

# Notice of Extraordinary General Meeting of Episurf Medical AB (publ)

*The English text in this notice is a translation of the Swedish original. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

The shareholders in Episurf Medical AB (publ), 556767-0541 ("Episurf" or the "Company"), are hereby summoned to an Extraordinary General Meeting (the "Meeting") on Tuesday 7 May 2019 at 10 a.m. (CEST) at the premises of the Company, Karlavägen 60, 114 49 in Stockholm.

## Notice of attendance

Shareholders who wish to attend and vote at the Meeting must be registered in the share register maintained by Euroclear Sweden AB on Tuesday 30 April 2019, and give notice of attendance to the Company by mail to Episurf Medical AB (publ), Karlavägen 60, 114 49 Stockholm or by email to [ir@episurf.se](mailto:ir@episurf.se).

Notice of attendance must be received by the Company no later than on Thursday 2 May 2019. The notification shall include the shareholder's name, personal identification number/corporate registration number and daytime telephone number. The notice of attendance shall also include the number of accompanying advisors (not more than two) who are attending the Meeting. Shareholders who are represented by a proxy must submit a dated and signed power of attorney. The original of the power of attorney and, for legal entities, a certified copy of a certificate of registration, should be sent to the Company at the address above in ample time prior to the Meeting. The power of attorney may not be valid for a longer period than one year from its issuance. However, the power of attorney may be valid for up to five years from its issuance if so explicitly stated. A form of power of attorney will be available on the Company's website, [www.episurf.com](http://www.episurf.com).

Shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own name to be entitled to participate at the Meeting. Such registration must be completed at Euroclear Sweden AB no later than on Tuesday 30 April 2019. The nominee should therefore be instructed well in advance of this date.

Personal data regarding shareholders acquired from the share register, the notification of attendance at the Meeting and data regarding deputies, proxies and advisors, will be used for registration, preparation of the voting list for the Meeting and, when applicable, the minutes from the Meeting. The personal data is handled in accordance with the General Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council) that entered into force on 25 May 2018.

## Proposed agenda

1. Opening of the Meeting
2. Appointment of a Chairman of the Meeting
3. Preparation and approval of the voting list
4. Election of one or two persons to approve the minutes of the Meeting
5. Approval of the agenda
6. Determination of whether the Meeting has been duly convened
7. Resolution on amendments to the Articles of Association of the Company
8. Resolution on approval of a new issue of shares with preferential rights for shareholders
9. Closing of the Meeting

## Proposal under item 2; Appointment of a Chairman of the Meeting

The Board of Directors proposes that Anna Berntorp is appointed Chairman of the Meeting.

## Proposal under item 7; Resolution on amendments to the Articles of Association of the Company

To enable the rights issue with preferential rights for shareholders pursuant to item 8 below, the Board of Directors proposes that the Meeting resolves on the following amendments to the Articles of Association of the Company:

1. The provision in § 4 regarding the limits of the share capital of the Company is amended so that the share capital shall be no less than SEK 10,543,022.32 nor exceed SEK 42,172,089.28.
2. The provision in § 5 regarding the number of shares in the Company is amended so that the number of shares shall be no less than 35,113,686 and no more than 140,454,744.

A resolution in accordance with the proposal of the Board of Directors under this item 7 must be supported by shareholders representing at least two-thirds of the votes cast as well as the shares represented at the Meeting. The resolution shall be conditional upon the approval of the resolution under item 8.

## Proposal under item 8; Resolution on approval of a new issue of shares with preferential rights for shareholders

Subject to the Meeting's subsequent approval, the Board of Directors in Episurf resolved, on 5 April 2019, on a new issue of class A shares and class B shares with preferential rights for shareholders (the "Rights Issue"), on the following main terms and conditions.

The Company's share capital shall be increased with no more than SEK 21,086,044,64 by a new issue of no more than 1,016,154 class A shares and no more than 69,211,218 B shares, *i.e.* no more than a total of 70,227,372 new shares.

The Company's shareholders shall have preferential rights to subscribe for the new class A shares and class B shares *pro rata* to the number of shares previously held by the holder. For each share of class A and class B held on the record day, shareholders will receive two subscription rights of class A and class B, respectively. The subscription right of a share of class A entitles the holder to subscribe for one new class A share and the subscription right of a share of class B entitles the holder to subscribe for one new class B share. The record day for determining which shareholders shall be entitled to

subscribe for shares with preferential rights (*i.e.* to receive subscription rights) shall be 14 May 2019.

If not all shares issued in the Rights Issue are subscribed for with subscription rights (primary preferential right), the Board of Directors shall decide on the allotment of new class A shares and class B shares subscribed for without subscription rights in accordance with the following:

- *Firstly*, shares not subscribed for with primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). If shares thus offered for subscription are insufficient for the subscription that takes place through a subsidiary preferential right, the shares shall be divided among subscribing parties in relation to the previous shareholding. To the extent this cannot take place, the shares shall be divided by the drawing of lots.
- *Secondly*, the shares shall be allotted to others that have subscribed for shares without subscription rights, *pro rata* to the number of shares that each has subscribed for.
- *Ultimately*, the shares shall be allotted to those who guaranteed the Rights Issue pursuant to separate guarantee commitments with the Company, with allocation in relation to the size of their respective commitments.

Subscription of new shares with subscription rights shall be made by payment in cash during the period from and including 15 May 2019 up to and including 29 May 2019. Subscription of shares without subscription rights shall take place during the same period. Subscription shall in such case be made on a separate subscription list. Payment for shares subscribed for without subscription rights shall be made in cash pursuant to instructions on a contract note, however not later than three bank days from the issue of such contract note. The Board of Directors shall have the right to extend the subscription period and the date for payment.

The new class A shares and class B shares shall be issued at the subscription price of SEK 1.40 per share.

The new shares shall entitle to dividends for the first time on the record day for dividends which occurs immediately following the date when the class A shares and class B shares were registered with the Swedish Companies Registration Office.

The resolution on the rights issue of new shares is subject to the Meeting's subsequent approval as well as the amendments to the Articles of Association of the Company pursuant to item 7 of the proposed agenda.

The Board of Directors, the Managing Director, or anyone appointed by the Board of Directors or the Managing Director, shall be authorised to make such minor adjustments to the resolution as may be required in connection with the registration of the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB or due to other formal requirements.

#### **Other**

As per the date of this notice, the Company has 35,113,686 outstanding shares, of which 508,077 are class A shares with three votes per share and 34,605,609 are class B shares with one vote per share. Accordingly, the total number of votes amounts to 36,129,840. The Company holds no treasury shares.

A copy of the Company's Articles of Association, proxy forms and complete proposals, the statement of the Board of Directors as well as the auditor's statement pursuant to Chapter 13 Section 6 of the Swedish Companies Act, together with other documents in accordance with the requirements of the Swedish Companies Act, will be available at the Company's offices (as stated above) and on the Company's website [www.episurf.se](http://www.episurf.se). These documents will also be sent by post to shareholders who so request and state their address.

The shareholders are reminded of their right to request information from the Board of Directors and the Managing Director at the Meeting in accordance with Chapter 7, Section 32 of the Swedish Companies Act.

Welcome!

Stockholm in April 2019

The Board of Directors

#### **For more information, please contact:**

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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](http://www.episurf.com).*