Press Release
July 8, 2021
Gothenburg, Sweden

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Vitrolife acquires Igenomix and creates a global leader in reproductive health

Vitrolife AB (publ) ("Vitrolife") has entered into a definitive agreement to acquire 100% of the shares in Igenomix S.L.[1] ("Igenomix") from EQT and other shareholders (together the "Sellers"). The combination will create a global leader in reproductive health by combining the knowledge, product portfolios and market presence of two leading companies within IVF medical devices and reproductive genetic testing services.

Igenomix – a global leader in reproductive genetic testing services

Igenomix is a global leader in women's health and reproductive genetic testing services for IVF clinics founded in 2011. Igenomix today operates 26[2] labs globally and offers a wide portfolio of clinically validated genetic tests and services covering a wide range of genetic diagnostics in reproductive and personalized medicine, where the pre-implantation tests constitute the major revenue driver. Igenomix has demonstrated a proven track record of driving profitable growth through innovation and international expansion. The head office is in Valencia, Spain and the company has approximately 560 employees as of December 2020. Igenomix is expected to achieve estimated revenue for the last twelve months as of June 2021 of EUR 122 million (EUR 98 million excluding Covid-19 testing) which would imply a compound annual growth rate (CAGR) from 2017 to 2021 of approximately 37% (29% excluding Covid-19 testing revenue)[3]. The company expects to achieve adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) for the last twelve months as of June 2021 of EUR 36 million (EUR 26 million excluding Covid-19 testing EBITDA)[4]. The Igenomix net sales for the last twelve months as of June 2020 amounted to EUR 79 million (EUR 76 million excluding Covid-19 testing revenue) and adjusted EBITDA of EUR 17 million (EUR 16 million excluding Covid-19 testing EBITDA).

The combination of Igenomix and Vitrolife creates a global leader in reproductive health

Through this transaction, the combined company will be able to better serve its customers across the entire IVF journey. Combining Igenomix's portfolio of reproductive genetic testing services with Vitrolife's best-in-class IVF device portfolio creates a leading IVF platform with the ambition to deliver long-term profitable growth. Through the enhanced scale and synergistic product offering, Vitrolife can better serve clinics, professional staff, and patients around the world. Specifically, the combination enables the two companies to leverage each other's respective commercial networks which will allow the combined group to cross-sell products and offer enhanced solutions to its customers as well as sharing knowledge in driving innovation. *"The combination of Igenomix and Vitrolife brings together two*

successful organizations that have been committed to innovation and customer service, which will create a global leader in reproductive health focusing on providing the best possible products and services for the IVF clinics to succeed in their strive to support patients becoming parents", says Thomas Axelsson, CEO of Vitrolife. *"Igenomix has been on a fantastic journey with EQT and Charme Capital Partners as owners. We are excited to embark on a new journey together with Vitrolife which will help us to further improve delivery of our mission to provide personalized genetic information to patients globally and further improve clinical practices in infertility, women's health and rare diseases"*, says David Jimenez, CEO of Igenomix.

Enterprise value of EUR 1,250 million financed through a combination of issue in kind, directed share issue, debt and cash balance

The total consideration for 100% of the share capital in Igenomix amounts to EUR 1,250 million on a cash and debt free basis, equivalent to approximately SEK 12.7 billion[5] (the "Transaction"). The Transaction will be financed through a mix of a share issue in kind directed to the Sellers, a directed share issue to institutional investors, new committed debt facilities and Vitrolife's current cash balance:

- EUR 626 million, equivalent to approximately SEK 6.4 billion, will be financed through an issue in kind of 17,251,312 ordinary shares in Vitrolife directed to the Sellers (the "Consideration Share Issue"). The Consideration Share Issue will represent 12.7% of the total outstanding capital and votes in Vitrolife. The Sellers have subsequently entered into agreements with certain existing shareholders of Vitrolife and new institutional investors for a sale of Vitrolife shares for a total value of EUR 300 million. After this sale, the Sellers will retain a 6.6% interest in the outstanding capital and votes of Vitrolife. The Sellers and the investors acquiring shares described above have committed to a 90 days lock-up period.
- EUR 350 million, equivalent to approximately SEK 3.6 billion, will be financed through a directed share issue of 9,645,303 ordinary shares to institutional investors through an accelerated bookbuilding procedure (the "Directed New Share Issue"). The Directed New Share Issue is guaranteed by existing shareholders of Vitrolife and new institutional investors.
- EUR 274 million, equivalent to approximately SEK 2.8 billion, will be financed through current cash balance and new committed debt facilities. The new committed debt facilities consist of a 5-year term loan facility of EUR 200 million and a 5-year revolving credit facility of EUR 100 million provided by SEB and Nordea.
- The Consideration Share Issue is conditional upon approval by Vitrolife's extraordinary general meeting ("EGM"). William Demant Invest A/S, Bure Equity AB, Fjärde AP-fonden and AMF, together representing 47.1% of the capital and votes in Vitrolife, have committed to vote in favour of the proposed Consideration Share Issue at the EGM.
- Closing of the Transaction is subject to regulatory approvals and expected to take place in Q4 2021.

The transaction is expected to be accretive to EBITDA per share from 2022

The Transaction is expected to enhance Vitrolife's financial profile. Expected combined pro forma sales for the last twelve months as of June 2021 for Vitrolife and Igenomix amounts to SEK 2,702 million (SEK 2,460 million excluding Igenomix Covid-19 testing revenue) and SEK 965 million adjusted EBITDA (SEK 864 million excluding Igenomix Covid-19 testing EBITDA). The above figures are only intended as an illustration and do not include the effects of synergies, implementation expenses or

depreciation and amortization of assets at fair value as a consequence of allocation of the purchase price for the acquisition. It is expected that the transaction will only have a marginal effect on Vitrolife's EBITDA per share during 2021 (excluding transaction-related costs and accounting effects) as closing is expected near year-end but to contribute positively as from 2022. The transaction also strengthens Vitrolife's cash-flow generation and provides additional financial flexibility. The net debt / EBITDA ratio will remain below 3x, in-line with Vitrolife's financial objectives and will continuously allow Vitrolife to evaluate further opportunities.

Shareholding post transaction

In total, the number of shares in Vitrolife following the transaction will increase from 108,550,575 to 135,447,190, corresponding to a dilution of approximately 19.9%. The certain investors that have entered subsequent agreements to acquire shares as part of the Consideration Share Issue with the Sellers are William Demant Invest A/S, Bure Equity AB and Fjärde AP-fonden who together have committed to acquire 5,373,811, 826,740 and 2,066,851 shares, respectively, from the Sellers for a total amount corresponding to EUR 300 million. The Directed New Share Issue of EUR 350 million is fully guaranteed by William Demant Invest A/S, Bure Equity AB, Fjärde AP-fonden and AMF at a price of SEK 368.92 per share, which is equivalent to the subscription price of the Consideration Share Issue. The shares held by the Sellers, William Demant Invest A/S, Bure Equity AB and Fjärde AP-fonden following closing of the Transaction are subject to a lock-up period of 90 days. The majority owner of Igenomix is global investment organization EQT.

Extraordinary general meeting

The Consideration Share Issue is conditional upon, inter alia, approval by Vitrolife's EGM. Current shareholders William Demant Invest A/S, Bure Equity AB, Fjärde AP-fonden and AMF, together representing 47.1% of the capital and votes in Vitrolife, support the Consideration Share Issue and have already undertaken to vote in favour of the proposed Consideration Share Issue at the forthcoming EGM. The EGM is expected to take place in the autumn 2021. Further information on the EGM and a formal notice will be provided by the company in due course.

Advisers

Lazard is acting as financial adviser, and Cedric Law and Dentons as legal advisers to Vitrolife in the Transaction. SEB is acting as adviser to Vitrolife in relation to the share issues.

Press conference

Vitrolife will invite to a press conference regarding the Transaction in a separate press release. The press conference will be held on Friday 9 July, 2021 at 10.00am CET.

Gothenburg, July 8, 2021
VITROLIFE AB (publ)
Thomas Axelsson, CEO

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Japan, United Kingdom and USA. The Vitrolife share is listed on NASDAQ Stockholm.

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This information is information that Vitrolife AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 5.31 pm CET on July 8, 2021.

This is a translation of the Swedish version of the press release. When in doubt, the Swedish wording prevails.

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Statements in this press release relating to any future status or circumstances, including statements regarding future performance, growth and other trend projections and other effects of the Rights Issue or the other matters described herein, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipate", "believe", "expect", "intend", "plan", "seek", "will", "would" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that could occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to several factors, many of which are outside Vitrolife's control. Any forward-looking statements in this press release speak only as of the date on which the statements are made and Vitrolife has no obligation (and undertakes no obligation) to update or revise any of them, whether as a result of new information, future events or otherwise.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the new shares in the directed share issue (the "Issue Shares") have been subject to a product approval process, which has determined that the Issue Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the directed share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, SEB will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels.

[1] Mendel HoldCo

[2] Including Colombia which is a commercial office

[3] Forecast based on 11 months actual outcome and 1 month estimate

[4] Forecast based on 11 months actual outcome and 1 month estimate

[5] EUR/SEK as per 7 July 2021. Applies throughout the press release