

INVITATION TO SUBSCRIBE FOR UNITS IN INVENT MEDIC SWEDEN AB



**SUBSCRIPTION PERIOD:
13 -27 FEBRUARY 2020**

IMPORTANT INFORMATION

The following summary is not an offer but should be seen as an introduction to Invent Medic Sweden AB's ("Invent Medic") prospectus and does not necessarily contain all information required in order to make an investment decision. Finansinspektionen's (Sweden's financial supervisory authority) approval of the prospectus should not be interpreted as an approval of the securities offered. The investor is advised to consult the prospectus, which is available on Invent Medic's website (www.inventmedic.com) before making a decision regarding an investment, in order to understand the potential risks associated with the decision to invest in the securities. Invent Medic Sweden AB, org. no 556682-1046.

**INVENT MEDIC
SWEDEN**


SEDERMERA
FONDKOMMISSION

COMMENTS FROM THE CEO, KARIN BRYDER

It is well-known that urinary incontinence is a widespread problem for both men and women. Approximately twenty percent of all women are estimated to be affected by stress urinary incontinence which is the most common form of urinary incontinence for women. Involuntary urinary leakage is known to limit women in social contexts, in her work life as well as in intimate situations. The fear of suffering from leakage can make her avoiding physical activities such as exercising. Therefore, if the problem is not addressed, it can potentially have clear negative impact on her quality of life – which could have been avoided. Our first product, Efemia Bladder Support, was launched on the market a year ago. The product facilitates an active everyday life for women with stress urinary incontinence.

In recent years we have seen an increased general awareness of women's health, not only in Sweden but also globally. Questions and issues that have previously been taboo, such as incontinence caused by childbirth, have gained the public's attention by opinion leaders. Many women have previously been lacking knowledge regarding the available alternatives to address the problem. Given how many women are affected by this, it is obvious that there is a very large underlying need and great market potential for a product such as Efemia. Therefore, it has been a clear strategy from our end to carefully, before market launch, select the distributors which already have a strong and established position within our market segments in order to benefit from their existing channels for communication with our target groups. It has been and will continue to be, very important for us to reach the relevant Key Opinion Leaders and organizations focusing on women's health in order to increase awareness of our product.

A good practical example of this is the fact that the pharmacy, Apoteket AB during the fall of 2019 included information about Efemia in their mailings to new mothers. This is an effective way for us to reach out and raise awareness of our product within our target group. The fact that Efemia has passed Apoteket's assessment and is available to buy through Apoteket's webshop is also a proof of recognition and is perceived as an important quality aspect by potential users.

In Sweden we have entered into agreements with two of the country's largest pharmacy chains and our target is that Efemia should be available at most Swedish pharmacy chains within a three-year period. We have put in a lot of work into increasing

the awareness of our product among important professions such as urotherapists, physiotherapists and gynecologists. The response we have received from these important stakeholders have been very positive. Our target is for Efemia to be prescriptible by relevant professional groups in all Swedish health regions within the next three-year period.

Efemia is currently available to purchase in Sweden, Denmark, Germany, UK and since December 2019 also in Norway. During the first quarter this year, we will also introduce the product in Belgium and the Netherlands. Our aim is to launch Efemia in a number of additional European countries and the United States within the coming three-year period.

Based on the current market situation and the positive response we have received from our clinical studies as well as from collaborating partners and users, our opinion is that the market potential of Efemia is so high that the company's main focus during the next three years should be further market expansion. We will, therefore, spend a lot of time and resources on activities which will increase awareness of our product.

Our ambition with this accelerated expansion is to be able to reach continually increasing sales as the awareness of our product increases within the target groups where we see the potentially recurring users. Since we recommend that Efemia is replaced every three months, an increase in regular users will lead to continuous and predictable cash flow to the company.

Although the company's main focus during the period will be the international expansion with Efemia in focus, our ambition is also to expand the product portfolio with additional women's health products.

It is to finance this ambitious and targeted effort that we now intend to carry out an issue of units totaling approximately SEK 45 million. We are right at the beginning of an exciting journey and this capital injection will enable us to quickly take our business to the next level.

It is my pleasure to invite you to this opportunity to invest in Invent Medic. Our journey has just begun, and I hope that you want to come along and share it with us.

Karin Bryder
CEO, Invent Medic



”Based on the current market situation and the positive response we have received from our clinical studies as well as from collaborating partners and users, our opinion is that the market potential of Efemia is so high that the company’s main focus during the next three years should be further market expansion.”

TARGETS

The overall target for the period 2020 through 2022 includes an ambitious plan to launch Efemia primarily in other European countries as well as in the US. Although the Company's main focus during the period will be the international expansion with Efemia Bladder Support in focus, the company's ambition is also to expand the product portfolio with additional products.

2020

- Submit 510 (k) application to FDA (USA)
- Additional agreements with European partners
- Evaluate and start the next project to broaden the product portfolio

2021-2022

- By the end of 2021, the target is that the Company's revenue for Efemia will be equal to or higher than the Company's costs related to the product
- Further agreements regarding distribution within Europe should have been signed
- Market launch of Efemia in the US
- One new product should be ready for market launch and one additional product in development
- Efemia should be available to purchase in physical stores in Sweden
- Efemia should be possible to be prescribed in all Swedish health care regions



OFFER IN BRIEF

Subscription period: 13-27 February 2020

Record date and preferential rights: The record date was 7 February 2020. Anyone who held shares in Invent Medic on the record date has a preferential right in the issue. For each existing share, one (1) unit right will be received. Fourteen (14) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of six (6) shares and three (3) warrants of series TO 1.

Subscription price: SEK 40.50 per unit corresponding to SEK 6.75 per share. Warrants of series TO 1 are received free of charge.

Valuation (pre-money): Approx. SEK 69.6 million.

Issue volume: The offer comprises of a maximum of 4,419,180 shares and a maximum of 2,209,590 warrants of series TO 1, corresponding to approximately SEK 29.8 million and SEK 14.9 million, respectively. If the issue is fully subscribed and all associated warrants are exercised, Invent Medic will receive an injection totaling approximately SEK 44.7 million before issuance costs.

CONDITIONS FOR WARRANTS OF SERIES TO 1 IN BRIEF

Exercise period: 25 February 2021 – 18 March 2021

Exercise price: Holding of one (1) warrant entitles to the subscription of one (1) share in Invent Medic at a rate of SEK 6.75 per share.

Issue volume: If the issue of units is fully subscribed, 2,209,590 warrants of series TO 1 will be issued. If all warrants are exercised, Invent Medic will receive an injection totaling approximately SEK 14.9 million.

INVENT MEDIC IN BRIEF

Invent Medic's vision is to offer new and innovative products to women to improve their health and quality of life. The product portfolio shall include safe, effective and dependable products that should be easy to use. The company's first product, Efemia Bladder Support, is a medical device that is aimed at the millions of women around the world who are bothered by leakage caused by stress urinary incontinence. Efemia enables women to continue to live an active life and to not be held back by their urinary leakage. The product was launched in late 2018.

Efemia Bladder Support, the company's first CE-marked and trademark registered medical device, is aimed at the millions of women worldwide who are limited in their everyday lives by stress urinary incontinence (SUI). SUI is estimated to affect just over 20 percent of all women and can have a negative impact on women's everyday life. The condition can potentially affect women's health, self-confidence, well-being and, in a long-term perspective, mental health, by, among other things, restricting the woman in social contexts and constitute an obstacle to participate in physical activities. Efemia is the only non-surgical product based on the same scientific principles applied to the most common surgical procedures to relieve SUI. The product is safe, effective and easy to use and has been proven to be effective in several studies.

Efemia has already been launched in Sweden, Denmark, Norway, Germany and UK. Market launch in further European markets is planned to take place in 2020 and thereafter in the US. In Sweden, Efemia is available to order online from both the largest pharmacy chains Apoteket AB and Apotek Hjärtat and via Invent Medics own online store (www.arcamea.com).

Given the prevailing market situation as well the positive response that Invent Medic has received from existing users and other stakeholders, it is the board's opinion that the company's primary focus during the coming three-year period should be further international market expansion with focus on Efemia. The company will also aim to strengthen the product portfolio with new, innovative products aimed at women in the middle of their lives.

INVESTMENT HIGHLIGHTS

- **Comprehensive market:**

Stress urinary incontinence, the most common form of urinary incontinence for women, affects approximately 20 percent of all women. SUI can, among other things, limit the woman in social contexts and constitute an obstacle to physical participation activities. The condition can therefore potentially impact women's health, self-confidence, well-being and, in a long-term perspective, mental health.

- **Strong demand for non-surgical treatments:**

The global trend of pursuing an active lifestyle, combined with an increased average life expectancy, has contributed to an increased demand for products that help problems with stress urinary incontinence. Invent Medic's product Efemia is the only non-surgical product which is based on the same scientific principles as is applied to the most common surgical procedures to address stress urinary incontinence.

- **Attractive business model:**

The company's business model is based on recurring revenues from frequent users as it is recommended that Efemia is replaced every three months. This means that there is a good opportunity for Invent Medic to build long-term customer relationships which give rise to stable and predictable cash flow to the company.

- **Market expansion and expanded product portfolio:**

Efemia is currently available for purchase in Sweden, Denmark, Norway, Germany and the United Kingdom. Efemia will also be available in both Belgium and The Netherlands during the first quarter of 2020. Invent Medic is planning to introduce the product in additional European countries within the next three years. Given the prevailing market situation and the positive response that the company received from existing users and other stakeholders, it is the board's opinion that the company's primary focus over the coming three-year period should be further market expansion for Efemia. The company is also working on strengthening the product portfolio with new, innovative products aimed at women in the midst of their lives.

- **US market launch:**

The company has initiated the preparatory work required to introduce Efemia in the US. The company's target is to apply for approval of Efemia to the FDA in 2020, after which the market launch is planned to take place during 2021/2022.

- **Significant agreements signed:**

Agreements have been signed with the two largest pharmacy chains in Sweden. Within the scope of the company's targets, Efemia shall be available for purchase through most Swedish pharmacies within the next three-year period. It is also Invent Medic's target, within the same timeframe, that Efemia shall be possible to be subscribed in all Swedish health care regions.

TERMS AND CONDITIONS

The offer

An Extra General Meeting Invent Medic, on the 4th of February 2020, decided to approve the Board of Directors' decision from the 16th of January 2020, of a rights issue of units to the existing shareholders and the general public. Invent Medic's share capital will increase with a maximum of SEK 441,918.00 through the issuance of a maximum of 4,419,180 new shares, each with a nominal value of SEK 0.10. The rights issue of units is conducted with preferential right for existing shareholders. The total issue proceeds amount to a maximum of SEK 29,829,465.00.

The maximum number of units issued will be 736,530. Each unit consists of six (6) new shares and three (3) warrants of series TO 1. One (1) existing share entitles to one (1) unit right. Fourteen (14) unit rights entitle to subscription of one (1) unit. The price per unit will be SEK 40.50, which gives a price of SEK 6.75 per share. The warrants are issued free of charge. Each unit consists of three (3) warrants which means a maximum of 2,209,590 warrants of series TO 1 will be issued in the rights issue. Each warrant of series TO 1 entitles to subscription of one (1) new share in the Company. The subscription period starts on the 25th of February 2021 and ends on the 18th of March 2021. If all the warrants of series TO 1 issued through the rights issue described in the prospectus are exercised, the share capital will be increased with additionally a maximum total of SEK 220,959.00.

Dilution

Through the rights issue, Invent Medic's share capital will increase with a maximum of SEK 441,918.00, through the issuing of a maximum of 4,419,180 shares. This equals about 30 percent of the votes and capital in the Company.

If all warrants of series TO 1 issued from the rights issue are exercised will the share capital increase with an additional maximum of SEK 220,959.00, equal to about 13 percent of the votes and capital in the Company.

Preferential right for subscription

Parties who on the record date the 7th of February 2020 were shareholders in Invent Medic, have preferential right to subscribe for units in the rights issue in relation to their previous shareholdings, whereby one (1) existing share entitles to one (1) unit right. Fourteen (14) such unit rights entitle to subscription of one (1) unit. Each unit consists of six (6) new shares and three (3) warrants of series TO 1. The warrants are issued free of charge. One (1) warrant of series TO 1 entitles to subscription of one (1) new share in Invent Medic.

Unit rights (UR)

Shareholders preferential right to subscribe for units will be performed through exercising of unit rights. One (1) existing share will entitle to one (1) unit right. Fourteen (14) unit rights entitles to subscription of one (1) unit. Each unit consists of six (6) new shares and three (3) warrants of series TO 1, which will be issued free of charge.

Subscription price

The subscription price is SEK 40.50 per unit, which equals to SEK 6.75 per share. No brokerage fee will be charged.

Record date

Record date at Euroclear Sweden AB ("Euroclear") for participation with preferential rights is on the 7th of February 2020. The last day of trading with shares in Invent Medic including preferential right was on the 5th of February 2020. The first day of trading with shares in Invent Medic without preferential rights was on the 6th of February 2020.

Subscription period

The subscription period starts on the 13th of February 2020, and ends on the 27th of February 2020, at 3 p.m. After the subscription period, all unexercised unit rights will be void and lose their value. Unexercised unit rights are removed from the respective shareholder's securities depository account, without specific notification from Euroclear.

Trading with unit rights

Trading in unit rights will take place on Spotlight Stock Market from the 13th of February 2020, until the 25th of February 2020. Shareholders shall contact their bank or other nominee with the necessary authority to carry out the purchase and sale of unit rights directly. Unit rights that are

acquired during the above-mentioned trading period provide the same right to subscribe for new units as shareholders with unit rights based on their shareholdings in Invent Medic on the record date. Unit rights must be exercised no later than on the 27th of February 2020 or sold no later than the 25th of February 2020, in order to not become void or lose their value.

Preprinted paying slips and subscription forms

Shareholders with preferential unit rights directly registered in Euroclear

Shareholders or representatives of shareholders, who on the record date the 7th of February 2020, were registered in the Euroclear system, receives a preprinted paying slip (account statement), the subscription form "Subscription with unit rights", the subscription form "Subscription without unit rights" and a folder containing the terms and conditions for the rights issue with referral to the prospectus and a money laundering form. The information can be downloaded at Sedermera Fondkommission's web page (www.sedermera.se), at Spotlight Stock Market's web page (www.spotlightstockmarket.com) or at the web page of Invent Medic (www.inventmedic.se). Shareholders who are included in the separate list of pledgees and others in relation to the Euroclear system do not receive information and will be notified separately. An account notice, which declares the delivery of unit rights on the shareholders' book-entry account, are not distributed.

Shareholders with nominee registered unit rights

Shareholders whose holdings of shares in Invent Medic Sweden AB are nominee registered with a bank or other trustee do not receive a preprinted paying slip or subscription form but will receive a folder containing a summary of the rights issue and reference to the full prospectus. Subscription and payment should instead be in accordance with instructions from the respective bank or trustee. Please note that in the event that the use of unit rights takes place via a bank and a trustee, this should be done early in the subscription period, as the respective bank/trustee may set different deadlines for the last subscription date.

Subscription of units with preferential right

Subscription with preferential unit rights shall be made by simultaneous cash payment no later than the 27th of February 2020, at 3 p.m. Subscription by payment must be made either with the prepaid payment slip attached to the issuance statement or by payment instructions on subscription form with support of unit rights in accordance with the following two options:

1. Preprinted paying slip (account statement)

If all unit rights allotted on the record date are exercised, only the preprinted paying slip shall be used as documentation for subscription by way of cash payment. The subscription form "Subscription with unit rights" shall not be used in this case.

2. Subscription form - "Subscription with unit rights"

In the event a different number of unit rights than what is stated on the pre-printed paying slip shall be exercised, for example, if unit rights are acquired or sold, the subscription form "Subscription with unit rights" is to be used for subscription by means of cash payment. The Shareholders must state on the Subscription Form the number of unit rights being exercised, the number of units they are subscribing for, and the amount that is being paid. If the payment is made in any way other than with the attached payment slip, the securities account must be indicated as a reference. Incomplete or incorrectly filled out subscription forms may be disregarded. The subscription form "Subscription with unit rights" can be downloaded at Sedermera Fondkommission's web page (www.sedermera.se). A completed subscription form must, in connection with cash payment, be sent or faxed to, and received by Sedermera Fondkommission no later than the 27th of February 2020, at 3 p.m. on the contact details stated below. The subscription is binding.

Subject: Invent Medic Sweden AB
Sedermera Fondkommission
Norra Vallgatan 64
211 22 Malmö

Telefon: 040-615 14 10

Fax: 040-54 90 79

E-post: issuingervices@edermera.se (scanned subscription form)

Subscription above 15,000 EUR with preferential right

If the subscription amounts to, or exceeds, 15,000.00 EUR a money laundering form shall be completed and sent to Sedermera Fondkommission in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Sedermera Fondkommission cannot distribute any BTU's, even if payment have been received, before the money laundering form has been received by Sedermera Fondkommission.

Subscription without preferential right

An application for subscription of units without preferential rights is to be made on the form "Subscription without Unit Rights" available for downloading from Sedermera Fondkommission's website (www.sedermera.se), at the website of Invent Medic Sweden AB (www.inventmedic.se) or at Spotlight Stock Market's website (www.spotlightstockmarket.com).

Nominee-registered shareholders, requesting subscription of units without preferential right, must coordinate such a subscription with the account-holding bank or broker in accordance with instructions from the respective account-holding bank or broker, or if shares are registered at several different nominee-registered accounts, from each of these account-holding banks or brokers. Note that shareholders or other investors who have an account with specific rules for securities transactions, such as an investment savings account (Swedish: *Investeringsparkonto*) or endowment account (Swedish: *Kapitalförsäkring*), must check with the account holding bank or broker, whether, and if so, the subscription of units in the rights issue is possible. The subscription shall in that case be made in accordance with instructions received from the account-holding bank or broker.

Incomplete or incorrectly filled out subscription forms may be disregarded. It is only permissible to submit one (1) subscription form "Subscription without Unit Rights." In the event that more than one such subscription form is submitted, only the one last received will be considered, and other such subscription forms will thus be disregarded. The subscription form must be Sedermera Fondkommission at hand no later than the 27th of February 2020, at 3 p.m. The subscription is binding.

Allocation of units subscribed for without preferential right

In the event that not all units in the rights issue are subscribed for with preferential right, the Board of Directors shall decide on allocation of units within the limits of the maximum amount of the rights issue to shareholders or other investors that have subscribed for units without preferential right:

a) Allocation of units which are subscribed for without preferential right shall be made to shareholders or other investors who have also subscribed for units by exercising unit rights, regardless if the subscriber was a registered shareholder on the record date or not. In case that allocation of units cannot fully be provided in accordance to subscriptions without unit rights, allocation shall be made in relation (pro rata) to the quantity of unit rights exercised for subscription of units in the rights issue, and to the extent this is not possible, by drawing of lots.

b) Allocation of units which are subscribed for without preferential right shall be made to other investors than the above mentioned, who have subscribed for units without unit rights. In case that allocation of units cannot fully be provided in accordance to subscriptions without unit rights, allocation shall be made in relation (pro rata) to the amount of subscribed for units without unit rights in the rights issue, and to the extent this is not possible, by drawing of lots.

c) The allocation of units shall be made to the guarantors in proportion to the size of the guarantee commitments made.

Notification of allotment of units without preferential rights will be made via a settlement note containing payment instructions for allotted units. Settlement notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in accordance with the payment instructions on the settlement note. Payment is due within four Swedish business days from the date the settlement note was distributed. Note that payment for any allotted units will not be drawn from the specified book-entry account. If payment is not received in due time, the subscribed for units may be assigned to another party. Should the price by such an assignment be lower than the subscription price of the rights issue, the subscriber who initially was allocated these units may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any units will not receive any notification.

Shareholders residing outside of Sweden

Shareholders who reside outside of Sweden (with the exception of shareholders residing in USA, Australia, Japan, Canada, New Zealand,

South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation in the rights issue requires supplementary prospectus, further registration or other measurements than those which are required by Swedish legislation) who have preferential right in the rights issue can contact Sedermera Fondkommission for further information about subscription and payment.

Due to restrictions in the legislation regarding securities in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation requires supplementary prospectus, further registration or other measurements than those which are required by Swedish legislation, unit rights through Euroclear will not be issued to shareholders with registered addresses in any of these countries. Accordingly, no offer is made to subscribe for units in Invent Medic Sweden AB to shareholders residing in these countries.

Paid and subscribed for units (BTU's)

Subscription via payment is registered with Euroclear AB as soon as feasible, which normally means a few banking days after payment is made. Thereafter, the subscriber will receive a securities depository account notification confirming that the registration of Paid Subscribed Units has occurred in the subscriber's securities depository account. Subscribed for units are entered as BTUs in the securities account until the preferential rights issue has been registered with the Swedish Companies Registration Office.

Shareholders who have their holdings in a custodian account at a bank or brokerage firm will receive information from their respective custodian.

Trading in BTU's

Trading in BTU's will take place on Spotlight Stock Market from the 13th of February 2020 until the rights issue is registered at the Swedish Companies Registration Office. Subscribed for units are entered as BTU in the securities depository account until the preferential rights issue has been registered with the Companies Registration Office, which is expected to take place at the end of March 2020.

Delivery of shares and warrants

As soon as the rights issue has been registered with the Swedish Companies Registration Office, BTU is rebooked to shares and warrants without special notification from Euroclear.

Publication of the outcome of the rights issue

Publication of the outcome in the rights issue is planned to the 4th of March 2020, or as soon as possible after the subscription period ends. Invent Medic Sweden AB will publish the result of the rights issue through a press release.

Trading in the share

The shares of Invent Medic Sweden AB are listed on Spotlight Stock Market. The shares are traded under the short name "IMS" and have the ISIN-code SE0007603402.

Warrants of series TO 1

One (1) warrant entitles to one (1) new share in Invent Medic Sweden AB. The subscription price is SEK 6.75.

Subscription of shares in Invent Medic Sweden AB by exercising warrants will be possible from the 25th of February 2021 until the 18th of March 2021.

The warrant will be traded from the day that the BTU has been converted into shares and warrants in the Euroclear system, until the 16th of March 2021 and will be traded in Swedish kronor (SEK). The ISIN code of the warrant is SE0013720042.

Possible recalculation of subscription price and entitlement to subscribe

The subscription price and the number of shares in Invent Medic Sweden AB to which the warrants entitle to subscribe for, may be recalculated due to, for example, a new issue or a dividend. In case of recalculation as described, Invent Medic will publish information regarding this through a press release on the Company's website (www.inventmedic.se) and on the website of Spotlight Stock Market (www.spotlightstockmarket.se).

Other

The Board of Directors in Invent Medic reserves the right to extend the subscription period and the payment deadline in the rights issue. The subscription of new units with or without preferential right are binding. In the case an excess amount has been paid by a subscriber for the new units, the excess amount will be repaid to the subscriber. Excess amounts less than SEK 100 will not be refunded.

The Board of Directors is not entitled the right to withdraw the offer.