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PRESS RELEASE

# Stille carries out a directed share issue of approximately SEK 425 million

The board of directors of Stille AB (publ) (“Stille” or the “Company”) has resolved to issue 3,971,963 new shares at a subscription price of SEK 107 per share in a directed share issue to institutional investors, subject to approval at an extraordinary general meeting to be held on 29 December 2023 (the “Directed Share Issue”). The subscription price corresponds to a premium of approximately 2 percent to today’s closing price of SEK 105 per share as traded on Nasdaq First North Growth Market. Participating investors include existing shareholders Linc AB, Lannebo Fonder, SEB Investment Management, ShapeQ, Aktia Fund Management Company Ltd, Healthinvest Partners AB, Ramhill AB, Schrodgers and Odin Fonder as well as new investors comprising Impilo AB and Funds managed by Berenberg AM, of which Impilo AB, through a wholly-owned subsidiary (“Impilo”), has entered into a subscription undertaking subject to the fulfilment of certain conditions, as described below. The net proceeds from the Directed Share Issue will finance the acquisition of Fehling Instruments GmbH & Co. KG and Fehling Verwaltungs GmbH (jointly “Fehling” and the “Acquisition”) as announced by the Company earlier today.

## The Directed Share Issue

The board of directors of Stille has resolved on the Directed Share Issue of 3,971,963 new shares at a subscription price of SEK 107 per share, subject to approval at an extraordinary general meeting to be held on 29 December 2023. Through the Directed Share Issue the Company will receive gross proceeds of approximately SEK 425 million before transaction related costs.

“We are very pleased with the strong interest and support from existing and new investors in the directed share issue. It shows the market's confidence in Stille's strategy and growth agenda and gives us the opportunity to carry out the strategically important acquisition of Fehling Instruments, an important step in Stille's ongoing journey towards being a leading player in the premium segment for surgical instruments.” says Torbjörn Sköld, CEO, Stille.

Impilo's undertaking to subscribe for shares in the Directed Share Issue, which amounts to approximately SEK 220 million, is mainly conditional upon (i) that the extraordinary general meeting resolves to approve the Directed Share Issue, (ii) that Victor Steien, as a representative of Impilo, is elected as a new board member at the extraordinary general meeting (the directorship shall be conditional upon, and shall be effective first when, all conditions for Impilo's subscription undertaking having been fulfilled), and (iii) that Impilo receives all necessary foreign direct investment clearances, approvals and decisions for its investment in Stille, including from the Inspectorate of Strategic Products (Sw. *Inspektionen för strategiska produkter*) in

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accordance with the Swedish Screening of Foreign Direct Investments Act (*Sw. lagen (2023:560) om granskning av utländska direktinvesteringar*). Impilo will subscribe and pay for the new shares when all conditions have been fulfilled.

“Stille is a well-established pioneer in the development and manufacturing of premium surgical instruments and advanced surgical tables, with a differentiated offering in fast-growing niche markets for high-precision procedures. Stille is well positioned to accelerate market penetration leveraging its strong brand and product leadership, coupled with an enlarged portfolio and commercial infrastructure following the acquisition of Fehling Instruments. Impilo looks forward to supporting Stille on its continued growth journey, enabling improved quality and efficiency in surgical procedures across the globe”, says Victor Steien, Partner at Impilo.

The reasons for deviating from the shareholders' preferential rights are as follows. The Company's board of directors has made a comprehensive assessment and carefully considered the possibility of raising necessary capital through a rights issue and has assessed that, for various reasons, it is currently more advantageous for the Company and its shareholders to raise capital through the Directed Share Issue. The board of directors of the Company has furthermore, with the support of Pareto Securities ("**Pareto**" or "**Sole Manager and Bookrunner**"), conducted a market sounding in preparation of the Directed Share Issue where contact has been taken with potential long-term institutional investors, some of whom were already existing shareholders in the Company. The investors in the Directed Share Issue have been selected on objective grounds to ensure that the Directed Share Issue can be carried out on favourable terms for the Company. A rights issue would involve a significantly longer execution time and increased costs compared to the Directed Share Issue. The issue proceeds from the Directed Share Issue are intended to be used to finance the Acquisition. The Company expects that the Acquisition will bring benefits related to the group's global competitive position in the market for surgical instruments. Through Impilo's investment, the Company also gains a new and long-term institutional shareholder, which further strengthens the Company's shareholder base. If the Company had chosen to raise capital through a rights issue, the board of directors assesses that there is a risk that the Company may not meet the necessary timelines to complete the Acquisition. Furthermore, given the volatility that has characterised the market during both 2022 and 2023, the board of directors has determined that a rights issue would require significant underwriting commitments from an underwriting syndicate. This would entail additional costs and/or further dilution depending on the type of consideration paid for such underwriting commitments. Considering the above, the board of directors has concluded that the Directed Share Issue, deviating from the shareholders' preferential rights, is the most advantageous option for the Company and in the best interest of the Company's shareholders.

The subscription price per new share in the Directed Share Issue has been determined by the board of directors of the Company in consultation with Pareto following arms-length negotiations with the investors based on the current share price of Stille's shares and is therefore, taking into account the feedback from investors that the Company has received during the market sounding, deemed to correspond to the shares' market value.

The Directed Share Issue, including subscription from Impilo, will entail a dilution of approximately 44.2 percent based on the number of shares and votes in the Company after the Directed Share Issue. The number of shares and votes outstanding in the Company will increase by 3,971,963 from 5,013,484 to 8,985,447. The share capital will increase by SEK 19,859,815 from SEK 25,067,420 to SEK 44,927,235. After completion of the Directed Share Issue, Impilo will hold approximately 22.9 percent of the shares and votes in Stille. Linc AB will hold approximately 22.9 percent of the shares and votes in Stille.

### Voting and lock-up undertakings

Existing shareholders together holding approximately 68.7 percent of the shares and votes in the Company, have undertaken or expressed an intention to vote in favour of the approval of the board of directors' resolution to issue new shares at the extraordinary general meeting. The Company's largest shareholder Linc AB, holding approximately 38.8 percent of the shares and votes in Stille, has also undertaken to vote in favour of the election of Victor Steien, as representative of Impilo, as new board member at the extraordinary general meeting. The notice convening the extraordinary general meeting, including the board of directors' complete proposals regarding the approval of the Directed Share Issue as well as related resolutions, will be announced separately.

In connection with the Directed Share Issue, the Company has, subject to customary exceptions, agreed to a lock-up undertaking on future share issuances for a period of 365 days following completion of the Directed Share Issue. The Company's board

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members and management who own shares in the Company have, subject to customary exceptions, agreed to not sell any shares in the Company for a period of 180 days following completion of the Directed Share Issue.

### Advisers

Pareto Securities AB has acted as Sole Manager and Bookrunner. Advokatfirman Lindahl has acted as legal adviser to the Company and Advokatfirman Delphi has acted as legal adviser to Pareto Securities AB in connection with the Directed Share Issue. Torshälla, 29 November 2023  
Stille AB (publ)

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This is information that Stille AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons above, on 29 November 2023 at 01:21 CET.

### About Stille AB (publ)

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### About Impilo

Impilo is a Nordic investment company focused on long-term investments in sustainable healthcare companies active in medical technology, pharmaceuticals, healthcare services, and other health-related areas. Impilo strives to increase the value of its investments through long-term active ownership. Impilo has a well-diversified portfolio of investments and has raised c. SEK 10 billion in capital from leading Nordic and international investors since its inception in 2017. Learn more about Impilo at [www.impilo.se/en/](http://www.impilo.se/en/).

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This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Stille has not authorised any offer to the public of shares or other securities in the United Kingdom or any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" within the meaning of the Prospectus Regulation who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, Relevant Persons. Persons who are not Relevant Persons should not take any action on the basis of this press release and should not act or rely on it.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by Pareto Securities AB.

Pareto Securities AB is acting for the Company in connection with the Directed Share Issue and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Directed Share Issue or any other matter referred to herein.

### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. 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 Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq First North Growth Market's rule book for issuers.

### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the

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MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in the Company have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Pareto Securities AB will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Stille.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.