

Observe Medical ASA: Exercise of share options, resolution to increase the share capital and mandatory notification of trade

Oslo, 31 August 2020: The board of directors of Observe Medical ASA (the "Company") has resolved to increase the share capital of the Company following the completion of an exercise period for vested share options.

1. Exercise of employee share options

In total 171,875 employee share options were exercised, giving the option holders the right to subscribe for in total 171,875 new shares, each with a par value of NOK 0.26. The option holders were granted the options in connection with the demerger and transfer of Navamedic ASA's Medtech division to Observe Medical ASA on 31 October 2019. The exercise price was NOK 3.12 for 125,000 of the share options and NOK 2.444 for the remaining 46,875 share options.

2. Resolution to increase the share capital of the Company

In connection with the exercise of the employee share options, the Board of Directors of the Company has, pursuant to the authorization granted by the Company's General Meeting on 30 June 2020, resolved to increase the Company's share capital with NOK 44,687.50 by issuing 171,875 new shares, each with a par value NOK 0.26.

The share capital increase will be registered with the Norwegian Register of Business Enterprises (Nw. Foretaksregisteret) as soon as practically possible. Following the share capital increase, the Company's share capital will be NOK 5,097,418.82 divided into 19,605,457 shares, each with a par value of 0.26.

3. Mandatory notification of trade

Kathrine Gamborg Andreassen, member of the board of directors and primary insider in the Company, exercised 125,000 options in the Company on 20 July 2020, giving the primary insider the right to subscribe for an equal amount of shares in the Company at a price of NOK 3.12 per share.

The shares issued to Kathrine Gamborg Andreassen are subject to a lock-up period of 24 months after exercise.

Following the subscription of the shares, Kathrine Gamborg Andreassen and her close associates (incl. her wholly-owned company Soleglad Invest AS) holds 586,668 shares in the Company and nill options.

For further information, please contact:

Björn Larsson, CEO of Observe Medical
Mobile: +46 76 620 17 25
E-mail: bjorn.larsson@observemedical.com

Observe Medical develops and markets innovative hospital products that contribute to increased patient safety and a more efficient care system. The company's headquarter is in Oslo and its operations are based out of Sweden. Observe Medical's initial product Sippi®, is the only automated digital urine meter with wireless data transfer to hospital patient data management systems, and hinders bacterial migration that can lead to urinary infections (Sippcoat®). Sippi® is CE marked and is currently being launched at selected hospitals in Europe.