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surgicalscience

Surgical Science announces intention to carry out a directed share issue

Surgical Science Sweden AB (publ) (“Surgical Science” or the “Company”) hereby announces its intention to carry out a directed share issue corresponding to up to approximately 10 percent of the total number of outstanding shares in the Company to institutional investors through an accelerated book-building procedure, pursuant to the authorization granted by the annual general meeting held on 6 May 2020 (the “Directed Share Issue”). The Directed Share Issue is carried out primarily to finance the acquisition of Mimic Technologies Inc. (“Mimic”) as announced by the Company earlier today. Surgical Science has engaged Pareto Securities AB to evaluate the conditions for the Directed Share Issue.

The Directed Share Issue is intended to be resolved by the board of directors pursuant to the authorization granted by the annual general meeting held on 6 May 2020 and will be carried out with deviation from the shareholders’ pre-emptive rights. The Directed Share Issue will be directed to Swedish and international institutional investors. The price of the new shares in the Directed Share Issue will be determined through an accelerated book-building procedure, which will commence immediately after publication of this press release and end before commencement of trading on Nasdaq First North Growth Market on 21 January 2021. The book-building procedure may, at the discretion of the board of directors of the Company, close earlier or later and may be cancelled at any time and consequently, the Company may refrain from completing the Directed Share Issue. The Company will announce the outcome of the Directed Share Issue in a subsequent press release after the closing of the book-building procedure.

The purpose of the Directed Share Issue and the reasons for the deviation from the shareholders’ pre-emptive rights are to be able to carry out a capital raise in a timely and cost-effective manner in order to finance the acquisition of Mimic, whilst also further diversifying and strengthening the Company’s shareholder base.

The net proceeds from the Directed Share Issue will be used to finance: (i) the closing consideration in relation to the acquisition of Mimic and (ii) strategic corporate purposes.

Surgical Science’s cash and cash equivalents amounted to SEK 87.1 million on 31 December 2020.

In connection with the Directed Share Issue, the Company has, subject to customary exceptions, agreed to not to carry out any additional share issuances for a period of 90 days following completion of the Directed Share Issue. Members of the Company’s board of directors, management and the existing shareholders Marknadspotential AB, Semelin Kapitalförvaltning AB and Landsnora Software AB have, subject to customary exceptions, agreed to not sell shares in the Company for a period of 90 days following completion of the Directed Share Issue.

Advisers

Pareto Securities AB has been appointed Sole Manager and Bookrunner. Advokatfirman Vinge acts as legal adviser to the Company and Baker McKenzie Advokatbyrå KB acts as legal adviser to Pareto Securities AB in connection with the Directed Share Issue.

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Gothenburg, 20 January 2021
Surgical Science Sweden AB (publ)

This press release, in its entirety, is available through the attachment or via:
<https://surgicalscience.com/aktien/pressmeddelanden/>

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This is information that Surgical Science Sweden 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 January 20, 2021 at 17:32 (CET).

This is a translation of the Swedish version of the press release. When in doubt, the Swedish wording prevails.

About Surgical Science Sweden AB (publ)

One of the biggest challenges within healthcare globally is how injuries during care can be reduced. Medical education and training are key, as a large part of the training today can be performed outside the operating room. Surgical Science is a world leader in the manufacture of virtual reality simulators for evidence-based laparoscopic and endoscopic training. The simulators enable surgeons and other medical specialists to train and improve their psychomotor skills and instrument handling before entering the operating room. In parallel with its own products, Surgical Science works with simulation solutions for medical technology companies that develop surgical instruments for clinical use, such as robotic surgery.

Surgical Science is headquartered in Gothenburg, Sweden and present in Stockholm, Sweden. Through sales offices in the US, France, China and UAE as well as a global network of distributors, Surgical Science maintains a presence in most markets around the world. Surgical Science Sweden AB (publ) is traded on Nasdaq First North Growth Market. Certified Adviser is Erik Penser Bank (Telephone: 08-463 83 00; E-mail: certifiedadviser@penser.se)

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or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations. There will be no public offer of the securities referred to herein in Sweden, the United States or any other jurisdiction.

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. Surgical Science 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 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

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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 Surgical Science.

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