

NOTICE TO CURRENT MERIT MEDICAL SYSTEMS, INC. STOCKHOLDERS

TO: ALL OWNERS OF MERIT MEDICAL SYSTEMS, INC. (“MERIT” OR THE “COMPANY”) COMMON STOCK AS OF AUGUST 17, 2022.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT AND DISMISSAL OF STOCKHOLDER DERIVATIVE LITIGATION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS. YOUR RIGHTS MAY BE AFFECTED BY LEGAL PROCEEDINGS IN THIS ACTION.

IF THE COURT APPROVES THE SETTLEMENT AND DISMISSAL OF THE ACTION, STOCKHOLDERS OF MERIT WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED SETTLEMENT AND FROM PURSUING THE SETTLED CLAIMS. THIS ACTION IS NOT A “CLASS ACTION.” THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY PAYMENT.

THE COURT HAS MADE NO FINDINGS OR DETERMINATIONS RESPECTING THE MERITS OF THE ACTION. THE RECITATION OF THE BACKGROUND AND CIRCUMSTANCES OF THE SETTLEMENT CONTAINED HEREIN DOES NOT CONSTITUTE THE FINDINGS OF THE COURT. IT IS BASED ON REPRESENTATIONS MADE TO THE COURT BY COUNSEL FOR THE PARTIES.

YOU ARE HEREBY NOTIFIED, pursuant to Federal Rule of Civil Procedure 23.1 and an Order from the Honorable Robert J. Shelby of the U.S. District Court for the District of Utah, that a proposed settlement agreement has been reached among Plaintiff¹, on behalf of himself and derivatively on behalf of Merit, Individual Defendants, and Merit in connection with the stockholder derivative action entitled Maute v. Lampropoulos et al., Case No. 2:21-cv-00346-DBP.

Plaintiff filed the Action derivatively on behalf of Merit to remedy the alleged harm caused to the Company by the Individual Defendants’ alleged breaches of their fiduciary duties and/or unjust enrichment. The proposed Settlement, if approved by the Court, would fully, finally and forever resolve the Action on the terms set forth in the Stipulation and summarized in this Notice, including the dismissal of the Action with prejudice.

As explained below, a Settlement Hearing shall be held before the Court on February 16, 2023 at 3:30 p.m. to determine whether, inter alia, the proposed Settlement is fair, reasonable, and adequate, and should be finally approved by the Court. You have the right to object to the Settlement in the manner provided herein. If you fail to object in the manner provided herein at least fourteen (14) days prior to the Settlement Hearing, you will be deemed to have waived your objections and will be bound by the Final Order and Judgment to be entered and the releases to be given, unless otherwise ordered by the Court.

¹ For purposes of this Notice, the Court incorporates by reference the definitions in the Parties’ Stipulation and Agreement of Settlement fully executed as of August 17, 2022 (the “Stipulation”), and all capitalized terms used herein, unless otherwise defined, shall have the same meanings as set forth in the Stipulation. A copy of the Stipulation may be inspected at the Clerk of the Court’s Office for the U.S. District Court for the District of Utah, 351 South West Temple, Salt Lake City, UT, 84101.

This Notice is not intended to be and should not be construed as an expression of any opinion by the Court with respect to the merits of the claims made in the Action, but is merely to advise you of the proposed Settlement and of your rights as a Current Merit Stockholder.

I. BACKGROUND

A. The Action

In late 2018, Merit acquired (i) Cianna Medical, Inc. (“Cianna”), a manufacturer of devices for the treatment of breast cancer that was the largest acquisition in the Company’s history; and (ii) certain assets of Vascular Insights, LLC (“Vascular Insights”) associated with the manufacturing and sales of ClariVein, a specialty infusion catheter used to treat superficial venous disease. Among other things, Plaintiff’s Verified Stockholder Derivative Complaint (the “Complaint”) alleged that, beginning in February 2019, the Individual Defendants breached fiduciary duties to Merit or its stockholders (including alleged breaches of the duty of care, candor or loyalty) in connection with materially false and misleading statements about the Cianna and Vascular Insights acquisitions. The Complaint alleged that the false and misleading statements included assertions that Merit had successfully integrated Cianna and maintained its sales force, and that sales of ClariVein products were driving Merit’s growth. As is detailed more fully in Section III below, Defendants disputed the allegations, asserted multiple defenses, and deny any and all liability or wrongdoing.

B. Procedural Background and Settlement Negotiations

On October 29, 2020, Plaintiff sent a demand letter to the Company’s corporate secretary which demanded the inspection of internal Merit books and records pursuant to Utah Code Ann. § 16-10a-1602 (the “Inspection Demand”). By letter dated November 9, 2020, the Company responded to the Inspection Demand. Counsel for Plaintiff and Merit thereafter engaged in several meet and confer discussions concerning the scope of documents which the Company would produce. Counsel for Plaintiff and Merit also began negotiating a confidentiality agreement which would govern Plaintiff’s use of the documents produced (the “Inspection Production”).

Upon reaching an agreement as to the scope of documents, Merit made an initial Inspection Production to Plaintiff on November 9, 2020, subject to a commitment of confidentiality that was formalized in writing on November 30, 2020. A Supplemental Inspection Production took place on December 9, 2020.

On May 20, 2021, Plaintiff filed the Complaint under seal. The Complaint contained allegations based, in part, on information derived from and citations to certain non-public documents obtained in the Inspection Demand pursuant to Utah Code Ann. § 16-10a-1602. The Complaint asserted claims against each of the Individual Defendants for breach of fiduciary duty and unjust enrichment based on the allegations above, as well as sales of Merit stock made by certain of the Individual Defendants.

Shortly after the filing of the Complaint, the Parties agreed to a temporary stay of litigation. Subsequently, the Parties participated in a private mediation session with Michelle Yoshida, Esq. of the mediation, arbitration and dispute resolution firm Phillips ADR (the “Mediator”). As a part of the stay, the Defendants agreed to produce discovery documents to Plaintiff which had been produced in the related federal securities action captioned *In re Merit Medical Systems, Inc. Securities Litigation*, Case No. 8:19-cv-02326-DOC-ADS (C.D. Cal.) (the “Securities Action”). The Defendants produced, on a rolling

basis, eight (8) separate productions totaling approximately five-hundred twenty-five thousand (525,000) pages of internal corporate documents.

The Parties participated in a full-day, in-person mediation session with the Mediator on October 5, 2021 (the “First Mediation”). While a resolution was not reached by the Parties at the conclusion of the First Mediation, the Parties made substantial progress and thereafter continued to engage in extensive communications and further efforts over the following weeks and months aimed at reaching a settlement. These communications were both direct between counsel for the Parties, and through the Mediator. As a result of these extensive negotiations, the Parties were ultimately able to reach a tentative agreement on many of the corporate governance terms contained within the Settlement on February 22, 2022.

With substantial progress having been made, the Parties participated in a second mediation session with the Mediator on February 25, 2022, which was focused on negotiating an agreed-to payment of attorneys’ fees and reimbursement of expenses to Plaintiff’s Counsel (the “Second Mediation”).

The Parties were not able to reach agreement on this final remaining settlement term at the conclusion of the Second Mediation, even with the assistance of the Mediator. Nevertheless, the Parties subsequently continued good faith negotiations for over three months. On June 14, 2022, the Mediator issued a double-blind “Mediator’s Proposal” to the Parties calling for payment of \$1 million in combined attorneys’ fees and expenses to Plaintiff’s Counsel. On June 22, 2022, the Mediator communicated that all Parties had agreed to the Mediator’s Proposal and \$1 million Fee and Expense Award, subject to final approval of the Non-Party Directors, and also subject to Court approval. This final term completed the Parties’ settlement negotiations.

Counsel thereafter prepared the Stipulation, which was presented to the Non-Party Directors. The Non-Party Directors unanimously voted to approve the Settlement reflected in the Stipulation at a meeting on July 22, 2022.

As a condition of the Settlement, Merit will agree to institute and maintain certain corporate governance reforms (the “Reforms”), the terms of which are fully set forth in Exhibit A to the Stipulation for a period of not less than four (4) years, subject to the right to alter or amend such terms or policies in the event a majority of Independent Directors determine that modification thereof is in the best interests of the Company and its shareholders.

II. PLAINTIFF’S COUNSEL’S INVESTIGATION AND RESEARCH, PLAINTIFF’S CLAIMS AND THE BENEFITS OF SETTLEMENT

Plaintiff’s Counsel conducted an extensive investigation relating to the claims and the underlying events alleged in the Action, including, but not limited to: (1) inspecting, analyzing, and reviewing Merit’s public filings with the SEC, press releases, announcements, transcripts of investor conference calls, and news articles; (2) conducting an investigation of Merit’s books and records pursuant to Utah Code Ann. § 16-10a-1602, including the review and analysis of Board minutes, Board presentations, and other Board documents; (3) reviewing and analyzing the approximately 525,000 pages of Securities Action discovery produced; (4) drafting and filing the detailed Complaint in the Action; (5) researching the applicable law with respect to the claims asserted in the Action and the potential defenses thereto; (6) researching

corporate governance issues; and (7) participating in extensive settlement discussions with counsel for Defendants.

Plaintiff's Counsel believes that the claims asserted in the Action have merit and that their investigation supports the claims asserted. Without conceding the merit of any of Defendants' defenses or the lack of merit of any of their own allegations, and solely in order to avoid the potentially protracted time, expense, and uncertainty associated with continued litigation, including a potential trial and appeal, Plaintiff has concluded that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Plaintiff and Plaintiff's Counsel recognize the significant risk, expense, and length of continued proceedings necessary to prosecute the Action against the Individual Defendants through trial and through possible appeal. Plaintiff's Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in a complex case such as the Action, as well as the difficulties and delays inherent in such litigation. Based on their evaluation, Plaintiff and Plaintiff's Counsel have determined that the Settlement is in the best interests of Plaintiff, Merit, and Current Merit Stockholders, and have agreed to settle the Action upon the terms and subject to the conditions set forth herein.

III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

The Individual Defendants have denied and continue to deny that they have committed or attempted to commit any violations of law, any breach of fiduciary duty owed to Merit, were unjustly enriched, or committed any wrongdoing whatsoever. Without admitting the validity of any of the claims Plaintiff has asserted in the Action, or any liability with respect thereto, Defendants have concluded that it is desirable that the claims be settled on the terms and subject to the conditions set forth herein. Defendants are entering into this Settlement because it will eliminate the uncertainty, distraction, disruption, burden, risk, and expense of further litigation.

Neither this Stipulation, nor any of its terms or provisions, nor entry of the Final Order and Judgment (as defined herein), nor any document or exhibit referred to in or attached to this Stipulation, nor any action taken to carry out this Stipulation, is or may be construed or used as evidence of the validity of any of Plaintiff's Released Claims (defined herein), or as an admission by or against Defendants of any fault, wrongdoing, or concession of liability whatsoever.

IV. THE SETTLEMENT HEARING

The Settlement Hearing will be held before the Honorable Robert J. Shelby on February 16, 2023 at 3:30 p.m. at the U.S. District Court for the District of Utah, 351 South West Temple, Salt Lake City, UT, 84101 to determine: (i) whether the proposed Settlement, upon the terms set forth in the Stipulation, should be finally approved in all respects as fair, reasonable, and adequate; (ii) whether the Final Order and Judgment approving the Settlement should be entered; (iii) whether Plaintiff's Counsel's agreed-to Fee and Expense Award should be finally approved; and (iv) whether the Incentive Award should be finally approved. The Settlement Hearing may be continued by the Court at the Settlement Hearing, or at any adjourned session thereof without further notice.

V. THE SETTLEMENT

The terms and conditions of the proposed Settlement are set forth fully in the Stipulation described above. The benefits of the Settlement consist of the Reforms, the terms of which are fully set forth in Exhibit A attached to the Stipulation.

Defendants acknowledge that the filing of the Action substantially contributed to the Reforms. Defendants agree that the Reforms confer a material benefit on Merit and Current Merit Stockholders. In addition, the Non-Party Directors, exercising their independent business judgment, believe that the Settlement is in the best interests of, and provides substantial benefit to, Merit and Current Merit Stockholders.

VI. DISMISSAL AND RELEASES

In connection with the Court's approval of the Settlement, the Parties will jointly request entry of the Final Order and Judgment by the Court, dismissing with prejudice all claims alleged by Plaintiff against the Individual Defendants in the Action.

Upon the Effective Date, Plaintiff, Merit, and Current Merit Stockholders, on behalf of themselves, and each of the Plaintiff's Released Persons, shall be deemed to have - and by operation of the Final Order and Judgment shall have - released, waived, discharged, and dismissed any and all of Plaintiff's Released Claims, and shall forever be barred and enjoined from instituting, commencing, or prosecuting any and all Plaintiff's Released Claims, against Defendants and the Individual Defendants' Released Persons. "Plaintiff's Released Claims" means all actions, suits, claims, demands, rights, liabilities, and causes of action of every nature, and description whatsoever, including both known claims or Unknown Claims, asserted or that might have been asserted in any forum by Plaintiff's Released Persons or any other Merit stockholder derivatively on behalf of Merit, against any of Defendants' Released Persons, that: (a) were alleged in the Action or (b) could have been asserted against the Company or Individual Defendants, or any of them, in any forum that arise out of, or are based upon, or related to any of the allegations, transactions, facts, matters, occurrences, representations, omissions or subject matter set forth or otherwise at issue in the Action or that could have been brought or included in the Action (whether related to known claims or Unknown Claims) concerning: (i) the acquisition, integration and/or operation of Cianna and/or ClariVein; (ii) the Company's or Individual Defendants' failure to maintain appropriate internal controls or to provide proper oversight and management of Merit; (iii) the Individual Defendants' acquisition or disposition of any company securities; or (iv) the Individual Defendants' alleged breach of fiduciary duty to Merit or its stockholders (including alleged breaches of the duty of care, candor or loyalty); provided however, that "Plaintiff's Released Claims" shall not include any claims to enforce the Settlement. For the avoidance of doubt, the Plaintiff's Released Claims do not include any direct claims of any Merit stockholder, including any claims based on or arising under the federal or state securities laws.

Further, upon the Effective Date, Individual Defendants, on behalf of themselves, and each of the Defendants' Released Persons, shall be deemed to have - and by operation of the Final Order and Judgment shall have - released, waived, discharged, and dismissed any and all Defendants' Released Claims, and shall forever be barred and enjoined from instituting, commencing, or prosecuting any and all Defendants' Released Claims, against Plaintiff and Plaintiff's Released Persons. "Defendants' Released Claims" means collectively all actions, suits, claims, demands, rights, liabilities, and causes of action of

every nature and description whatsoever, including both known claims and Unknown Claims, asserted or that might have been asserted in any forum by Defendants' Released Persons against Plaintiff's Released Persons, which arise out of, are based on, or relate in any way, directly or indirectly, to the institution, prosecution, or settlement of the Action (except for claims to enforce the Settlement).

VII. ATTORNEYS' FEES AND EXPENSES

In recognition of the substantial benefits provided to Merit and Current Merit Stockholders as a result of the initiation, prosecution, pendency, and settlement of the Action, Merit and/or its insurers shall, upon Court approval, pursuant to the timetable provided herein, pay or cause to be paid to Plaintiff's Counsel the Fee and Expense Award in the total amount of \$1,000,000. The amount of the Fee and Expense Award is the product of the Parties' acceptance of the "Mediator's Proposal" made by the Mediator.

The Non-Party Directors, in the exercise of their independent business judgment, have determined that the Fee and Expense Award is in the best interests of, and provides substantial benefit to, Merit and Current Merit Stockholders, and the Parties mutually agree that the Fee and Expense Award is in the best interests of, and provides substantial benefit to, Merit and Current Merit Stockholders.

VIII. THE RIGHT TO OBJECT AND/OR BE HEARD AT THE SETTLEMENT HEARING

Any Current Merit Stockholder may object and/or appear and show cause, if he, she, or it has any concern, why the Settlement should not be approved as fair, reasonable, and adequate, or why the Final Order and Judgment should not be entered thereon, or why the Fee and Expense Award or Incentive Award should not be approved; provided, however, unless otherwise ordered by the Court, no Current Merit Stockholder shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Final Order and Judgment to be entered thereon approving the same, or the Fee and Expense Award, unless that shareholder has, at least fourteen (14) days prior to the Settlement Hearing: (1) filed with the Clerk of the Court a written objection to the Settlement setting forth: (a) the nature of the objection; (b) proof of ownership of Merit common stock through the date of the Settlement Hearing, including the number of shares of Merit common stock and the date of purchase; and (c) any documentation in support of such objection; and (2) if a Current Merit Stockholder intends to appear and requests to be heard at the Settlement Hearing, such shareholder must have, in addition to the requirements of (1) above, filed with the Clerk of the Court: (a) a written notice of such shareholder's intention to appear; (b) a statement that indicates the basis for such appearance; and (c) a statement identifying any exhibits the Stockholder intends to introduce and any witnesses the shareholder intends to call at the Settlement Hearing (including a statement as to the subjects of their testimony). If a Current Merit Stockholder files a written objection and/or written notice of intent to appear, such shareholder must also simultaneously serve copies of such notice, proof, statement, and documentation, together with copies of any other papers or briefs such shareholder files with the Court (either by hand delivery or by first class mail) upon each of the following:

Rusty E. Glenn
SHUMAN, GLENN & STECKER
600 17th Street, Ste. 2800 South,
Denver, CO 80202
Counsel for Plaintiff

Robert S. Clark
PARR BROWN GEE & LOVELESS
101 South 200 East
Salt Lake City, UT 84111
Counsel for the Individual Defendants

Paul R. Bessette
KING & SPALDING LLP
500 West 2nd Street, Suite 1800
Austin, TX 78701
Counsel for Nominal Defendant Merit Medical Systems, Inc.

Any Current Merit Stockholder who does not make his, her, or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the Settlement, the Fee and Expense Award, or the Incentive Award as incorporated in the Stipulation, unless otherwise ordered by the Court, but shall otherwise be bound by the Final Order and Judgment to be entered and the releases to be given.

IX. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Stipulation, which requires, among other things: (1) entry of the requested Final Order and Judgment by the Court; and (2) the Final Order and Judgment has become Final. If, for any reason, any one of the conditions described in the Stipulation is not met and the entry of the Final Order and Judgment does not occur, the Stipulation might be terminated and, if terminated, will become null and void; and the Parties to the Stipulation will be restored to their respective positions as of August 17, 2022.

X. EXAMINATION OF PAPERS AND INQUIRIES

This Notice contains only a summary of the terms of the Settlement. For a more detailed statement of the matters involved in the Action, reference is made to the Stipulation, which may be inspected at the Clerk of the Court's Office, U.S. District Court for the District of Utah, 351 South West Temple, Salt Lake City, UT, 84101, during business hours of each business day.

Any other inquiries regarding the Settlement or the Action should be addressed in writing to the following:

Rusty E. Glenn
SHUMAN, GLENN & STECKER
600 17th Street, Ste. 2800 South,
Denver, CO 80202
Plaintiff's Counsel

PLEASE DO NOT TELEPHONE THE COURT OR MERIT REGARDING THIS NOTICE.