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Press release, 15 April 2021

Implantica has decided to proceed with a private placement of SDRs raising gross proceeds of approximately SEK 600 million

Implantica AG (ticker: IMP A SDB) (“Implantica” or the “Company”) has decided to proceed with a private placement of 4,900,000 newly issued Class A shares represented by Swedish Depository Receipts (“SDRs”) at a subscription price of SEK 122.20 per SDR (the “Private Placement”). The Private Placement is subject to the board of directors formally resolving on the Private Placement following the authorization to be granted by the Annual General Meeting (the “AGM”) on 16 April 2021. The subscription price per SDR in the Private Placement was determined through an accelerated book building procedure conducted by Pareto Securities AB (the “Sole Global Coordinator and Bookrunner”). The Private Placement was multiple times over-subscribed and was directed to a number of new and existing institutional investors, including DNCA Investments, Handelsbanken Fonder, Invus, Swedbank Robur Fonder and TIN Fonder.

The board of directors of Implantica has, in line with the intentions set out in the Company’s press release published earlier today, decided to proceed with a directed new share issue of 4,900,000 new Class A shares, represented by a corresponding number of SDRs, at a subscription price of SEK 122.20 per SDR. The subscription price corresponds to a discount of approximately 1.0 percent to the 10-day volume weighted share price of Implantica’s SDRs, as traded on Nasdaq First North Premier Growth Market. The resolution regarding the Private Placement is subject to the board of directors formally resolving on the Private Placement following the authorization to be granted by the AGM. The Company’s largest shareholder Implantica MediSwiss AG, representing the majority of the votes in the Company, has entered into an undertaking to vote in favour of all of the proposals and resolutions by the board of directors relating to the share issue authorization at the AGM 2021. The Company will receive proceeds of approximately SEK 600 million before transaction costs. Since the subscription price in the Private Placement has been determined through an accelerated book building procedure it is the board of directors’ assessment that the subscription price is in accordance with market conditions.

Implantica intends to use the net proceeds from the Private Placement towards the following activities:

- Approximately 45 percent of the proceeds will be used to:
 - Speed up commercialization by building up the sales organization in key markets in advance of regulatory approvals and reimbursement
 - Eventually explore strategic acquisitions, such as smaller companies selling surgical instruments in selected strategic markets, to expand the network and sales force
- Approximately 30 percent of the proceeds will be used to:
 - Expedite bringing the eHealth platform to market
 - Expand and enhance the eHealth platform including additional functionality and more treatment fields
- Approximately 25 percent of the proceeds will be used to:
 - Develop more eHealth-based products such as new stimulation technology and drug delivery from inside the body

“We look forward to continuing to provide life-changing meaningful solutions for patients and at the same time to have all the attributes to be a great investment opportunity for our shareholders. We show our highest gratitude to our shareholders to be given the opportunity and additional resources to speed-up the commercialization of RefluxStop™, which has been progressing since the IPO with both high acceptance by the surgeons as well as presenting excellent long-term results. We are also very excited for our eHealth progress with



our platform technology and large patent portfolio as a basis to continue to expand our eHealth functionality and expedite an accelerated process,” said Peter Forsell, CEO of Implantica.

The Company believes that using the flexibility provided by a non-pre-emptive placing is the most appropriate transaction structure in order to raise capital in a time- and cost-effective manner, whilst also further diversifying and strengthening the Company’s shareholder base.

Through the Private Placement, the Company’s share capital will increase by CHF 9,800,000 from CHF 128,923,074 to CHF 138,723,074. The total number of shares will increase by 4,900,000 shares from 109,461,537 to 114,361,537, whereof 58,111,537 are Class A shares represented by SDRs, and 56,250,000 are Class B shares. The Private Placement results in a dilution of approximately 7.1 percent of the share capital and approximately 4.3 percent of the votes.

The Lock-up undertakings from the IPO continue to remain in force. The Company's main shareholder, Implantica MediSwiss AG, undertook not to, during 360 days after the first day of trading of the Company’s SDRs on Nasdaq First North Premier Growth Market, i.e. 21 September 2020, sell or otherwise dispose of any financial instruments in the Company without the consent of Pareto Securities. Certain shareholders of Implantica MediSwiss AG, whose shareholding in Implantica MediSwiss AG exceeds 1.5 percent, undertook not to, during 360 days after the first day of trading of the Company’s SDRs on Nasdaq First North Premier Growth Market, sell or otherwise dispose of any financial instruments in Implantica MediSwiss AG without the consent of Pareto Securities. All members of the Board of Directors and senior management are also covered by the lock-up undertaking. The Company is under lock-up until 16 September 2021 and has undertaken to not issue any new shares or sell any of its own shares without the consent of Pareto Securities.

Advisors

Pareto Securities is acting Sole Global Coordinator and Bookrunner in the Offering. Baker McKenzie is the legal advisor to Implantica as to Swedish and Swiss law and Advokatfirman Schjødt is the legal advisor to Pareto Securities in the Offering.

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This information is information that Implantica AG 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 set out above, on 15 April 2021 at 23:50 CEST.

About Implantica

Implantica is a medtech group dedicated to bringing advanced technology into the body. Implantica’s lead product, RefluxStop™, is a CE-marked implant for the prevention of gastroesophageal reflux that will potentially create a paradigm shift in anti-reflux treatment as supported by successful clinical trial results. Implantica also focuses on eHealth inside the body and has developed a broad, patent protected, product pipeline based partly on two platform technologies: an eHealth platform designed to monitor a broad range of health parameters, control treatment from inside the body and communicate to the caregiver on distance and a wireless energising platform designed to power remote controlled implants wirelessly through intact skin. Implantica is listed on Nasdaq First North Premier Growth Market (ticker: IMP A SDB). Visit www.implantica.com for further information.

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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/SDRs. Any investment decision in connection with the Private Placement must be made on the basis of all publicly available information relating to the Company and the Company's shares/SDRs. Such information has not been independently verified by the Sole Global Coordinator. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. The Sole Global Coordinator 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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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares/SDRs or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Private Placement. 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.

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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 not required by law or Nasdaq First North Premier 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/SDRs in the Company have been subject to a product approval process, which has determined that such shares/SDRs 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 "EU Target Market Assessment"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares/SDRs in the Company has led to the conclusion that: (i) the target market for such shares/SDRs is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of such shares/SDRs to eligible counterparties and professional clients are appropriate (the "UK Target Market Assessment" and, together with the EU Target Market Assessment, the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares/SDRs in the Company may decline and investors could lose all or part of their investment; the shares/SDRs in the Company offer no guaranteed income and no capital protection; and an investment in the shares/SDRs 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 Private Placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Global Coordinator 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 UK MiFIR; 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/SDRs in the Company.



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