 MAR and are also bound to secrecy (i) by profession (e.g. appointed lawyers), (ii) by confidentiality agreements customary in the market (e.g. appointed consultants) or (iii) by law (board members) or by employment or service contract obligations (employees and management board members). Furthermore, in accordance with Art. 18 para. 2 MAR, the Company has taken all necessary precautions by means of appropriate written instructions to ensure that all persons on the insider list acknowledge in writing the obligations arising from the applicable legal and administrative provisions and are aware of the sanctions that apply in the event of insider trading and unlawful disclosure of inside information.

### **III. Review of the postponement; publication of the inside information**

#### **1. Examination of the continuity of the reasons for postponement of publication**

The continuation of the reasons for the postponement of publication, as described under II. 2. above, will be continuously monitored and reviewed by the Company. In particular, during the period of deferral, the share price is monitored on a daily basis in order to identify any unusual price movements in a timely manner that are not attributable to the general market environment or to other circumstances outside the circumstances underlying the postponement and that may be an indication of market rumors. In addition, regular monitoring is carried out to ensure that confidentiality is still assured and that no market rumors are present.

The Company's Chief Executive Officer and the Chief Financial Officer have taken precautions to ensure that, in the event that the requirements for the self-exemption are no longer met, any inside information that then exists can be disclosed without delay by means of an ad-hoc announcement.

#### **Date of the decision to make up for the publication**

The planned Capital Increase is expected to be announced shortly before pricing of the transaction, on or around March 21, 2024 after completion of the preparations and depending on market developments.

Eindhoven, March 19, 2024

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Dave Marver

Chief Executive Officer

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Khaled Bahi

Chief Financial Officer

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