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# **surgicalscience**

## **Surgical Science has completed a directed share issue of approximately SEK 322 million**

Surgical Science Sweden AB (publ) (“Surgical Science” or the “Company”) has, based on the authorization granted by the annual general meeting held on 6 May 2020, and in accordance with what the Company announced in a press release earlier today, successfully carried out a directed share issue of SEK 322 million at a subscription price of SEK 98.30 per share (the “Directed Share Issue”). The subscription price corresponds to a premium of approximately 1 percent to today’s closing price of SEK 97.40 per share and was determined through an accelerated book-building procedure. A number of new and existing Swedish and international institutional investors, including Aktia Asset Management, Funds managed under the Lloyd Fonds brand, Handelsbanken Fonder, Joh. Berenberg, Gossler & Co. KG, Nordea Asset Management, Swedbank Robur Fonder and TIN Fonder, have subscribed for shares in the Directed Share Issue. The net proceeds from the Directed Share Issue will primarily be used to finance the acquisition of Mimic Technologies Inc. (“Mimic” and the “Acquisition”) as announced by the Company earlier today. Furthermore, the board of directors of the Company has today resolved on a new issue of 169,800 shares directed to the major shareholder in Mimic, Jeff Berkley, pursuant to a commitment in the agreement for the Acquisition (the “Investment”).

### **The Directed Share Issue**

The board of directors of the Company have, pursuant to the authorization granted by the annual general meeting held on 6 May 2020, resolved on the Directed Share Issue of 3,279,676 new shares at a subscription price of SEK 98.30 per share. Through the Directed Share Issue the Company will receive gross proceeds of approximately SEK 322 million before transaction related costs. The purpose of the Directed Share Issue and the reason for the deviation from the shareholders’ preemptive rights is to be able to carry out a capital raise in a timely and cost-effective manner in order to finance the Acquisition of Mimic, whilst also further diversifying and strengthening the Company’s shareholder base. The board of directors’ assessment is that the subscription price in the Directed Share Issue is in accordance with market conditions, since it has been determined through an accelerated book-building procedure.

The net proceeds from the Directed Share Issue will be used to finance: (i) the closing consideration in relation to the Acquisition of the Target and (ii) strategic corporate purposes.

“We are very pleased with and grateful for the confidence placed in us – from both our new and existing investors – during the financing discussions related to the acquisition of Mimic. This led us to the decision of raising capital in addition to that required for the initial closing consideration. There has never been as much dialogue as there is now on structural transactions within the medical simulation sector. We will continue working in line with our acquisition strategy – and we have a clear take on how the pieces of this puzzle align to best serve Surgical Science. These days there are few buyers but an increasing number of sellers. For us, as buyers, a strong cash-position and diversified shareholder base provides a strong basis for strategic acquisitions,” says Gisli Hennermark, CEO, Surgical Science.

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The Directed Share Issue will entail a dilution of approximately 8.7 percent based on the number of shares and votes in the Company after the Directed Share Issue. The number of shares and votes outstanding in the Company will increase by 3,279,676 from 34,494,760 to 37,774,436. The share capital will increase by SEK 163,983.87 from SEK 1,724,738.74 to SEK 1,888,722.61.

In connection with the Directed Share Issue, the Company has, subject to customary exceptions, agreed to a lock-up undertaking on future share issuances for a period of 90 days following completion of the Directed Share Issue. Members of the Company's board of directors, management and the existing shareholders Marknadspotential AB, Semelin Kapitalförvaltning AB and Landsnora Software AB have, subject to customary exceptions, agreed to not sell their shares in the Company for a period of 90 days following completion of the Directed Share Issue.

### **The Investment**

Pursuant to and as an integral part of the Acquisition, the Company and Mimic's major shareholder, Jeff Berkley, have agreed that Jeff Berkley shall receive an amount of SEK 16,691,340 of the initial purchase price (the "**Investment Amount**") in shares in the Company. For technical reasons, as the Acquisition is structured as a merger, this will be carried out by way of a cash re-investment by Jeff Berkley by acquiring shares in the Company. Subsequently, the board of directors of the Company have, pursuant to the authorization granted by the annual general meeting held on 6 May 2020, resolved to issue 169,800 shares (the "**Investment Issue**") corresponding to the Investment Amount. The subscription price of SEK 98.30 in the Investment Issue corresponds to the subscription price of the Directed Share Issue and the Investment Amount.

The shares pertaining to the Investment Issue will be subject to a lock-up undertaking by Jeff Berkley for a period of three (3) years with one third (1/3) of the shares being partially released each year.

Together with the Directed Share Issue, the Investment Issue will entail a dilution of approximately 9.1 percent based on the number of shares and votes in the Company after both issues. The number of shares and votes outstanding in the Company will increase by 3,449,476 from 34,494,760 to 37,944,236. The share capital will increase by SEK 172,473.87 from SEK 1,724,738.74 to SEK 1,897,212.61.

### **Advisers**

Pareto Securities AB has acted as Sole Manager and Bookrunner. Advokatfirman Vinge has acted as legal adviser to the Company and Baker McKenzie Advokatbyrå KB has acted as legal adviser to Pareto Securities AB in connection with the Directed Share Issue.

Gothenburg, 20 January 2021  
Surgical Science Sweden AB (publ)

**This press release, in its entirety, is available through the attachment or via:**

<https://surgicalscience.com/aktien/pressmeddelanden/>

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This is information that Surgical Science Sweden AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons above, on 20 January 2021 at 23:55 (CET).

This is a translation of the Swedish version of the press release. When in doubt, the Swedish wording prevails.

#### **About Surgical Science Sweden AB (publ)**

One of the biggest challenges within healthcare globally is how injuries during care can be reduced. Education and training are key, as a large part of the training today can be performed outside the operating room. Surgical Science is a world leader in the manufacture of virtual reality simulators for evidence-based laparoscopic and endoscopic training. The simulators enable surgeons and other medical specialists to train and improve their psychomotor skills and instrument handling before entering the operating room. In parallel with its own products, Surgical Science works with simulation solutions for medical technology companies that develop surgical instruments for clinical use, such as robotic surgery.

Surgical Science is headquartered in Gothenburg, Sweden and present in Stockholm, Sweden. Through sales offices in the US, France, China and UAE as well as a global network of distributors, Surgical Science maintains a presence in most markets around the world. Surgical Science Sweden AB (publ) is traded on Nasdaq First North Growth Market. Certified Adviser is Erik Penser Bank (Telephone: 08-463 83 00; E-mail: [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se)).

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This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. Surgical Science has not authorised any offer to the public of shares or other securities in the United Kingdom or any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Regulation.

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 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 (as

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amended) (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.

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 new shares. Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Company and the Company’s shares. Such information has not been independently verified by Pareto Securities AB.

Pareto Securities AB is acting for the Company in connection with the Directed Share Issue and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Directed Share Issue or any other matter referred to herein.

#### **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 future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company 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 First North Growth Market’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 shares in the Company 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 Directed Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Pareto Securities AB 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 Surgical Science.

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Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.