



VULTUS

Subscription period:
21st of April – 5th of May 2022

IMPORTANT INFORMATION

Investments in securities are associated with risk-taking. In the memorandum for Vultus AB ("Vultus" or "the Company") contains a description of potential risks associated with the Company's operations and its securities. Before an investment decision can be made, these risks, together with other information in the memorandum, are to be carefully read. The memorandum is available at the Company's (www.vultus.se), Sedermera Corporate Finance's (www.sedermera.se) and Spotlight Stock Market's website (www.spotlightstockmarket.com).



**Invest in
satellite-based
precision
agriculture**

Investment highlights – Vultus

Vultus digitizes agriculture with satellite images

Vultus is an agtech company founded in 2016 in Lund. The Company is developing the AI platform Fertilizer Ninja for precision farming via satellites. Using satellite images, the Company's platform collects data from the cultivation fields – data used to analyse the fields and used to produce the proposed measures the farmer then uses to be able to grow more efficiently.

Greentech investment

Vultus' platform contributes to larger harvests on existing land at the same time as the environment is less affected. The EU recently presented the "From farm to fork" strategy for fair, healthy, environmentally friendly and sustainable food production. One main aspect is reduced use of fertilizers in agriculture, which is a contributing cause of pollution.

Based on research from SLU

Research from, among others, the Swedish University of Agricultural Sciences, SLU, shows that there is a connection between the chlorophyll levels in crops and the need for nitrogen when reading pictures. Vultus has commercialized research and from the analysis of satellite images control files are created for agricultural machinery, which ensures that the right amount of nutrition is spread on every part of the field. Through the platform the farmer gets access to historical and real-time images which streamlines the analysis and makes it possible to compare results over time. In field studies from four different countries, the Company's software has increased the harvest by an average of four percent at the same time as nitrogen emissions on average decreased by about 19 percent.¹ Fertilizer Ninja is, to the knowledge of the board, the only platform for precision agriculture in the market that not only provides a clear overview of nitrogen variation in fields but also the exact the spread rate for optimized harvest volume and quality.

Award-winning technology

Vultus has won the agtech entrepreneur of the year award and is since 2018 admitted to Sweden's space incubator ESA BIC Sweden.

Growing market

The European Green Deal Agreement sets out how Europe will achieve the goal of becoming the first climate-neutral continent by 2050. The agreement identifies a new, sustainable growth strategy to strengthen the economy, improve human health and quality of life and take care of nature. The European Green Deal emphasizes that agricultural practices which reduce the use of inputs (fertilizers and pesticides) through the common agricultural policy will be of the utmost importance to achieve the climate goals. Farmers need to transform their production methods faster and make the most of nature-based, technological, digital solutions ways to deliver better climate and environmental results. The European for precision agriculture in 2021 amounts to USD 2.6 billion and is expected to grow to approximately USD 3.2 billion below 2026. The average growth rate is estimated at about 5 percent until 2026.

International future customer base

After years of development work, Vultus has now taken the step into commercialization phase. The Company's platform and operations is internationally scalable and Vultus has started sales to international actors. Fertilizer Ninja offers a complete cultivation, fertilization and irrigation guide for more efficient decisions in agriculture and is developed to provide guidance for a range of different crops. In the field of analysis of nitrogen requirements (fertilizer) the Company has come the furthest, while water and "plant health" are areas where Vultus today can provide a general picture. In the current situation Vultus offers farmers help analyzing wheat, rapeseed, malting barley, corn, rice, soybeans and potatoes – large crops where a general picture is quite sufficient. The platform also offers historical data to compare results over time, which is important to establish cultivation, fertilization and irrigation plans. The Company's goal is to also include analysis for phosphorus and potassium in the near future.

Capitalization for future growth

When the Company has now taken the step from development to commercialization phase, Vultus is ready to expand operations, with an initial focus on strategically selected markets through partnerships. Target markets in the future are Sweden, Germany, Great Britain, Romania and Brazil and in 2024, the Company's goal is to expand to North America. To finance the continued expansion and implement the Company's growth plan, Vultus is now implementing a capitalization prior to listing on the Spotlight Stock Market.

Fertilizer Ninja's applications help farmers with;



Planting: decide on what kind of crop that should be planted, cover and seed density, based on market properties.



Cultivation: improve care of crops by tracking the crop's growth, health and soil quality, and vary the use of inputs such as water and fertilizer.



Harvest and storage: supports the planning of harvest logistics through harvest forecasts.

1. <https://www.vultus.io/blog-1/trials-2021-and-2022>

Objectives

Operational objectives

- Expand the organization with three employees in sales and marketing with the goal of increasing the number of customers in Sweden and other Scandinavian countries.
- Triple the number of field trials with strategic partners to refine the algorithm and further strengthen the AI platform that underlies the analysis to the end customer.
- Broaden Fertilizer Ninja's recommendations to analyse the need for phosphorus and potassium and increase the number analysed crops.
- Continued focus on sales and marketing in others Europe. Implement the growth plan through customer agreements and strategic partnerships with existing players in Asia and South America.
- Integrate Machine Learning into the Company's AI platform for one increased and even more detailed analysis results.
- Further development of Fertilizer Ninja's recommendations.
- Continued focus on increasing the number of field trials with strategic partners.
- Expand the business with local sales organizations in Asia, North America and South America for increased sales.
- Continuous further development of the platform.
- Continuous expansion of analysis for specific crops.



Overall financial objective

The Company's ambition is to turn over SEK 2-3 million during the current year, which is the Company's first year in the commercial phase. Furthermore, the Company's objective is to during the following two years achieve an increase in turnover of at least 100 percent per year in order to achieve a positive cash flow on a monthly basis at the end of 2024. After 2024, the Company considers it reasonable to assume that the increase in sales will remain very high, however, this is too far in the future for it to be possible to set exact targets for this growth. With regards to the Company's profit margins, it is Vultus' goal to achieve a net margin of 18-23 percent from 2026 onwards. Until then, the net margin is expected to be lower due to the fact that Vultus during this time is in a strong growth phase. Vultus' long-term financial vision is to have sales of around SEK 500 million by 2030. The Company's board has established this vision based on the current assessment of market size and growth, the platform's height of innovation and competitive advantages, authorities' increased demands for sustainable agriculture, future broadening of the platform towards additional crops and nutrients and the response received so far from potential customers, partners and organizations. Please note that the above vision should not be seen as a financial forecast but is here to show Vultus' potential, according to the board's assessment. In order to achieve the above vision, it is the Board's assessment that additional capital injections will be needed in addition to what will be obtained through the planned listing and its attached and subsequent warrants. Such additional capital injections could be made through loan financing, but it cannot be ruled out that it could also take place through an issue of shares.

The offering in brief

Subscription period: April 21st – May 5th, 2022.

Subscription price: SEK 11.60 per unit, corresponding to SEK 5.80 per share. Warrants of series TO 1 are issued free of charge.

Minimum subscription post: 400 units (equivalent to SEK 4,640). Each unit consists of two (2) shares and one (1) warrant of series TO 1.

Issue volume: Initial issue volume of a maximum of approximately SEK 11 million (gross) inclusive compensation for bridge lenders. The amount that the Company can receive through exercise of warrants of series TO 1 is approximately SEK 11.65 million (gross).

Subscription commitment: Vultus has received subscription commitments of approximately SEK 8.9 million, corresponding to approximately 81.4 percent of the initial part of the issue of units.

Valuation (pre-money): SEK 14.9 million.

Planned first trading day: Shares and warrants of series TO 1 are scheduled to be admitted to trading on Spotlight Stock Market on May 20th, 2022.

Ticker and ISIN code for the shares: VULTS and SE0017616006.

Ticker and ISIN code for warrants in series TO 1: VULTS TO 1 and SE0017832454.

Warrants TO 1: Holder of warrants of series TO 1 has the right to, for each warrant, subscribe for one new share in the Company at a price within interval 5.80 - 12.25 SEK per share. The subscription price is (within the interval above) to 70 percent of the average volume-weighted price of the share according to Spotlight Stock Markets official price statistics during the period of 20 trading days ending two banking days before the start of the exercise period. The subscription price will be announced one to two days before the first day in the exercise period. Subscription based on series TO 1 warrants can take place during the period March 16th - April 6th, 2023. If all warrants are exercised to the highest price, the Company will receive approximately SEK 11.65 million (gross).



"Vultus offers a complete fertilization guide for farmers. Based on satellite and weather data field-specific maps are created for spreading of fertilizers, unique to the different needs of each field."

Per Karlsson | CEO, Vultus AB

CEO Per Karlsson has the floor

It does not escape anyone that agriculture stands facing major challenges – including increasing population, leading to a greater need for food production, while meeting the requirements of authorities and consumers on more sustainable production methods are increasing. In addition, an increased concern in world politics contributes to a shortage of, and rising of, prices for fertilizers and cereals. The need to streamline agriculture in order to save resources and make the most of what is available has never been greater. Precision cultivation is one of the keys and it is in this area we have now begun the commercialization of the AI platform Fertilizer Ninja.

The well-being (and non-well-being) of the planet matters for all of us – agriculture plays an important role in how we succeed in meeting the great demands placed on our planet with an increasing population and climate change. The need to improve farm productivity and harvests with precision agriculture driven by further changes in weather patterns and global warming. Precision agriculture has the potential to change the agricultural sector by making the traditional agricultural operations more efficient, sustainable and predictable. With the help of Fertilizer Ninja, farmers have the opportunity to increase production and at the same time contribute to a better climate. Through satellite images (which have been proven to be by far the best choice compared to eg drones) Fertilizer Ninja generates data used to provide the farmer with suggestions for improvement /efficiency measures which the farmer can use to grow, fertilize and water more efficiently and thereby reduce both the costs and the environmental impact of agriculture. The platform also has great potential as the areas of application are several, even though we initially chose to focus on agriculture.

The platform is carefully validated through studies. During 2021, we implemented a large-scale validation program with partners to quantitatively demonstrate the results of Vultus' platform. A total of four major studies were conducted including one of Europe's leading producers of feeding system and the Swedish Grain Association. The result showed an average increase in yield of about four percent and a reduced use of nitrogen fertilizer of about 19 percent. Through the external actors who have chosen to participate in the evaluation work over the years and who also chose to sign commercial agreements with us, I believe we have achieved proof-of-concept on what we can contribute with – and what we have potential to contribute with in the future. Furthermore, the grants (for a total of approximately SEK 10 million) Vultus has received from professional parties during the development period have also strengthened my belief in a successful commercialization.

The years that have passed since Vultus was formed in 2016 have been focused on the development of the platform we call Fertilizer Ninja, which is now ready for commercialization. It's time to suit up from being a development company to focus on marketing and sales. We have just entered the market and we are active in international software platforms in the EU, UK, China and Brazil. The main focus in our commercial strategy is to grow through platforms that already reach a

"Vultus makes it easier for farmers to optimize their efforts and take more effective and sustainable decisions."

broad customer base to quickly reach increased revenue and new customer flows. We are now in a phase to scale up and widely launch Fertilizer Ninja. I have high expectations on the future of Vultus and with the capital we now raise it is our intention to begin the commercialization of our product. The development team, the management, the board and I stand ready to meet our own expectations of the Company and we hereby invite you to join the journey ahead. Welcome to invest in Vultus!



Per Karlsson
CEO, Vultus AB



**More information about the offer
and how to subscribe for units**



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