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Press release 4 June 2018, at 17:30 (CET)

Sedana Medical AB (publ) intends to undertake a directed new share issue

Sedana Medical AB (publ) ("Sedana Medical" or the "Company") today announces its intention to execute a directed new share issue to Swedish and international investors (the "Private Placement"). The Company has appointed Pareto Securities AB ("Pareto Securities") as financial adviser in connection with the Private Placement.

The subscription price and the total number of new shares in the Private Placement will be determined through an accelerated bookbuilding procedure (the "**Bookbuilding**"). The number of new shares will not exceed 10 percent of the number outstanding of shares in the Company (i.e. not exceed 1,728,053 shares).

The Bookbuilding will start no earlier than 17:31 CET 4 June 2018. Pricing and allocation of the new shares is expected to take place before beginning of trading on Nasdaq First North Stockholm at 09:00 CET on 5 June 2018. The timing of the closing of the Bookbuilding, pricing and allocations are at the discretion of the Company and Pareto Securities. The Company will announce the outcome of the Private Placement after closing of the Bookbuilding in a subsequent press release.

The rationale for carrying out the Private Placement is primarily to finance the initiation of a registration process of AnaConDa and IsoConDa in the U.S., and to further fund and accelerate the commercialization in Europe. The Board has decided that now is an opportune time to accelerate the US registration process due to the high level of interest they have received from US based Key Opinion Leaders and centres that could potentially be part of the clinical trials.

The reason for deviating from the shareholders' preferential rights by conducting a directed new share issue is to broaden the shareholder base and that a directed share issue means lower costs and a faster process which collectively and with sufficient strength indicate that it is in the Company's and the shareholders' interest that the new share issue is made with deviation from the shareholders' preferential rights.

The Private Placement is subject to a resolution by the board of directors of the Company, pursuant to the issue authorization given by the annual general meeting on 22 May 2018 to issue new shares, following the close of the Bookbuilding.

In connection with the Private Placement, board member Bent Julander has indicated that he, through his company Linc AB, intends to acquire up to 80,000 shares from the three board members Sten Gibeck, Mike Ryan and Ola Magnusson (through Magiola Consulting AB). Sten Gibeck and Magiola Consulting AB intends to sell 20,000 shares each and Mike Ryan intends to sell 40,000 shares. The selling shareholders are still under lock-up agreements from the IPO¹, however, Pareto Securities has agreed to waive the lock-up for the selling shareholders to enable the transaction between them and

¹ The lock-up period from the IPO runs until 21 June 2018.

Linc AB. A new lock-up period of 90 days will be entered into by the selling shareholders and the other board members of Sedana Medical in connection with the Private Placement.

Advisers

Pareto Securities is acting sole manager and bookrunner in connection with the Private Placement. Roschier Advokatbyrå AB is legal adviser for the Company and Pareto Securities in connection with the Private Placement. Erik Penser Bank AB is certified advisor for Sedana Medical.

For additional information, please contact:

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Sedana Medical is listed on Nasdaq First North in Stockholm and Erik Penser Bank (+46 8 463 83 00) is certified adviser to Sedana Medical.

This information is such that Sedana Medical AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 4th June 2018 at 17:30 (CET).

Sedana Medical AB (publ) has developed and sells the medical device AnaConDa, for the administration of volatile anaesthetics to mechanically ventilated patients. A major clinical registration study is currently ongoing to obtain market approval in Europe for inhalation sedation in intensive care units with the pharmaceutical IsoConDa® (isoflurane).

Sedana Medical has direct sales in the Nordic countries, Germany, France and Spain as well as external distributors in the rest of Europe, Canada, Australia and South Korea. The company headquarters are based in Stockholm, Sweden with R&D operations in Ireland.

Important information

This announcement is not an offer to sell or a solicitation of any offer to buy or subscribe for any securities issued by Sedana Medical AB (publ) (the "Company") in any jurisdiction where such offer or sale would be unlawful. In any EEA Member State that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any member State, the "Prospectus Directive"), the securities referred to in this release may only be offered (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (b) in any other circumstances falling within Article 3(2) of the Prospectus Directive.

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SEDANA MEDICAL

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No prospectus will be made available in connection with the matters contained in this announcement and no such prospectus is required (in accordance with the Prospectus Directive) to be published.

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 to buy or subscribe for new shares in the share issue must be made solely on the basis of publicly available information, which has not been independently verified by Pareto Securities (the “Manager”). The Manager is acting for the Company in connection with the transaction 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 giving advice in relation to the transaction or any other matter referred to herein.

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