

Observe Medical ASA: Interim report first quarter 2021

Oslo, May 12th, 2021 – Observe Medical ASA (OSE: OBSRV) today released its presentation of the first quarter 2021, reporting continued advancement for the commercialization and go-to-market strategy Sippi®, a unique and proprietary solution for digital automated urine monitoring in hospitals.

“We are continuing to execute on our go-to-market strategy, with current focus on the clinical rollout of Sippi® in the Nordics and Europe, and so far this year, we have made considerable steps forward, despite the challenging environment with highly restricted access to our customers. It is essential for us to get Sippi® out to the hospitals and into clinical use. Not only is it important to establish references and to educate physicians in the benefits of Sippi®, but it is also of vital importance for us to gain experience and collect feedback from customers. We already see that this feedback is helping us optimizing our offering for a broader commercial push going forward,” said CEO of Observe Medical Björn Larsson.

So far in 2021, Observe Medical has enhanced its Nordic sales and distribution capacity and also continued to expand and strengthen its global patent portfolio. At the same time, the clinical evidence for Sippi® is reinforced further through a doctoral dissertation earlier this year and new studies to broaden the clinical use of Sippi® has been initiated.

Sippi® contributes to improved clinical outcome for patients, enhances the working situation for health care professionals and drives efficiency for the healthcare system.

“The Covid-19 pandemic has obviously challenged our pace of roll-out, and we have recently again, experienced tougher restrictions on access to customers. However, we have spent the time well, preparing for accelerated clinical rollout of Sippi® once the situation improves, which we expect will happen gradually, later in 2021,” said Björn Larsson, and continued:

“Our Nordic Direct Sales Operation is now well established and proves very efficient even in the challenging situation during the pandemic. We are able to source essential equipment for hospitals due to our excellent global supplier relations, and during Q1 we received large orders which will materialize in revenues during the rest of 2021. The product portfolio and sales capabilities of the Nordic Direct Sales Operation are highly synergistic with Sippi®, which is of vital importance for the access to Sippi® target customers.”

Observe Medical’s revenue in the first quarter of 2021 was NOK 3.1 million, up from approx. NOK 32 thousand in the same quarter in 2020. The increase was primarily driven by the added revenue from the acquired sales and distribution operations in Sweden. The Company’s EBITDA was negative NOK 8.0 million (negative NOK 4.4 million in the same quarter in 2019), affected by increased cost related to increased headcounts and market activities. The net result in the period ended at negative NOK 4.8 million (negative 0.4 million).

Observe Medical is hosting a presentation of the first quarter 2021 financial results as a webcast Wednesday, May 12th, 2021. The event will start at 08.30 CET and will be webcasted live on www.observemedical.com - Investor relations and on the following link:

https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20210512_3

Representatives from the Company will be CEO Björn Larsson and CFO Per Arne Nygård.

Viewers are welcome to ask questions in writing during and after the presentation through the webcast player.

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About Observe Medical (<https://observemedical.com>)

Observe Medical develops and markets and sells innovative hospital products that contribute to increased patient safety and a more efficient care system. The company's ambition is to drive growth by leveraging its expertise in sales and commercialization of its broad portfolio of medical technology products, mainly in the areas of Urine measurement, Anesthesiology/ICUs and wound care, in combination with targeted M&A. The company's headquarters is in Oslo, Norway and its operations is based out of Gothenburg, Sweden. Observe Medical has a direct sales organization in the Nordics and a distributor network internationally. Observe Medical's product Sippi® is the only automated digital urine meter with possibility for wireless data transfer to the hospital patient data management systems and hinders biofilm formation that can lead to urinary infections (Sippcoat®). Sippi® is currently being launched with focus on selected markets and hospitals in Nordics and in Europe.