

Episurf Medical enters into its first strategic partnership regarding its AI-based imaging technology

Episurf Medical (NASDAQ: EPIS B) today announces that it has entered into a Letter of Intent with a US-based orthopaedic company related to Episurf Medical's proprietary and patented imaging technology, now to be applied for the allograft industry. While the details and financial considerations of the Letter of Intent are currently confidential, both parties have the intention to collaborate using Episurf Medical's Epioscopy® technology platform for surgery planning within allograft joint surgery.

In September 2018, Episurf Medical announced that the company had CE-marked its visualisation tool, Epioscopy®, which is based on Artificial Intelligence (AI) and translates MR images into a 3D model of the knee joint. Now, the first strategic partnership has been initiated which confirms the demand of this technology. By this partnership, Episurf Medical is establishing its third commercial leg of its business, which further comprises the Episealer® knee implant technology and the Episealer® Talus (ankle) implant technology which is under development.

"Allografts is a biological treatment alternative for cartilage lesions in the knee, and as for the orthopaedic industry in large, the US is the main market for this market segment. We are very happy for this important step. It shows that we are able to leverage on our core competencies around image segmentation and damage assessment, and it provides commercial opportunities for us globally. In fact, we are broadening our addressable market to include patients outside the treatment gap. We are continuing to position our technology for commercial success, now in three areas" says Pål Ryfors, CEO Episurf Medical.

For more information, please contact:

Pål Ryfors, CEO, Episurf Medical

Tel: +46 (0) 709 62 36 69

Email: pal.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 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.

This information is information that Episurf Medical AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CEST on 19 July 2019.