

Advertisement

# Odinwell

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Invitation to subscribe for shares in Odinwell  
prior to listing at Spotlight Stock Market



## Important information

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The following summary is not an offer but is to be seen as an introduction to Odinwell AB's ("Odinwell" or the "Company") prospectus and does not necessarily contain all information for an investment decision to be made. The investor is advised to consult the prospectus which is available on Odinwell's website ([www.odinwell.com](http://www.odinwell.com)), before making an investment decision to take note of the potential risks associated with the decision to invest in the securities. Odinwell AB, org.no. 559208-7331.



# Odinwell – towards a paradigm shift in wound care



Temperature 37.8°C



Oxygen level in blood 93%

A growing number of people around the world are suffering from difficult-to-heal wounds. This is mainly the result of an increased incidence of diabetes, which gives rise to foot ulcers etc., as well as an aging population. Wounds are usually divided into two categories: acute and chronic. The latter causes the greatest problems, not least because the suffering for the patient can be particularly great and protracted, but also with regards to the large socio-economic costs required to treat chronic wounds.

The challenge is that today there is a lack of effective methods for knowing when and how often a wound dressing should be changed. It makes it difficult to start the right treatment at the right time, and there is a risk of changing plasters and dressings too soon or too late. When a change is made too early, the consequence will be pain for the patient and in many cases impaired healing, with an increased risk of infection and, in the worst case, amputation. Leaving the dressing on for too long can result in increased moisture that breaks down the wound and surrounding healthy tissue.

Due to the large number of individuals suffering from chronic and difficult-to-heal wounds, the market for advanced wound care is significant and amounted to approximately USD 10.4 billion in 2016, with an expected average annual growth (CAGR) of 4.6 percent until 2022<sup>1</sup>.

## Odinwell's solution – a new standard in smart wound care

Odinwell conducts R&D in the wound care segment and has developed a patented technology for smart bandages and plasters. The technology platform enables cost-effective and continuous optical measurement of substances such as blood and wound fluids by analyzing changes in, for example, temperature and pressure in bandages and plasters. The Company is in the development phase and intends to have a product ready for market introduction during the latter part of 2023.

The need for smart wound dressings is significant, increasing and clearly defined. The market need is driven by a number of key factors:

- **Patient care:** By identifying infections before they develop, healing time can be shortened. Unnecessary bandages can

be avoided, thereby reducing the patient's suffering. Wound dressings that are changed often have a negative effect on the body's healing process. Another positive effect for both patient and society at large (fewer care places / lower care costs) relates to the increased opportunities for home care that smarter wound dressings would enable.

- **Increases the knowledge of caregivers:** Today, it is difficult for treating physicians to assess how the healing is proceeding in a wound without disrupting the healing process. Smarter wound dressings can thus contribute positively with safer monitoring and provide relevant information to the caregiver.
- **Reduced need for antibiotics:** Antibiotic resistance has developed into one of the greatest threats to human health. Joint efforts are needed in various areas of healthcare to reduce the use of antibiotics. Smart wound dressings can contribute to this by providing treating physicians with a greater understanding of what is going on in the wound. As a consequence, relevant measures can be put in place at an early stage, which can ultimately reduce the need for antibiotic treatment.
- **Cost savings for society:** In the United States alone, the annual cost of treating acute and chronic wounds is estimated at approximately USD 50 billion<sup>2</sup>, and in Germany, the cost of treating chronic wounds is estimated at around EUR 4.5 billion<sup>3</sup>. A study in the UK shows that wound care accounts for around four percent of the British NHS' (National Health Service) annual expenditure<sup>4</sup>. Smarter dressings can ease the pressure on the healthcare system, and free up beds when the need to monitor patients with non-healing wounds decreases (as monitoring can take place at home), which can result in significant savings in healthcare and society at large.

1. rbis Research: Global Wound Care Market Research Report and Forecast to 2018-2023.

2. Wound Care Outcomes and Associated Cost Among Patients Treated in US Outpatient Wound Centers: Data from the US Wound Registry

3. <https://www.leuphana.de/en/partners/innovation-incubator-lueneburg/health/management-models.html>

4. <https://doi.org/10.12968/jowc.2017.26.6.292>

# CEO Klas Arildsson comments

It has been called the silent epidemic, the increased incidence of chronic, difficult-to-heal wounds. Today, as many as two million people across Europe suffer from chronic wounds. Related healthcare costs weigh on national health care budgets and at the individual level, difficult-to-heal wounds cause great suffering – it is a protracted healing process that is very difficult to treat. There are no adequate methods for knowing when a dressing should be changed; for treating physicians, it therefore becomes difficult to determine, for example, when infections begin to develop. Dressings that are changed prematurely risk impairing the healing process and the skin's ability to recover. In addition, the pain for the patient is often significant. In some extreme cases, infections that develop in wounds can even lead to amputation.

The extent of the problem and the gap in the market are thus clear. Still, there are no effective and cost-effective treatment solutions. Odinwell is sprung from the former parent company Redsense Medical AB's commercialized technology for hemodialysis. We have acquired patent families that concern the wound care area and today stand on our own feet, with an advanced development lab and leading cutting-edge expertise in the area. Odinwell's patented technology is based on optical measurement, where we submit a light signal which is then registered by a thin layer filled with sensitive sensors; this layer can easily be embedded in, for example, a traditional dressing (regular dressings and patches are made up of many layers). The sensors, in turn, can detect changes in the wound, for instance, in terms of temperature, pressure and blood. A signal is then sent to an external unit, which alerts the patient and/or care provider. What is unique here is that the technology is based on photons, i.e., light particles, which makes it possible to develop a solution that is extremely sensitive, durable, weightless and cost-effective.

## Paradigm shift in wound care

In our opinion, Odinwell's technology can contribute to a paradigm shift in wound care. Among other things, it will enable home care to a much greater extent. Monitoring can be done easily and smoothly at home, which would lead to huge societal savings and ease the pressure within the healthcare system.

A key advantage of our solution is that the sensor layers will be manufactured on a "roll" in the form of an OEM component (Original Equipment Manufacturer). Thanks to manufacturing with



3D printers, sensor layers can be very easily integrated into wound care companies' existing production lines, without significant adjustments, which ensures efficient production and high scalability. Our business model is based on two legs; one where we as an OEM will conduct sales primarily to global wound care companies. These can then integrate Odinwell's technology into existing or updated patches and dressings, and sell these under their own brand. This leads to a more cost-effective expansion compared to if Odinwell had handled all market activities on its own. The other leg consists of license sales, where we in close collaboration with partners, such as wound care companies, design and develop practical applications of our platform, rather than just selling sensor layers per roll. This arrangement would be based on a license or royalty agreement.

In order to secure long-term stability and accelerate technology and product development, we are now carrying out a rights issue that can provide Odinwell with approximately SEK 30 million before issue costs. We already have just over 2,500 shareholders who are part of our growth journey, including a number of leading institutional investors. Our hope is that all existing shareholders will take the opportunity to participate in the rights issue and join Odinwell as an independent company with full focus on developing the next generation of wound care technology. At the same time, we also want to take the opportunity to invite the public to participate in the offer, ahead of the upcoming listing at Spotlight Stock Market.

## Key objectives

### 2021

- First prototype (network system for sensors) for temperature validation, developed during the fourth quarter 2021
- Carried out measurement with a focus on temperature
- Expansion of the workforce by recruiting cutting-edge expertise in micromechanical manufacturing

### 2022

- Testing of Odinwell's technical solution in a lab environment in customer application (such as plasters or bandages) during the first half of 2022
- Recruitment of cutting-edge technical expertise
- The Company's first validation study of wound care technology begins
- Launch of an additional validation study in cooperation with wound care company

- Verifying the business model (such as OEM collaborations and licensing arrangements) with a first market initiative, with a limited customer group

### 2023

- Global wound care company launches Odinwell's technology in products
- Construction of production equipment for volume production

# Background and reasons for the offering

In 2020, Odinwell received a shareholder's capital contribution from the then parent company Redsense Medical AB of approximately SEK 30 million. In order to accelerate technology and product development up until launch by the end of 2023, as well as ensuring financial stability and long-term operations, the Company now conducts a rights issue of approximately SEK 30 million prior to listing at Spotlight Stock Market, where the public in Sweden also has the opportunity to subscribe for shares.

The impending rights issue of shares may provide the Company with approximately SEK 30 million (before issue costs). In the case of a fully subscribed rights issue, issue costs will amount to approximately SEK 3.3 million. The use of proceeds is described in more detail below.

Rights issue of shares (approximately SEK 26.7 million in net proceeds)

- Commercialization (marketing and market introduction) and validation studies, conducted by the Company in collaboration with wound care company/-ies (approximately 50%)
- Production equipment: Development and acquisition of automation equipment for application of the Company's sensors in a wound care product (approximately 20%)
- Recruitments with technical expertise (approximately 30%)

## The offer in summary

**Subscription period:** May 20 – June 3, 2021.

**Subscription price:** SEK 5.00 per share.

**Issue volume:** The offer comprises up to a maximum of 6,017,490 shares, corresponding to approximately SEK 30 million.

**Preferential right:** Those who on the record date, May 18, 2021 are registered as shareholders in the Company own preferential right to subscribe for shares in the rights issue. For each (1) existing share, one (1) subscription right is received. Seven (7) subscription rights entitle the holder to subscribe for three (3) new shares.

**Number of shares before the rights issue:** 14,040,810 shares.

**Valuation (pre-money):** Approximately SEK 70.2 million.

**Subscription commitments and declarations of intent:** The Company has received subscription commitments amounting to a total of approximately SEK 3.58 million, corresponding to approximately 11.9 percent of the rights issue. Subscription commitment has been agreed in writing with board member and the Company's largest shareholder, Patrik Byhmer (via the company Seventh Sense Adventures Holding AB). In addition to subscription commitment, a number of institutional investors and existing shareholders have submitted declarations of intent regarding their intention

to subscribe for their share of the rights issue. A declaration of intent does not constitute a binding commitment. The Company has received declarations of intent totaling approximately SEK 7.4 million, corresponding to approximately 24.66 percent of the rights issue. In total, the received subscription commitment and declarations of intent amount to approximately SEK 12 million, corresponding to approximately 36 percent of the issue volume.

**Trading with BTA:** Trading with BTA (Paid Subscribed Share) will take place on Spotlight Stock Market as of June 9, 2021 and will continue until the rights issue has been registered with the Swedish Companies Registration Office. Paid and subscribed for shares are entered as BTA in the securities depository account until the rights issue has been registered with the Swedish Companies Registration Office, which is expected to take place by the end of June 2021.

**Listing at Spotlight:** The share in the Company will be listed at Spotlight. First day of trading is expected to be June 9, 2021.

**Ticker, ISIN:** ODIN, SE0015809967.

# Terms and conditions

*N.B. The below is an unofficial translation of the Swedish original. In case of any discrepancies between the Swedish original and the English translation the Swedish text shall prevail.*

## The offer

The board of directors in the Company decided the 26 April 2021, with an authorization from the annual general meeting the 21 March 2021, to conduct a rights issue of shares to the existing shareholders and the general public. The Company's shares capital will increase with a maximum of SEK 216,629.64 through issuing a maximum of 6,017,490 new shares, each with a nominal value of SEK 0.036. The rights issue is conducted with preferential right for existing shareholder. The total issue proceeds amount to a maximum of SEK 30,087,450.00.

The maximum number of shares issued will be 6,017,490. One (1) existing share in the Company entitles the owner to one (1) subscription right and seven (7) subscription rights give the owner the right to subscribe for three (3) new shares. The subscription price per share is SEK 5.00.

## Dilution

Through the rights issue, the Company's share capital will increase with a maximum of SEK 216,629.64, through the issuing of a maximum of 6,017,490 shares. This equals approximately 30 percent of the votes and capital in the Company.

## Valuation

The Company's pre-money valuation amounts to approximately MSEK 70.2.

## Preferential right for subscription

Parties who on the record date 18 May 2021 were shareholders in the Company, have preferential right to subscribe for shares in the rights issue in relation to their previous shareholdings, whereby one (1) existing share entitles to one (1) subscription rights. Seven (7) such subscription rights entitle the holder to subscribe for three (3) new shares in the Company.

## Subscription price

The subscription price is SEK 5.00 per shares. No brokerage fee will be charged.

## Record date

Record date in Euroclear Sweden AB ("Euroclear") for participation with preferential right was 18 May 2021. The last day of trading with shares in the Company including preferential right was 14 May 2021. The first day of trading with shares in the Company without preferential right was 17 May 2021.

## Subscription period

The subscription period starts 20 May 2021 and ends on 3 June 2021. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without a specific notification from Euroclear.

## Trading with subscription rights

Trading in subscription rights will not take place.

## Pre-printed paying slips and subscription forms

### Shareholders directly registered in Euroclear

Shareholders or representatives of shareholders, who on the record date 18 May 2021, were registered in the Euroclear system, receives a pre-printed paying slip (account statement), the subscription form "Subscription with subscription rights", the subscription form "Subscription without subscription 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 Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)), Sedermera Fondkommission's website ([www.sedermera.se](http://www.sedermera.se)) or at the website of the Company ([www.odwinell.com](http://www.odwinell.com)). Shareholders who are included in the separate list of pledgees and others in relation to Euroclear's system do not receive information and will be notified separately. An account notice, which declares the delivery of subscription rights on the shareholder's book-entry account, are not distributed.

### Shareholders registered with a nominee

Shareholder whose holdings of shares in the Company 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 made in accordance with instruction from the respective bank or trustee. Please note that if the use of subscription rights takes place via a bank or 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 shares with preferential right

Subscription with the support of subscription rights shall be made by simultaneous cash payment no later than 3 June 2021. Subscription by payment must be made either with the prepaid payment slip attached to the account statement or by payment instruction on the subscription form in accordance with the following two options:

#### 1. Preprinted paying slip (account statement)

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

#### 2. Subscription form – "Subscription with subscription rights"

If a different number of subscription rights than what is stated on the pre-printed paying slip

shall be exercised, for example, if subscription rights are acquired or sold, the subscription form "Subscription with subscription rights" shall be used for subscription by means of cash payment. The shareholder must state on the subscription form, the number of subscription rights being exercised, the number of shares they are subscribing for, and the amount that shall be paid. If the payment is made in another way than with the pre-printed paying 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 subscription rights" can be downloaded at Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)) and Sedermera Fondkommission's website ([www.sedermera.se](http://www.sedermera.se)). A complete subscription form must, in connection with cash payment, be sent to, and received by Nordic Issuing no later than 3 June 2021, on the contact details stated below. The subscription is binding.

Subject: Odinwell AB  
Nordic Issuing  
Stortorget 3  
211 22 Malmö, Sweden

Phone: 040-632 00 20  
E-mail: [info@nordic-issuing.se](mailto:info@nordic-issuing.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 Nordic Issuing in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Nordic Issuing cannot distribute any securities, even if payment have been received, before the money laundering form has been received by Nordic Issuing.

### Subscription without preferential right

A subscription of shares without preferential rights is to be made on the form "Subscription without subscription rights" available for downloading at Nordic Issuing's website ([www.nordic-issuing.se](http://www.nordic-issuing.se)), Sedermera Fondkommission's website ([www.sedermera.se](http://www.sedermera.se)) and at the website of Company ([www.odinwell.com](http://www.odinwell.com)).

Nominee-registered shareholders, requesting subscription of shares without preferential right, must coordinate such a subscription with the account-holding bank in accordance with instructions from the respective account-holding bank, 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 (Sw. *Investeringssparkonto*) or



endowment account (Sw. Kapitalförsäkring), must check with the account holding bank or broker, whether, and if so, the subscription of shares 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 subscription rights." If more than one such subscription form is submitted, only the one last received will be considered, and other such subscription forms will be disregarded. The subscription form must be Nordic Issuing at hand no later than 3 June 2021. The subscription is binding.

#### **Allocation of shares subscribed for without preferential right**

If not all shares in the rights issue are subscribed for with preferential right, the board of directors shall decide on allocation of shares within the limits of the maximum amount of the rights issue to shareholders or other investors that have subscribed for shares without preferential right.

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

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

Notification of allotment of shares without preferential rights will be made via a settlement note containing payment instructions for allotted shares. 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 shares will not be withdrawn from the specified securities account. If payment is not received in due time, the subscribed for shares 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 shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares 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 Nordic Issuing 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, subscription 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 shares in the Company to shareholders residing in these countries.

#### **Paid and subscribed share (BTA)**

Subscription via payment is registered with Euroclear 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 Share (BTA) has occurred in the subscriber's securities account. Subscribed for shares are entered as BTA's in the securities account until the 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 BTA**

Trading in BTA's will take place on Marketplace from 9 June 2021 until the rights issue is registered at the Swedish Companies Registration Office. Subscribed for shares are entered as BTA in the securities depository account until the preferential rights issue has been registered with the Swedish Companies Registration Office, which is expected to take place in the end of June 2021.

#### **Delivery of shares**

As soon as the rights issue has been registered with the Swedish Companies Registration Office which is expected to take place in the end of June 2021, BTA is reboked to shares without special notification from Euroclear.

#### **Publication of the outcome of the rights issue**

Publication of the outcome in the rights issue is scheduled to 8 June 2021, or as soon as possible after the subscription period ends. The Company will publish the result of the rights issue through a press release.

#### **Trading in the share**

The Company has been approved by Spotlight. The shares and BTA:s in the Company will be listed at Spotlight. The shares will be traded under the short name "ODIN" and have the ISIN-code SE0015809967. Trading will take place in SEK. The shares and BTA:s in the Company will be tradeable in connection to the Company's listing at Spotlight.

#### **Right to dividend**

The new shares entail the right to any dividend for the first time on the first record date of dividend which occurs after the new shares are registered at the Swedish Company Registration Office and the shares are registered in the share register with Euroclear Sweden AB ("Euroclear"). Eventual dividend will be paid after decision from the general meeting in the Company. The payment will be made by Euroclear, or in case of nominee registered holdings, according with the routines by each bank or nominee. The right to dividend will be made to those who according to the share register held by Euroclear were shareholders on the record date decided upon by the general meeting.

#### **Share register**

The Company is affiliated to Euroclear. The Company's share register with information about shareholders is handled by Euroclear with the address Euroclear Sweden AB, Box 191 SE-101 23, Sweden.

#### **Shareholders rights**

Shareholders rights regarding dividend, pre-emptive right and other is governed partly by the Articles of Association in the Company, and partly by the Swedish Companies Act (2005:551).

#### **Other**

The board of directors in the Company reserves the right to extend the subscription period and the payment deadline in the rights issue. The subscription of new shares with or without preferential right are binding.

In the case an excess amount has been paid by a subscriber for the new shares, 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.

#### **Issuing agent**

Nordic Issuing acts as the issuing agent in connection to the rights issue.

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# Odinwell

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