

Observe Medical ASA – Preliminary results of the rights issue

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Reference is made to the stock exchange announcement published by Observe Medical ASA (the "Company") on 9 February 2022 regarding the commencement of the subscription period in the rights issue of 25,714,286 new shares in the Company (the "Offer Shares") at a subscription price of NOK 7.00 per offer share (the "Rights Issue").

The subscription period for the Rights Issue expired at 16:30 hours (CET) today, on 23 February 2022.

Preliminary counting indicates that the Company has received subscriptions for approximately 12.4 million Offer Shares in the Rights Issue.

The final allocation of the Offer Shares will take place on 24 February 2022 in accordance with the allocation criteria set out in the Company's prospectus dated 8 February 2022 (the "Prospectus"). The final result of the Rights Issue will be published shortly thereafter, and letters regarding allocation of the Offer Shares and the corresponding subscription amount to be paid by each subscriber, are expected to be distributed on 24 February 2022.

The due date for payment of the Offer Shares is 28 February 2022.

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This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 the Norwegian Securities Trading Act.

This stock exchange announcement was published by Per Arne Nygård, CFO at Observe Medical ASA on 23 February 2022 at 19:20 CET on behalf of the Company.

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About Observe Medical

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 headquarter 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 bacterial migration that can lead to urinary infections (SippCoat®). Sippi® is CE marked and is currently being launched with focus on selected markets and hospitals in Nordics and in Europe.

IMPORTANT INFORMATION

This announcement does not constitute an offer of securities for sale or a solicitation of an offer to purchase securities of the Company in the United States or any other jurisdiction. The securities of the Company may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). The securities of the Company have not been, and will not be, registered under the U.S. Securities Act. The information contained in this announcement is for informational purposes only and does not purport to be full or completed. The Company does not intend to register any portion of this offering in the United States or to conduct a public offering in the United States. Copies of this announcement are not being, and should not be, distributed in or sent into the United States.

This announcement has been prepared on the basis that any offer of securities in any Member State of the European Economic Area, other than Norway, which has implemented the Prospectus Regulation (EU) (2017/1129, as amended, the "Prospectus Regulation") (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Regulation, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of securities. Accordingly any person making or intending to make any offer in that Relevant Member State of securities which are the subject of the offering contemplated in this announcement, may only do so in circumstances in which no obligation arises for the Company or any of the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 16 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Company nor any of the Managers have authorised, nor do they authorise, the making of any offer of the securities through any financial intermediary, other than offers made by the Managers which constitute the final placement of the securities contemplated in this announcement. Neither the Company nor any of the Managers have authorised, nor do they authorise, the making of any offer of securities in circumstances in which an obligation arises for the Company or any Managers to publish or supplement a prospectus for such offer.

In the United Kingdom, this announcement is only addressed to and is only directed at Qualified Investors who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations, etc.) (all such persons together being referred to as "Relevant Persons"). This announcement are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this

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Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intends", "may", "should", "will" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. 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 information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

This announcement is made by and, and is the responsibility of, the Company. The Managers are acting exclusively for the Company and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, or for advice in relation to the contents of this announcement or any of the matters referred to herein.

Neither the Managers nor any of their respective affiliates makes any representation as to the accuracy or completeness of this announcement and none of them accepts any responsibility for the contents of this announcement or any matters referred to herein.

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Any offering of the securities referred to in this announcement will be made pursuant to the Prospectus for the Rights Issue dated 8 February 2022. This announcement is an advertisement and is not a prospectus for the purposes of the Prospectus Regulation. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the aforementioned Prospectus. Copies of the Prospectus is available at the Company's registered office and, subject to certain exceptions, on the websites of the Company (<https://www.observemedical.com>), Carnegie (www.carnegie.no/ongoing-prospectuses-and-offerings) and DNB Markets (www.dnb.no/emisjoner).