

Observe Medical ASA: Interim report for the third quarter and 2021

Oslo, November, 3rd, 2021 - Observe Medical ASA (OSE: OBSRV) today released its financial results and presentation of the third quarter of 2021. The Company reports strong revenue growth for the Nordic portfolio, continued progress in the commercialization and go-to-market execution for Sippi® including an update on preparations for US market entry.

CEO of Observe Medical, Björn Larsson commented: "We are building a Nordic-based medtech company with global reach, with the Sippi® digital urine meter as our first product. The roll-out of Sippi® is the key focus for the company, and during the third quarter we have taken important steps forward. Sippi® has been successfully pre-launched in Poland, and hospitals in Italy and Finland have decided to implement Sippi® connected to their data management platform. In Sweden, Nya Karolinska Sjukhuset is the first customer to expand the use of Sippi® outside the intensive care unit. Together with further strengthened indications of the clinical benefits of Sippi® and health economic evidence of the cost savings and economical value of the system, this makes us well equipped to continue execution of the go-to-market strategy."

The roll-out of Sippi® is done through a close collaboration with distributors in markets outside the Nordics, whereas Observe Medical has a direct sales operations in the Nordics.

"We aim to expand the network of distributors and are currently screening and targeting additional European partners. There is also a significant potential for launch in the US market. During the third quarter we have strengthened our US patent protection, and at the same time clarified the regulatory pathway in the USA," said Björn Larsson.

Observe Medical's revenue in the third quarter of 2021 was NOK 7.6 million (NOK 9,000 in the same quarter in 2020). The increase from 2020 was primarily driven by the added revenue from the acquired sales and distribution operations in Sweden. On a comparable basis, Observe Medical grew revenues with 148 percent in the third quarter 2021 compared to the same period in 2020.

Observe Medical's EBITDA in Q3 2021 was negative NOK 6.7 million (negative NOK 4.8 million in the same quarter in 2020), affected by increased headcount and development projects in the quarter. The net result in the period ended at negative NOK 8.4 million (negative 5.9 million).

Observe Medical ASA invites you to a presentation of the third quarter 2021. The presentation will take place at Felix Konferansesenter in Oslo today, 3 November 2021. The event will start at 08.30 CET and will be webcasted live on www.observemedical.com - Investor relations and at the following link:

https://channel.royalcast.com/landingpage/hegnarmedia/20211103_5/

Representatives from the Company will be: CEO Björn Larsson and CFO Per Arne Nygård. Shortly after the presentation the webcast recording will be published on the same site.

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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.