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Press release 9 October 2019 at 17:31 (CET).

Sedana Medical AB (publ) intends to undertake a directed new share issue

Sedana Medical AB (publ) (“Sedana Medical” or the “Company”) today announces its intention of a directed new share issue of approximately SEK 350 million to Swedish and international institutional investors. Sedana Medical has engaged Pareto Securities AB (“Pareto Securities”) to investigate the conditions for a new issue of shares through a so-called accelerated bookbuilding.

Sedana Medical announces its intention to carry out a directed new share issue of approximately SEK 350 million to Swedish and international institutional investors (the “**Directed New Share Issue**”), which is intended to be carried out based on the authorization granted by the annual general meeting held on 28 May 2019. Sedana Medical has engaged Pareto Securities to investigate the possibilities to conduct the Directed New Share Issue through a so-called accelerated bookbuilding.

The subscription price and allocation of shares in the Directed New Share Issue will be determined through an accelerated bookbuilding procedure, which will begin no earlier than 17:30 (CET) today, 9 October 2019, and end before the commencement of trading on Nasdaq First North Growth Market on 10 October 2019. The bookbuilding procedure, determination of the subscription price and allocation may, at the discretion of the Company or Pareto Securities, close earlier or later and may be cancelled at any time and consequently, the Company may refrain from completing the Directed New Share Issue. The Company will, on closing of the bookbuilding procedure, inform via press release the outcome of Directed New Share Issue.

The rationale for carrying out the Directed New Share Issue is primarily to finance the undertaking of activities in order to reach marketing authorization approval of AnaConDa and IsoConDa in the U.S. The combination registration of IsoConDa and AnaConDa includes activities such as two clinical studies involving approximately 500 patients in total, a human factors validation program, toxicity studies, safety database, adapt the European pediatric study to FDA requirements and a New Drug Application (NDA).

The reason for the deviation from the shareholders’ preferential rights are mainly to diversify the shareholder base in the Company among Swedish and international institutional investors and at the same time take advantage of the opportunity to raise capital in a time- and cost-efficient manner.

In connection with the Directed New Share Issue, the Company has undertaken, with customary exceptions, not to issue additional shares for a period of six calendar months after the announcement of the outcome of the Directed New Share Issue.

In connection with the Directed New Share Issue, board member Michael Ryan has indicated an intention to purchase, for the same subscription price determined through the bookbuilding procedure, up to 75,000 shares from board member Sten Gibeck. Michael Ryan has undertaken not to sell any of his already existing shares in Sedana Medical for a period of 90 calendar days after the announcement of the outcome of the Directed New Share Issue, with customary exceptions.

The other board members and persons of the management holding shares and/or warrants have undertaken not to sell any shares in Sedana Medical for a period of 90 calendar days after the announcement of the outcome of the Directed New Share Issue, with customary exceptions.

The Directed New Share Issue is subject to a resolution by the board of directors of Sedana Medical, pursuant to the issue authorization given by the annual general meeting on 28 May 2019 to issue new shares, following the close of the bookbuilding.

Advisers

Pareto Securities is acting as Sole Manager and Bookrunner and Roschier is legal adviser to the Company in connection with the Directed New Share Issue.

For additional information, please contact:

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Sedana Medical is listed on Nasdaq First North Growth Market Sweden.

Erik Penser Bank (+46 8 463 83 00) is certified adviser to Sedana Medical.

This information is such that Sedana Medical AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 9 October 2019 at 17:31 (CET).

Sedana Medical AB (publ) has developed and sells the medical device AnaConDa, for the administration of volatile anaesthetics to mechanically ventilated patients. A major clinical registration study is currently ongoing to obtain market approval in Europe for inhalation sedation in intensive care units with the pharmaceutical IsoConDa® (isoflurane).

Sedana Medical has direct sales in the Nordic countries, Germany, France and Spain, UK as well as external distributors in the rest of Europe, Canada, Australia and South Korea. The company headquarters are based in Stockholm, Sweden with R&D operations in Ireland.

Important information

This announcement is not an offer to sell or a solicitation of any offer to buy or subscribe for any securities issued by Sedana Medical AB (publ) (the "Company") in any jurisdiction where such offer or sale would be unlawful. In any EEA Member State that has implemented Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This press release is not a prospectus for purposes of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of securities in any EEA member state and no prospectus has been or will be prepared in connection with the directed share issue (the "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.

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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 to buy or subscribe for new shares in the Share Issue must be made solely on the basis of publicly available information, which has not been independently verified by Pareto Securities AB (the “Manager”). The Manager is acting for the Company in connection with the transaction 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 giving advice in relation to the transaction or any other matter referred to herein.

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