

Company Announcement November 13, 2015

Episurf's First Surgery in Switzerland successfully completed

The first surgery in Switzerland was conducted with the Episealer® Femoral Twin by the orthopaedic surgeon, Dr. Markus P. Arnold, PhD at Hirslanden Klinik Birshof in Basel, Switzerland. The procedure went according to plan for the 70-year-old patient.

After the surgery Dr. Arnold reported a positive outcome. He was pleased with the precision and simplicity of the operative procedure and the patient was happy at discharge.

"The 70-year-old patient had an osteochondral lesion and biological treatment was ruled out due to the age of the patient, although the knee was in very good condition. The implant was a perfect fit, as was expected by the pre-surgical damage marketing report and patient specific guide tools. Postoperatively, the patient feels very good", says Dr. Markus P. Arnold, PhD.

Previous to this surgery, Dr. Arnold deliberately had not used any button-like metallic implants for localized osteochondral defects.

"Until now, the principle of an exact and accurate reconstruction of an individual's anatomy has not been fulfilled by any product or company. Reconstructing the exact joint contour is too dependent on the potential for consequential damage to the opposing cartilage on the tibia plateau. The first experience with the Episealer® convinced me that this treatment method has much potential in accordance with carefully selected patients", Dr. Arnold continues.

Episurf's Medical Advisor, Professor Leif Ryd was also satisfied with the post-operative images and the outcome.

"We have implanted more than 60 Episealers and so far the post-surgery data has been pleasing with consistent reports of positive improvements in pain, mobility and general wellbeing. The patients who have had the implant for the longest time has passed 3 years and I'm happy to conclude that there has been zero clinical revisions yet", says Professor Leif Ryd, Senior Medical Advisor at Episurf Medical.

Episurf Medical plans to cover the Swiss market from Southern Germany. After the surgery, the company's CEO Rosemary Cunningham Thomas was pleased with the outcome of the first surgery in Switzerland.

"This surgery proves that the Episealer® implant treatment is viable for a wide range of patients in different age groups. Dr. Arnold's comments about the utility of the pre-surgical damage report and patient specific design echoes the consistent feedback we hear from Episealer® surgeons across Europe, whereby the Episurf approach enables optimum patient selection, thereby improving the likelihood of a successful, long term clinical result", comments Rosemary Cunningham Thomas, CEO of Episurf Medical.

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About Episurf Medical

Episurf Medical is endeavoring to bring people with painful joint injuries a more active, healthier life through the availability of minimally invasive and personalized treatment alternatives. Episurf Medical's Episealer® personalized implants and Epiguide® surgical drill guides are in development for treating localized cartilage injury in joints. Episurf Medical's μ iFidelity® system will enable implants to be costefficiently tailored to each individual's unique injury for the optimal fit and minimal intervention.

Episurf Medical's head office is in Stockholm, Sweden. Its share (EPIS B) is listed on Nasdaq Stockholm. For more information, go to the company's website: www.episurf.com. The information in this press release is such that Episurf Medical AB is required to disclose in accordance with the Securities Markets Act and/or the Financial Instruments Trading Act.