7 Year Master Plan





Deliverables:

- Proof-of-concept
- Working prototype
- Sales to TIER-2 player
- 1 product on the market
- Turnover DKK 2.5M
- · Cash burn DKK 2M
- Investments: DKK 2M (2013)

Deliverables:

- Products meet customer needs
- · Sales to TIER-1 player
- 2 products on the market
- Turnover DKK 7-18M

Ramp up

- · Cash burn DKK 4M
- · Investments: DKK 4M (2015)

Deliverables:

Upside scenario

- Enter cosmetics market
- · Expand production; out-source or new fab?
- Turnover DKK 30-200M
- Profitable

Vet. expansion

Focus

Deliverables:

- Prepare for exit
- Optimize operations
- Focus on bottom line
- Turnover DKK 230M
- (upside scenario)

Deliverables:

Downside scenario

- · No entry into cosmetics
- Concentrate on phase 2 deliverables
- Turnover DKK 18M

Phase 1 2021-22

Market entry

Phase 2 2023-24

Phase 3 2025-27 Phase 4 2028

Technology <-> Market Match

Objective: To utilize a new simple laser architecture to introduce low-cost and compact lasers to medical applications



PureLaser capabilities

Technology:

Key capabilities

- Simpler laser architecture
- Low cost
- IPR

Key drivers:

- Compactness
- Reliability
- · Ease of use
- Price

Differentiate vs comp.

Competitors:

Coherent

- High-end performance
- Overkill for skin cancer => too costly

Lighthouse

 Budget version of Coherent – still too costly



Market:

Key customer needs

- Early and high probability of cancer detection
- Non-invasive
- Cheap and compactness for deployment at local clinics

Key Segments

- Skin cancer: Universities, Hospitals, GPs
- Cosmetics, clinics: skin rejuvenation, skin resurfacing





7 Year Master Plan, annual turn-over

Medical applications:

Diaognostics of skin cancer (main focus of Pure laser in start-up phase):

In dialog with smaller player in the field (TIER-2)::

Market entry, Niche player (TIER-2 supplier):

```
Year 1: 10 \times 7.000 \text{ EUR} => 10 \times 50 \text{kDKK} => 0.5 \text{ mDKK} (2021)
Year 2: 50 \times 7.000 \text{ EUR} => 50 \times 50 \text{kDKK} => 2.5 \text{ mDKK} (2022)
```

Ramp up, Towards Market leader (TIER-2 and -1 supplier):

```
Year 3: 200 x 5.000 EUR => 200 x 35kDKK => 7 mDKK (2023)
Year 4: 500 x 5.000 EUR => 500 x 35kDKK => 18 mDKK (2024)
```

Expansion:

Year 5: 1.000 x 4.000 EUR => 1.000 x 35kDKK => 30 mDKK (2025)

Cosmetics for skin rejuvenation and laser resurfacing (Upside scenario):

Driving volumes up and price down for skin cancer applications, allows to enter cosmetic market New market entry (down-graded specs and OEM contract):

```
Year 5: 100 x 4000 EUR => 100 x 35kDKK => 3 mDKK (2025)

Year 6: 1.000 x 3.000 EUR => 1.000 x 22kDKK => 22 mDKK (2026)

Year 7: 10.000 x 2.600 EUR => 10.000 x 20kDKK => 200 mDKK (2027)
```

Production issues:

Production ramp in Year 4 requires outsourcing or building of new production facility

Investment: 10 mDKK

Founders believe this is possible using income generated within the company

Investor believes this will require a new funding round.





Background

- PureLaser ApS is a fresh spin-put company from the Technical University of Denmark (DTU).
- PureLaser's mission is to become a dominant supplier of low-cost, compact laser solution for the medical industry. There are multiple competing technologies in this area, and PureLaser expects to provide the most simple, and therefore most cost-effective and compact technology. The total addressable market for PureLaser is 1.500 MDKK.
- The technology for PureLaser has been developed by a team of experienced researchers over the past five years. During this period, the team has filed two patent applications, both pending, that are owned by DTU. PureLaser has a letter-of-intent from DTU to give an exclusive license to PureLaser once a seed investor has been signed, and to transfer all intellectual property rights (IPR) to PureLaser once the company has proven sustainable. The criterion for this is either that PureLaser is profitable, that it is sold, or that it secures a second-round funding.
- PureLaser has been organized/established as an ApS company that currently has no activities. The funding team
 consists of a highly esteemed university professor with an impressive academic track-record, two senior
 researchers with around 10 years of academic experience each, and a PhD student that is about to finish his PhD
 degree. From the founding team, the PhD student is interested in joining the company, whereas the rest of the
 team would like to stay at DTU. The PhD student would like to be CEO of the company. The founding team has split
 their shares equally among them.
- The founding team would like to keep control of the company and believes it is possible with seed funding to run the company to profitability within 3 years. The team believes the company would be able to attract government funding from research programs and to sell prototypes for the first three years. After the three year time frame, the goal is to secure a contractor with a major player in the laser industry.



