

Company Announcement December 21, 2015

Episurf Medical receives CE mark for its fourth product, the EpiGuide® MOS

EpiGuide® MOS is Episurf Medical's second "self certified CE-mark" product and the fourth patient specific application for the treatment of cartilage lesions of the Knee. With the addition of the EpiGuide® MOS, Episurf Medical expands its product portfolio to include a patient specific precision tool kit for the mosaicplasty procedure, a biological knee treatment aimed at people in the ages of 20 – 40 years which are considered too young for the Episealer® implant.

Mosaicplasty is a treatment where cartilage from a healthy part of the joint is transferred to the area that has experienced damage. The procedure consists of transplanting cartilage and underlying bone from less weight bearing areas in the knee joint creating a mosaic pattern with the goal to fill the lesion completely with articular cartilage.

"Mosaicplasty is a difficult procedure that is very dependent on the skill of the surgeon. Pre-planning the procedure using MRI will help size estimation of the lesion and to plan for the optimal number and size of grafts needed, including mosaic pattern design. The EpiGuide® MOS aims to reduce the dependence of the skills of each surgeon, making it easier to perform a precise and fast mosaicplasty surgery, based on pre-planning and an individually unique guide", says Rosemary Cunningham Thomas, CEO, Episurf Medical.

The EpiGuide® MOS can be designed to fit any mosaicplasty tools on the market, thus giving surgeons a viable and accessible guide kit that helps them improve accuracy and precision during mosaicplasty surgery.

"Episurf now has four patient specific products on the market which complement each other and allow us to meet the need for treating different types of knee joint lesions across differing age groups. We plan to market launch the EpiGuide® MOS in January 2016, giving our sales team in Europe an additional product within the Episurf range to offer clinics and surgeons", Rosemary Cunningham Thomas continues.

In June 2015, Episurf Medical received the ISO 13485:2012 and Annex II certification which allows the company to CE-mark its own products. This enables Episurf Medical to have better control over its development projects and processes, which now can be shortened by 6-10 months, meaning that new products can reach the market faster. The EpiGuide® MOS is Episurf Medical's second "self certified CE-mark" product.

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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 µiFidelity® 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.