



INVITATION TO  
SUBSCRIBE FOR  
UNITS IN  
SPERMOSENS AB

SUBSCRIPTION  
PERIOD 25 MARCH–  
12 APRIL 2021

Preliminary first day of trading is 5 May, 2021.



# INVITATION TO SUBSCRIBE FOR UNITS IN SPERMOSENS AB

Developer of revolutionizing medical device products for male infertility, individualizing In Vitro Fertilization (IVF) diagnostics and treatment creating a new standard for faster and safer IVF treatments  
Subscription takes place from the 25th of March through the 12th of April, 2021 before listing on the Spotlight Stock Market with preliminary first trading day on the 5th of May, 2021.

The World Health Organization has identified infertility as a global health issue, affecting approximately 15 percent of the global population in the fertile age group. This is equal to around 60 million couples, being impacted by infertility. In half of the cases, the cause of infertility is the male factor. Spermosens is developing a revolutionizing technology for male fertility diagnostics and fertility

treatment. With Spermosens first product, *JUNO-Checked*, it will - for the first time - be possible to determine a sperms ability to fertilize the egg cell. This in turn enables the IVF clinic to choose the appropriate fertilization treatment. Today, around 85 percent of IVF treatments fail. Being able to determine the sperm's ability to fertilize the egg cell is expected to cause to a reduction in the number of IVF-treatments. This leads to:

- Reduced waiting period for childless couples
- Less negative psychological effects
- Reduced cost for the couples in treatment
- Reduced need for hormonal treatments of the female
- Increased capacity of each IVF clinic
- Improved financial outlook for IVF clinics

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“We estimate the global sales potential to be around five billion SEK per year, assuming that all of the 3,600 clinics, which we have identified as potential clients, make use of *JUNO-Checked* for all of their IVF treatments. We won't be able to reach the entirety of the global market at once, but with our unique product offering and competitive edge, I predict that we will be able to capture a very high market share”.

John Lempert | CEO

# SHORT ABOUT SPERMOSSENS

## Introduction

Infertility is a growing global health issue according to the World Health Organization, WHO, which estimates that 15% of the world's population, or about 60 million couples, are affected by infertility. Half of the fertility issues are caused by fertility problems in men. Globally, more than 3 million IVF-treatments are performed annually, but less than every fifth treatment is successful and leads to pregnancy. A couple must undergo an average of three to eight IVF treatments without any guarantee that they will succeed. Six to ten million couples are in line to start IVF-treatment.

Spermosens innovation is based on two research groups' discovery of the JUNO-protein in egg cells. First in 2014 in mice, which was confirmed in 2018 also for human egg cells. Based on the collective knowledge of the JUNO-protein and its importance for fertilization, Spermosens filed a patent application for the JUNO-protein as an indicator of male fertility. The European Patent Office (EPO) has confirmed all the requirements in the patent application regarding novelty value, inventive and industrial applicability.

## Operations

Spermosens is developing a technology for male fertility diagnosis and fertility treatment. Spermosens will initially be able to offer the global market in IVF a unique and innovative male fertility diagnosis, *JUNO-Checked*, which will be able to determine whether the sperm can bind to the egg cell, a prerequisite for fertilization to take place. With today's technology, it is not possible to determine the sperm's conditions for binding to the egg cell. You can determine if there is a normal number of sperm, what they look like and if they move normally but not if the sperm is fertile.

Spermosens first product, *JUNO-Checked*, can determine if the sperm have the ability to bind to the egg cell during a standard IVF-treatment. To be able to determine if the man is fertile is expected to lead to a

reduction in the number of IVF treatments per couple and thereby:

- shorten the queue for childless couples who often stand in line for several years,
- reduce the psychological strain of unsuccessful IVF-treatments;
- reduce the cost per treated couple; a majority of IVF-treatments are reimbursed through authorities or insurance,
- reduce the number of hormone treatments for women, which can lead to acute and chronic side effects,
- provide greater opportunities for IVF-clinics to treat more couples and thereby reduce the time in que,
- improve the profitability of IVF-clinics and their reputation for providing quality care.

## JUNO-Checked

Spermosens is in the final phase of developing *JUNO-Checked* and the market launch is planned for next year. *JUNO-Checked* contains two components, a measuring instrument with associated software, and a disposable chip. The measuring instrument analyses the sperm applied to the chip and reads out if they can bind to the egg cell. The result can be read within about 30 minutes.

## Market

Spermosens target market for IVF consists of just over 3,600 IVF clinics, which together carry out approximately 3.2 million IVF treatments per year. The total market value of the IVF-treatments in these clinics is, for 2020, estimated at USD 20.5 billion and are projected to grow by an average of nine percent per year. The company estimates that the total market value of *JUNO-Checked* in Spermosens target market, i.e., if all 3.2 million IVF treatments use *JUNO-Checked*, amounts to more than SEK 5 billion per year.

# CEO JOHN LEMPERT



It is rare to be involved in the development and market building of products that can fundamentally improve people's quality of life. I see it as a privilege to lead Spermosens in the development and market building of medical devices for male infertility and individually tailored IVF-treatments. Products that for the first time will give fertility clinics an objective tool to decide which fertility treatment to choose and thereby significantly increase the probability for childless couples to become pregnant. Fertility treatments, so-called In Vitro Fertilization ("IVF") today take place without knowing whether the sperm can bind to the egg cell, which is a prerequisite for fertilization to take place with standard IVF.

The ground-breaking discovery of the JUNO-protein on the egg cell, perfect timing and great skill has led Spermosens to where the company is today. The application of patent protection by Kushagr Punyani and Sudha Srivastava et al. just in connection with the discovery of the JUNO-protein was crucial, as well as the skilful research that they had both carried out in previous years has had a great contributing importance. These factors work together to create the unique technology and products that are now being developed and where the company is preparing for market introduction in 2022.

It was mere coincidence that I came in contact with Spermosens, after more than 35 years within Medtech. I was in a situation where I was ready for a new challenge and the company was looking for a CEO with experience. We met and consent arose. I accepted the challenge and today I am extremely inspired to contribute my experience and knowledge.

Spermosens first product *JUNO-Checked* will enable a new diagnostic standard for IVF-treatments around the world. We estimate the sales potential at a total of SEK 5 billion per year if all the 3,600 clinics, which we have identified

as our target market, use *JUNO-Checked* for all their IVF treatments. Of course, we will not achieve a market penetration of 100 percent, but thanks to our unique product combined with a very large competitive advantage over existing technologies, I am convinced that in the long run we will achieve a very high market share. The IVF-clinic's cost for *JUNO-Checked* per treatment is estimated to amount to approximately three to five percent of the total cost of an IVF-treatment. With *JUNO-Checked*, there are conditions to reduce the number of IVF-treatments per couple, which on average amounts to three to eight treatments. This would mean large cost savings, reduced mental suffering and that more couples, who stand in line for several years, can be treated.

Our second product, *JUNO-Picked*, will make it possible to select the right sperm from the patient for the more complex treatment "ICSI" (Intra Cytoplasmic Sperm Injection). As ICSI circumvents natural selection, *JUNO-Picked* is expected to be helpful in selecting a sperm suitable for treatment.

Spermosens technology and product development is unique because there is no other method that can determine whether the sperm will bind to the egg cell and thus fertilize the egg. Together with our skilled team, we have the prerequisites to occupy a world-leading position in male fertility diagnostics and fertility treatment. Welcome to invest in our exciting company and be part of our journey ahead!

Lund, March 2021  
**John Lempert**  
CEO

# OBJECTIVES |

## Operational goals

The company's goal is to establish Spermomens as a world-leading player in global male fertility diagnostics and fertility treatment and complete the development of JUNO-Checked in 2021 to begin the market launch in 2022.

**2021**

Completion of measuring instruments and disposable chips as well as production prior to market launch

Conduct and complete clinical trials on patient

Application for national patents in all significant target markets

Apply for CE-marking according to IVDR for JUNO-Checked

Establish market project plan for each key market

Initiate networks of distribution channels and partners prior to market launch

**2022**

Obtain CE marking before market launch

Market launch of JUNO-Checked

Establish sales to IVF clinics in Sweden and Denmark

Establish cooperation agreements with distributors in priority markets

Initiate sales of JUNO-Checked in selected European markets

**2023**

Initiating sales in markets outside Europe

Initiate development projects regarding the company's other product JUNO-Picked

## Future capital need

Assuming a fully subscribed share issue and that the capital injection from the warrants reach the corresponding amount, it is the Company's assessment that the capital received will cover the Company's capital needs for at least 24 months after the listing according to the current business plan. In the event that the Company is given the opportunity to expand its operations, in addition to the current business plan, additional financing may be required.

# ERBJUDANDET I KORTHET

Summary of the offering	
Subscription period	25 March - 12 April 2021.
Subscription price	5,63 SEK per unit. One unit consists of one (1) share and one (1) free warrant.
Minimum allowed subscription	711 units.
Volume of issuance	Max. 4 262 877 units.
Amount of issuance	Max. 24,0 MSEK
Number of shares before the issue	5 238 000 shares.
Valuation (pre-money)	Approx. 29,5 MSEK.
Subscription commitments	14,0 MSEK (approx. 58%)
Listing on Spotlight	Preliminary first day of trading is 5 May, 2021.
Ticker	"SPERM"
ISIN-code	SE0015346424

Summary of warrants	
Excercise period	2-23 May, 2022
Excercise price	One (1) warrant gives the right to subscribe for one (1) new share in Spermosens at a rate of 70 % of the average share price during three weeks before the first day of subscription.

## Reference to memorandum

All investments in securities are associated with risk-taking. Spermosens memorandum contains a description of potential risks associated with the Company's operations and its share. Before an investment decision can be made, these risks, together with other information in the complete memorandum, must be carefully read. The memorandum is available for download on the company's ([www.spermosens.com](http://www.spermosens.com)), Spotlight Stock Markets ([www.spotlightstockmarket.com](http://www.spotlightstockmarket.com)) and Eminova Fondkommission AB's ([www.eminova.se](http://www.eminova.se)) respective websites.