

ContextVision: Assessing a Digital Pathology spin-off with a listing on Euronext Growth

STOCKHOLM – August 26, 2021 - ContextVision, a medical technology software company specializing in image processing and decision support tools within digital pathology, today announces that the Board of Directors of ContextVision is conducting a review of the company's structure, and has initiated work assessing a spin-off of the Digital Pathology unit with a goal of listing the new entity on the Euronext Growth on the Oslo Stock Exchange. The review is expected to be concluded by the end of the fourth quarter 2021.

ContextVision's Board of Directors believes a split of the Company – with one entity consisting of Medical Imaging, the other of Digital Pathology – could accelerate the long-term business growth and success of both entities, hence creating substantial shareholder value.

“Strong differentiated investor appeal”

Since the company's inception nearly 40 years ago, ContextVision has become a global market leader within image enhancement, as a trusted partner to leading manufacturers of ultrasound, X- ray and MRI equipment around the world. Since 2015, the company is one of the pioneers within digital pathology, developing decision support tools for detecting prostate cancer using artificial intelligence and deep learning.

“We believe the time is right to assess creating two separate companies. So far, we have benefited greatly from being one closely knit organization but going forward, we believe the company might prosper more as two separate entities. We have reached a stage where it is our responsibility to evaluate whether a full strategic focus on each business is more important than the synergies offered by continuing as one company,” says CEO Fredrik Palm of ContextVision.

“The Board of Directors and Management have for a while seen a split as a natural evolution of the company in order to maximize potential and long-term shareholder value. By splitting ContextVision, two clean-cut investment alternatives are formed, both with exciting futures and strong differentiated investor appeal,” says chairman Olof Sandén of ContextVision.

Increased demand for core products

The Company's core business, Medical Imaging, has never been as strong as now, delivering annual margins of around 40 percent over the last couple of years.

“We see an increasing demand for our image quality products and believe that a full focus – with no disturbance from developing new technologies – will help further develop the Medical Imaging business, where ContextVision holds a unique market leader position,” says Palm.

Last year, ContextVision saw the release of the company's first digital pathology product, INIFY Prostate Screening. As it transitions into the next phase, the need to focus within the whole organization is clear.

“INIFY Prostate is our market entrance product. It will be further developed for prostate as well as for additional cancer types, such as colorectal cancer. In addition, we are also considering other business opportunities that the digitalization of pathology offers. The market is maturing step by step, and has a huge potential,” says Palm.



INIFY Prostate allows pathologists to focus their time on specimens with suspicious cancer and minimize time spent on benign tissue. It will facilitate the transformation of clinical pathology into a digital discipline, ultimately offering improved workflow and much higher quality and standardization. The predicting engine in the product is built on deep learning algorithms and offers top accuracy on a pixel level. It is trained on data generated with its patented MasterAnnotation™ method and verified by top pathologists.

“The assessment of a split, initiated after the decision by the board, will be carried out during the fall and we estimate to communicate a final decision including details thereof before the end of the year,” says Palm.

Fredrik Palm will lead the group assessing the split.

The company will hold a Q&A web conference on Sep 1st at 10:30-11:00 CEST – use the link below for registration.

<https://attendee.gotowebinar.com/register/1160618503231913741>

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For further information, please contact ContextVision's CEO, Fredrik Palm, fredrik.palm@contextvision.se or visit www.contextvision.com

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About ContextVision

ContextVision is a medical technology software company specialized in image analysis and artificial intelligence. As the global market leader within image enhancement, we are a trusted partner to leading manufacturers of ultrasound, X- ray and MRI equipment around the world.

Our expertise is to develop powerful software products, based on proprietary technology and artificial intelligence for image-based applications. Our cutting-edge technology helps clinicians accurately interpret medical images, a crucial foundation for better diagnosis and treatment.

ContextVision is now entering the fast-growing digital pathology market. We are re-investing significantly in our product portfolio of decision support tools, and we are dedicated to becoming a leading resource for pathologists to radically develop cancer diagnosis and improve patient care.

The company, established in 1983, is based in Sweden with local representation in the U.S., Japan, China and Korea. ContextVision is listed on the Oslo Stock Exchange under the ticker CONTX.

This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.