

Episurf announces outcome of directed share issue

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Subscription in the directed issue of no more than 3,713,814 shares of series B (the "Share Issue") and the directed issue of 2,252,210 warrants (the "Warrant Issue") that the board of Episurf Medical AB (publ) resolved upon in accordance with press release on 12 November 2018, and which were approved by the extraordinary general meeting on 7 December 2018, has now been finalized. In total, 3,290,210 shares of series B and all 2,252,210 warrants were subscribed for. The Share Issue was consequently not fully subscribed. In total, SEK 13,160,840 before transaction costs is contributed to Episurf.

"I am very glad that we executed this directed issue during a rather tough stock market climate. We now have a US investor with extensive experience from the orthopaedic industry as our second largest shareholder, in addition to strong support from several other prominent investors, among them Rhenman & Partners", says Pål Ryfors, CEO Episurf Medical.

The Share Issue was directed to a number of selected investors, including Niles Noblitt, one of the founders of Biomet, and the current shareholder Rhenman Healthcare Equity L/S. The shares of series B were issued at a subscription price of SEK 4.00 per share, which corresponds to a discount of approximately 4.8 percent compared to the closing price of Episurf's share of series B as per 9 November 2018.

The Warrant Issue was directed to Niles Noblitt. The warrants are issued free of charge and provides the right to subscribe for up to 2,252,210 shares of series B during a period of two years at a subscription price of SEK 4.00 per share.

Through the Share Issue, Episurf's share capital will increase by SEK 987,063.00 to SEK 10,415,156.60 and the number of shares to 34,690,610 based on the registered share capital and number of shares as of today's date.

Stockholm on 19 December 2018

For more information, please contact:

Pål Ryfors, CEO, Episurf Medical
Tel: +46 (0) 709 62 36 69
Email: [pal.ryfors@episurf.com](mailto:p.al.ryfors@episurf.com)

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 personalised treatment alternatives. Episurf Medical's Episealer® personalised implants and Epiguide® surgical drill guides are developed for treating localized cartilage injury in joints. Episurf Medical's µFidelity® 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.

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