

## **Mainstay Medical International plc Announces the Availability of a French Convenience Translation of the Prospectus and Further Step in 2014 Corporate Reorganisation**

DUBLIN--([BUSINESS WIRE](#))-- Regulatory News:

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The English language prospectus relating to Mainstay Medical International plc (“the “Company”) (Paris:MSTY) and its offer of new ordinary shares and the admission of its ordinary shares (“Ordinary Shares”) to trading on the regulated market of Euronext Paris and on the Enterprise Securities Market (the “ESM”) of the Irish Stock Exchange (the “Prospectus”) was approved by the Central Bank of Ireland (the “CBI”) on April 9, 2014. The Autorité des marchés financiers (the “AMF”) was notified of this approval pursuant to the procedure provided for by the European passport under Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended.

Copies of the Prospectus, which is in English, and the summary of the Prospectus in French (Part 1 of the Prospectus) are available without charge, upon request from the Company or on the Company website ([www.mainstay-medical.com](http://www.mainstay-medical.com)).

The Company announces today that a non-binding French convenience translation<sup>1</sup> of the full Prospectus is now available on its website. The non-binding convenience translation is made available to French speaking potential investors to facilitate the reading of the Prospectus in English. The English version of the full Prospectus remains the only official version.

### **2014 Corporate Reorganisation**

The Company also announces today that it has taken further action in connection with the 2014 Corporate Reorganisation (as defined in the Prospectus). On 21 April 2014, for the purpose of ensuring satisfaction by the Company of the authorized minimum share capital requirements for a plc under Irish company law, the Company allotted and issued 40,000 deferred shares of €1 each (the “Deferred Shares”) to one of its existing shareholders, Fountain Healthcare Partners Fund 1 L.P., by way of bonus issue of shares. The Deferred Shares have no voting rights, have in effect no right to a return of capital on a winding up and will not be listed and, therefore, they are in effect valueless. The Memorandum and Articles of Association of the Company to be effective at ESM Admission (as defined in the Prospectus) were amended to provide for the issue and allotment of the Deferred Shares on these terms.

Accordingly, on the date of ESM Admission, the Company will have two classes of issued shares, Ordinary Shares and Deferred Shares. Only the Ordinary Shares will be admitted to trading on Euronext Paris and the ESM.

**1** The non-binding French convenience translation has not been reviewed by any regulatory authority in Ireland or France. The English version of the full Prospectus remains the only official version

### **About Mainstay Medical**

Mainstay Medical is an Irish medical device company that is developing an innovative implantable neurostimulation device, ReActiv8®, for people with debilitating Chronic Low Back Pain.

Mainstay is headquartered in Dublin, Ireland and has subsidiaries in the Australia and the United States. Mainstay is backed by investors including Sofinnova Partners (France), Fountain Healthcare Partners (Ireland), Medtronic (USA), Capricorn Venture Partners (Belgium), Seventure Partners (France) and Twin Cities Angels (Minneapolis, USA).

### **Chronic Low Back Pain**

Chronic Low Back Pain is generally defined as Low Back Pain where the pain persists for more than three months. Low Back Pain is a leading cause of activity limitation and work absence throughout much of the developed world, imposing a high economic burden on individuals, families, communities, industry, and governments. The Company estimates that in approximately 7% of all cases of Low Back Pain, the pain persists for more than three months.

## About ReActiv8

ReActiv8 represents a new approach to the treatment of Chronic Low Back Pain. ReActiv8 is an implantable neurostimulation device which applies electrical stimulation to nerves that supply one of the key stabilising muscles in the back, the lumbar multifidus muscle. The hypothesis on which ReActiv8 is based is that electrical stimulation of the nerve that innervates the lumbar multifidus muscle to cause contraction of the muscle can help reactivate the muscle control system, thereby leading to improved spine stability and a reduction in the effects of CLBP.

Further information is available at [www.mainstay-medical.com](http://www.mainstay-medical.com)

### FOR FURTHER DETAILS, CONTACT:

#### **Joint Global Coordinators and Joint Bookrunners**

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This document does not constitute and shall not be considered as constituting a public offer, an offer to purchase or as an intention to solicit the interest of the public for a public offering of securities.

The information in this announcement is for background purposes only and does not purport to be accurate, full or complete. It is given at the date of its publication (unless otherwise marked) and is subject to updating, revision and amendment and no reliance may be placed for any purpose on it.

The prospectus (the "**Prospectus**") of Mainstay Medical International Plc (the "**Company**") was approved on 9 April 2014 by The Central Bank of Ireland, the Irish competent authority, and notified to the French Autorité des Marchés Financiers ("**AMF**") for passporting in connection with the Company's application for listing its ordinary shares on Euronext Paris and the Enterprise Securities Market operated by the Irish Stock Exchange, and the public offering of its Shares in France. The Prospectus and the French translation of the summary are available on the Company's website at [www.mainstay-medical.com](http://www.mainstay-medical.com); the French translation of the summary will also be available on the AMF's website at [www.amf-france.org](http://www.amf-france.org). Any subscription of shares in the proposed Offer should be made solely on the basis of the information contained in the Prospectus. The Company draws the attention of the public in France to Part 2 "Risk Factors" of the Prospectus and their summary in the French translation of the Prospectus summary. These risks may have a material adverse effect on the Company and its subsidiaries, their business, financial condition, results of operations or growth prospects as well as on the market price of Mainstay Medical International's shares once listed on Euronext Paris and the ESM.

The distribution of this document in certain countries may be subject to specific regulations. Persons who come into possession of this press release must inform themselves of and comply with these restrictions.

In particular:

This document does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of securities in United States of America (the "**United States**"), or in any other jurisdiction in which such an offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of United States or any such jurisdiction. Such securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. The Company has not registered, and does not intend to register, any portion of any offering of its securities in the United States, and does not intend to conduct a public offering of any of its securities in the United States.

This announcement is solely an advertisement and does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003 (the "**Prospectus Directive**"), as amended, to the extent such Directive has been transposed in the relevant Member State of the European Economic Area.

With respect to the Member States of the European Economic Area which have implemented the Prospectus Directive (each a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring a publication of a prospectus in any Relevant Member State, other than France (and then only after a prospectus has been approved in accordance with applicable laws and regulations). As a result, the new or existing shares of the Company may not be offered or will not be offered in any Relevant Member State other than France, except, (i) to any legal entity which is a qualified investor as defined under the Prospectus Directive; (ii) to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of Directive 2010/73/EU, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) as permitted under the Prospectus Directive; or in any other circumstances not requiring the Company to publish a prospectus as provided under Article 3(2) of the Prospectus Directive and/or regulations applicable in this Relevant Member State, provided that no such offer of new or existing shares of the Company shall result in a requirement for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the new or existing shares of the Company in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the new or existing shares of the Company to be offered so as to enable an investor to decide to purchase the new or existing shares of the Company, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

In the United Kingdom, this document does not constitute an approved prospectus for the purpose of and as defined in section 85 of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**"), has not been prepared in accordance with the Prospectus Rules issued by the UK Financial Conduct Authority (the "**FCA**") pursuant to section 73A of the FSMA and has not been approved by or filed with the FCA or any other authority which would be a competent authority for the purposes of the Prospectus Directive. The new and existing shares in the Company may not be offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of sections 85 and 102B of the FSMA) save in the circumstances where it is to be lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("*high net worth bodies corporate, unincorporated associations etc*") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

This announcement or the documents to which it refers include statements that are, or may be deemed to be, forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward looking statements include all matters that are not historical facts. They appear throughout this announcement and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial position, prospects, financing strategies, expectations for product design and development, regulatory approvals, reimbursement arrangements, costs of sales and market penetration.

By their nature, forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward looking statements are not guarantees of future performance and the actual results of the Company's operations, and the development of the markets and the industry in which the Company operates, may differ materially from those described in, or suggested by, the forward looking statements contained in this announcement. In addition, even if the Company's results of operations, financial position and growth, and the development of the markets and the industry in which the Company operates, are consistent with the forward looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of the Company to differ materially from those expressed or implied by the forward looking

statements including, without limitation, general economic and business conditions, the global medical device market conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes, the availability and cost of capital, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors to be disclosed in the Prospectus. The forward-looking statements therein speak only at the date of this announcement.

In relation to the overallotment option to be granted by the Company to Kempen and Société Générale in connection with this offering, Société Générale, acting as a stabilizing manager (or any institution acting on its behalf) (the "Stabilizing Manager") may, in agreement with Kempen & Co, during a period of 30 days following the date on which the offering price is determined, effect transactions with a view to maintaining the market price of the Company's shares in a manner consistent with applicable laws and regulations and, in particular, EU Commission Regulation No. 2273/03 of December 22, 2003. However, there is no assurance that the Stabilizing Manager will take any stabilizing action and if begun, such stabilizing action may be ended at any time. Any stabilizing action may affect the price of the Company's shares and could result in market prices for the shares higher than those which might otherwise prevail.

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