

OBSERVE MEDICAL ASA – Major shareholders have converted their loans in the rights issue and/or entered into amendment agreements

Oslo, 12 December 2023: Reference is made to the stock exchange announcements published by Observe Medical ASA (the "Company") regarding the rights issue of minimum 69,230,770 new shares and maximum 211,538,461 new shares in the Company (the "Offer Shares"), each with a nominal value of NOK 0.26, at a subscription price of NOK 0.26 per Offer Share (the "Rights Issue").

As previously announced, completion of the Rights Issue is subject to (i) the Company raising gross proceeds in the Rights Issue of minimum NOK 18,000,000.20 in cash and (ii) each of the lenders ("Lenders") (listed in Appendix 3 in the minutes from the extraordinary meeting held on 22 November 2023 ("Appendix 3")) converting the loans specified in Appendix 3 (the "Loans") in whole in the Rights Issue and/or enter into an amendment agreement for the remaining amount under each of the respective Loans that are not converted in the Rights Issue regarding extension of the maturity date and amendment of the terms to market terms.

The Company is pleased to announce that the following Lenders have converted their respective Loans in full in the Rights Issue:

- (i) Ingerø Reiten Investment Company AS,
- (ii) JPB AS,
- (iii) ELI AS,
- (iv) Skålvold Eiendom AS,
- (v) Kubera AS,
- (vi) Harding Invest AS, and
- (vii) MP Pensjon PK.

The remaining Lender, Navamedic ASA, has entered into an amendment agreement with the Company for its respective Loan, extending the maturity date until 31 January 2025. In addition, the current interest rate will apply until 6 September 2024. After 6 September 2024, the Loan will bear an interest of 3 months NIBOR + 6 percent per annum. The relevant condition for completing the Rights Issue is consequently fulfilled. However, completion of the Rights Issue is still subject to the Company raising gross proceeds in the Rights Issue of minimum NOK 18,000,000.20 in cash.

The subscription period for the Rights Issue will expire today, on 12 December 2023 at 16:30 hours (CET). Subscription rights that are not used to subscribe for Offer Shares in the Rights Issue prior to expiry of the subscription period, today, on 12 December 2023 at 16:30 hours (CET) will lapse without compensation to the holder, and thus be without value.

Subject to timely payment (in case of cash settlement) of the Offer Shares subscribed for and allocated in the Rights Issue on 15 December 2023, the Company expects that the share capital increase pertaining to the Rights Issue will be registered with the Norwegian Register of Business Enterprises on or about 21 December

2023, and that delivery of the Offer Shares pertaining to the Rights Issue is completed on or about 22 December 2023.

The Rights Issue may be withdrawn, or the completion of the Rights issued may be delayed, if the aggregate minimum subscription amount for the Offer Shares is not received by the Company on time or at all.

If the Rights Issue is withdrawn, all Subscription Rights will lapse without value, any subscriptions for, and allocations of, Offer Shares that have been made will be disregarded and any payments for Offer Shares made will be returned to the subscribers without interest or any other compensation. The lapsing of subscription rights will be without prejudice to the validity of any trades in subscription rights, and investors will not receive any refund or compensation in respect of subscription rights purchased in the market.

SpareBank 1 Markets AS is acting as manager in the Rights Issue. Advokatfirmaet Thommessen AS is acting as legal counsel to the Company in relation to the Rights Issue.

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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), on 12 December 2023 at 14:00 CET on behalf of the Company.

About Observe Medical

Observe Medical is a Nordic medtech company that develops, markets and sells innovative medtech products for the global market. The Company is committed to improving patient welfare and patient outcomes, improving clinical data accuracy and promoting positive health economics.

The Company seeks to drive growth by leveraging its expertise in sales and commercialization of its broad portfolio of medical technology products, mainly in urine measurement, ultrasound, anesthesiology/ICUs, surgery and wound care, in combination with targeted M&A.

The Company is headquartered in Oslo, Norway, with additional offices in Narvik, Norway and Gothenburg, Sweden, and subsidiaries in Finland and the US. In addition, Observe Medical has a direct sale organization in the Nordics and a distributor network internationally.

Further information is available at www.observemedical.com.
