

Press Release
November 7, 2003

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http://www.artimplant.se/public/public_pr.asp?id=2003110700080&lang=&antal=

New share issue in Artimplant

In the past 12-month period Artimplant has successfully implemented an extensive action plan and reached several important mile stones:

- Product development activities have been focused on making products ready for market launch
- Contract regarding test marketing of ACL Augmentation Device in Europe
- Stringent cost control is imposed and the burn rate has been cut by 50%
- The Company has received a CE-certificate for Spacer CMC-I and submitted a 510-k file to FDA for Artelon Surgical Suture.
- The subsidiary Gothenburg Medical Center has been divested, which released assets to be used in the core business.

Artimplant is currently pursuing license agreements for its products as well as the technology platform. It is of great important for this process, that the Company can show a solid financial platform. To secure this current shareholders will be offered to subscribe for a new share issue.

- The purpose is to provide the Company with SEK 48 million by issuing new shares.
- The subscription price is SEK 4.
- Current and new shareholders have so far declared their intention to subscribe to shares for SEK 33 million with settlement in December 2003.

The Board of Artimplant AB has decided to summon an extraordinary general meeting on November 28, 2003 in order to

- Gain the Meeting's approval of the Board's decision to implement a share issue, with preferential rights for existing shareholders, of a maximum of 11 965 509 new B series shares at an subscription price of SEK 4 per share;
- Gain authorization to, in case the above mentioned share issue is oversubscribed, to implement a directed share issue of a maximum of 3 600 000 B series shares at an subscription price of SEK 4 per share;

The authorization is only to be used in case the preferential share issue is oversubscribed.

Priority will be given to:

Firstly: Existing shareholders whose subscription in the preferential share issue was not fully satisfied.

Secondly: Others without subscription rights who announced interest to subscribe for shares in the prevoius share issue.

Says the Chairman of Artimplant's Board, Akbar Seddigh:

" Artimplant today is a company that has made a turn around. To secure the financial stability needed in negotiations with potential licensees, and complete our transformation to a profitable corporation, the Board has decided to propose a new share issue of SEK 48 million. We are satisfied that institutional shareholders have declared their intention to subscribe to almost 70% of the new shares. "

The Company's advisor for the new share issue is ABG Sundal Collier.

Please find enclosed the public announcement of the extraordinary general meeting.

ANNOUNCEMENT AND SUMMONS TO EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING IN ARTIMPLANT AB (PUBL)

ANNOUNCEMENT

The Board of Directors in Artimplant AB (publ), 556404-8394, ("the Company") has on November 6, 2003, decided to, subject to approval of an extraordinary shareholders meeting, increase the share capital of the Company with at the most SEK 1 196 550.9 by issuing at the most 11 965 509 new B-shares. Existing shareholders have preferential rights to subscribe for the new shares. The subscription price has been set to SEK 4. The complete decision is available at the Company's office at Hulda Mellgrens gata 5, Västra Frölunda.

SUMMONS

Shareholders of Artimplant AB (publ), 556404-8394, ("the Company") are hereby summoned to an Extraordinary Shareholders' Meeting ("the Meeting") to be held on Friday November 28, 2003 at 2 pm. The Meeting will take place in the Company's office at Hulda Mellgrens gata 5, Gothenburg, Sweden. The office will be open for registration from 1.30 pm.

Notification etc

Shareholders intending to attend the Meeting must:

1. be recorded as shareholders in the Shareholders Register issued by the Swedish Securities Register Center (VPC AB) not later than Tuesday November 18, 2003.
2. notify the Company of their, and their assistants (if any), intention to attend the Meeting no later than 4 p.m. on Friday November 21, 2003. Notification to attend should be made in writing to Artimplant AB, Hulda Mellgrens Gata 5, 421 32 Västra Frölunda; or by telephone +46 (0)31-746 56 38 or by facsimile +46 (0)31-746 56 60; or by e-mail to extrastamma2003@artimplant.se. When notification is made, name, address, personal- or corporate registration number should be stated together with (daytime) telephone number. If applicable, the notification should also be accompanied by Power of attorney, certificate of incorporation stating who is entitled to sign for the legal entity being represented and other proof of authority.

Shareholders whose shares are held in trust by a bank or a private broker must temporarily register their shares in their own names in the Shareholders Register to be able to attend the Meeting. Banks and private brokers should be contacted in this matter well ahead of Tuesday November 18, 2003, when such registration must be executed.

Agenda

At the Meeting the following issues will be addressed:

1. Election of chairman to preside over the Meeting.
2. Drawing up and approval of the voting list.
3. Approval of the agenda for the Meeting.
4. Election of two persons to, besides the chairman, approve the minutes of the Meeting.
5. Decision as to whether the Meeting has been properly convened.
6. Resolution on approval of the Board's decision to carry out a new preferential issue of shares.
7. Resolution on approval of the Board's proposal to authorize the Board of Directors to carry out a directed share issue.
8. Other issues.
9. Closing of the Meeting.



The Board of Directors' complete proposals regarding section 6 and 7 will be made available at the Company's office from Friday November 21, 2003. These documents will be sent to the shareholders that have given notice of their attendance at the Meeting or otherwise have requested it and have stated their postal address. All documents will also be presented at the Meeting.

The Board of Directors' proposal for resolution under sections 6 and 7 must be supported by shareholders holding two-thirds of the shares voted as well as two-thirds of all shares present or represented at the Meeting to be valid.

N.B. THIS NOTICE IS ONLY A TRANSLATION. THE SWEDISH NOTICE SHALL AT ALL TIMES HAVE PRECEDENCE

Gothenburg in November 2003
THE BOARD OF DIRECTORS

For additional information, please contact:

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ARTIMPLANT

Artimplant is a biomaterial company that focuses on orthopedic surgery solutions. The company runs R&D operations for biodegradable implants and develops manufacturing processes for the implants. Its goal is to enable active lives. Artimplant's biomaterial is based on a new technology that's opening new markets within orthopedic surgery and closely related areas that have extensive med-tech needs.

Artimplant developed and patented several different degradable ligament implants that are now in clinical trials. The company's business concept is to license products and technologies to global partners.

The Artimplant share is listed on the Stockholm stock exchange's O list.