

Observe Medical ASA: Exercise of employee share options and increased share capital

(Oslo, 24 January 2020)

Exercise of employee share options

In connection with the expiry date at 24 January three employees in Navamedic ASA have exercised a total of 275,000 options in Observe Medical ASA. Employees in Navamedic ASA were granted options in Observe Medical ASA in connection with the demerger of Navamedic ASA's Medtech division with transfer to Observe Medical ASA 31 October 2019. The weighted average option exercise price is NOK 3.12. Shares issued upon exercise are subject to a lock-up period of 12 months after exercise.

Increased share capital

Following the share option exercise the Board of Directors, pursuant to authorization granted by Observe Medical ASA's General Meeting on 1 October 2019, has decided to increase the Company's share capital by NOK 71,500 by issuing 275,000 new shares, of par value NOK 0.26. Following the increase, Observe Medical ASA's share capital is NOK 3,989,094.98 divided into 15,342,673 shares.

Mandatory notification of trade

Options exercised by primary insiders 23 January 2020:

Kathrine Gamborg Andreassen has exercised 125,000 options in the Company, corresponding to 125,000 shares at the strike price of NOK 3.12.

After exercising options, Kathrine Gamborg Andreassen holds 125,000 options and 541,668 shares in the Company.

For further details, reference is made to the prospectus issued by Observe Medical ASA on 1 November 2019, which is available on the company's web site www.observemedical.com.

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About Observe Medical ASA:

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 was Sippi®, the only digital urine meter with wireless data transfer to patient data management systems, which also prevents bacterial migration that can lead to urinary infections (Sippcoat®). Sippi® is CE marked and is currently being launched at selected hospitals in the Nordics and Germany.