



Observe Medical ASA: Amendments to loan agreements with Navamedic ASA

Oslo, 15 November 2024: Reference is made to the stock exchange announcement published by Observe Medical ASA (the "Company") on 12 November 2024, in which it *inter alia* was stated that the Company is in dialogue with strategic and financial partners to evaluate options to further strengthen its working capital situation.

The Company has (as borrower) entered into two subordinated loan agreements with Navamedic ASA ("Navamedic") as lender for (i) a loan with an outstanding principal amount of NOK 32,000,000 plus accrued interest, entered into on 27 September 2019 ("Loan I") and (ii) a loan with an outstanding principal amount of NOK 5,000,000 plus accrued interest, entered into on 6 September 2023 ("Loan II" and, together with Loan I, the "Loans").

The Company has today agreed certain conditional amendments to said loan agreements with Navamedic.

Navamedic will convert NOK 16,354,815.20 of Loan I to shares in the Company at a subscription price of NOK 0.40 per share, conditional upon the contemplated subsequent offering in the Company being completed with gross proceeds of minimum NOK 1,500,000 (the "Condition"). In total 40,887,038 new shares will be issued to Navamedic upon completion of the conversion. The share capital increase pertaining to the conversion will be resolved by the Company's board of directors pursuant to an authorisation granted by the extraordinary general meeting held on 17 July 2024. Following the conversion, the outstanding principal amount of Loan I will be NOK 15,645,184.80. In addition, interest of approximately NOK 16,000,000 has currently accrued and is unpaid under Loan I.

Subject to satisfaction of the Condition, the loan agreements will also be amended as follows:

The maturity date of Loan I (31 January 2025) will be postponed, with an amortization schedule starting on 1 January 2026, monthly payments of both principal and interest thereafter, and the remaining balance falling due on 31 December 2027. The Company will pay interest on a monthly basis from 1 April 2025 to 31 December 2025.

The maturity date of Loan II (31 January 2025) will be postponed until 31 December 2027, upon which the remaining balance will fall due in full. The Company will pay interest on a monthly basis from 1 April 2025. Interest of approximately NOK 1,100,000 has currently accrued and is unpaid under Loan II.

No other changes will be made to the Loans (including no changes to the agreed interest rate).

If the Condition is not satisfied, the agreed amendments, including the partial conversion of Loan I, will not be implemented.

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The information in this stock exchange announcement is considered to be inside information pursuant to the EU Market Abuse Regulation and is published in accordance with section 5-12 the Norwegian Securities Trading Act.

This stock exchange announcement was issued by Johan Fagerli, CFO of the Company, on 15 November 2024 at 13:00 hours (CET), on behalf of the Company.

About Observe Medical

Observe Medical is a Nordic medtech company that develops, markets and sells innovative medtech products for the global market. The Company is committed to improving patient welfare and patient outcomes, improving clinical data accuracy and promoting positive health economics.

The Company seeks to drive growth by leveraging its expertise in sales and commercialization of its broad portfolio of medical technology products, mainly in urine measurement and ultrasound, in combination with targeted M&A and distribution. Observe Medical is working with a network of leading distributors to provide outstanding solutions for healthcare professionals globally.

The Company is headquartered in Oslo, Norway.

Further information is available at www.observemedical.com.