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TERM SHEET

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| Issuer | <ul style="list-style-type: none"> Apotea AB (publ) ("Apotea" or the "Company") |
| Offering Type | <ul style="list-style-type: none"> Initial Public Offering ("IPO") |
| Listing Venue | <ul style="list-style-type: none"> Nasdaq Stockholm (main market) |
| Bloomberg Ticker / ISIN | <ul style="list-style-type: none"> APOTEA SS / SE0023313762 |
| Price | <ul style="list-style-type: none"> SEK 58 per share |
| Implied market cap | <ul style="list-style-type: none"> c. SEK 6bn / c. USD 549m |
| Shares outstanding | <ul style="list-style-type: none"> 104,070,966 ordinary shares¹⁾ |
| Business description | <ul style="list-style-type: none"> Apotea is Sweden's leading online pharmacy by market share with the goal of becoming the largest pharmacy in Sweden and hence also in the Nordics. With the widest assortment on the market, low prices and quick deliveries, the Company facilitates everyday life for its three million active customers Since 2022, the Company also operates in Norway through its Norwegian subsidiary Apotera The vision is to be the pharmacy of tomorrow by constantly facilitating and simplifying for the customer. The business concept is to be the pharmacy that delivers on the customer promise "fast, cheap and free shipping" Apotea's business model is supported by an entrepreneurial culture, dedication to sustainability and constant pursuit of increased operational excellence. Through a high level of automation, clear cost focus and a well-invested infrastructure, Apotea achieves a high efficiency which has enabled a profitable growth The Company's IT platform, which is based on proprietary software for, for example, logistics and the handling of Rx products, as well as fulfilment centers with a high level of automation, enable both economies of scale and capital-efficient operations Apotea had approximately 800 employees as of 30 September 2024, most of whom work at Apotea's fulfilment centre in Morgongåva in the municipality of Heby |
| Financial Targets and Dividend Policy | <ul style="list-style-type: none"> Net revenue growth: Apotea targets to double the net revenue within 4–5 years Profitability: The Company's short to medium-term target is an operating margin (EBIT margin) of 3–5 per cent. The Company's long-term target is an operating margin (EBIT margin) of 7–8 per cent Dividend policy: The Company will primarily use positive cash flows for investments in profitable growth. Any surplus may be distributed to the Company's shareholders subject to strategic and financial considerations |
| Offering Structure | <ul style="list-style-type: none"> 100% secondary ordinary shares |
| Base offer size | <ul style="list-style-type: none"> Base offering size of 28,181,408 ordinary shares / c. SEK 1.6bn / c. USD 149m, corresponding to up to 27.1% of the total number of shares in the company |
| Over-allotment option | <ul style="list-style-type: none"> Up to 4,227,165 Ordinary Shares / c. SEK 245m / c. USD 22m, corresponding to up to 15.0% of the base offer size |
| Total Deal Size | <ul style="list-style-type: none"> Up to 32,408,573 Ordinary Shares / c. SEK 1.9bn / c. USD 171m, corresponding to up to 31.1% of the total number of Ordinary Shares in the Company after the Offering |
| Expected free float | <ul style="list-style-type: none"> c. 27.1% - c. 31.1% (assuming full exercise of the over-allotment option) |
| Selling Shareholders | <ul style="list-style-type: none"> The Offering consists of existing shares offered by existing shareholders, among others, Lulima, Alecta Tjänstepension Ömsesidigt, SEB Life International Assurance Company DAC (On behalf of Otiva J AB and Otiva F AB), Neudi Kapital AB and Creades AB |
| Cornerstone investors | <ul style="list-style-type: none"> A number of institutional investors have undertaken, under specific terms and conditions, to subscribe for shares in the Offering of up to SEK 975 million, corresponding to c. 52% of the Offering including the over-allotment option, as described below: <ul style="list-style-type: none"> Funds managed by Capital Group: SEK 300m Nordea Asset Management: SEK 200m WCM Investment Management: SEK 200m Ramsbury Invest: SEK 175m AMF Aktiefond Småbolag: SEK 100m |
| Lock-up | <ul style="list-style-type: none"> CEO: 1,080 days Lulima: 720 days Management and BoD: 360 days Other shareholders: 180 or 90 days depending on the size of the shareholders' respective holdings in the Company |
| Selling Restrictions | <ul style="list-style-type: none"> The shares will be offered to institutional investors in Sweden and internationally, and to the general public in Sweden International offering to institutions outside the U.S. in compliance with Reg S U.S. offering to qualified institutional buyers (QIBs) as defined in and in reliance on Rule 144A under the US Securities Act |
| Target Market | <ul style="list-style-type: none"> Non-professional clients, professional clients, and eligible counterparties Negative target market: An investment in the offering is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile |
| Syndicate | <ul style="list-style-type: none"> Joint Global Coordinators and Joint Bookrunners: Carnegie and SEB Joint Bookrunner: ABG |
| Expected Timetable | <ul style="list-style-type: none"> 26 November 2024: Price announced and publication of prospectus 27 November – 4 December 2024: Application period for the general public in Sweden 27 November – 5 December 2024: Application period for institutional investors 6 December 2024: First day of trading in the Company's Ordinary Shares (T) 10 December 2024: Settlement date (T+2) |

Note: 1) After conversion of previous ownership structure in connection with the Offering.

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