

## Press Release

Helsingborg, 13 November 2024

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# MilDef completes a directed share issue of approximately 5.4 million shares, raising proceeds of SEK 500 million

MilDef Group AB (publ) ("**MilDef**" or the "**Company**") has successfully carried out a directed share issue of 5,434,782 shares at a subscription price of SEK 92 per share (the "**Directed Share Issue**"). As a result of the strong demand from both new and existing long-term institutional investors, the Company has decided to increase the size of the Directed Share Issue with approximately SEK 50 million from approximately SEK 450 million to SEK 500 million. The subscription price has been determined through an accelerated bookbuilding procedure performed by Skandinaviska Enskilda Banken AB ("**SEB**"). Part of the Directed Share Issue is subject to the subsequent approval by an Extraordinary General Meeting, which is intended to be held on or about 9 December, 2024. Notice of the Extraordinary General Meeting will be published separately shortly.

The bookbuilding procedure announced by the Company earlier today has been completed and MilDef's Board of Directors has resolved to carry out a directed share issue of 5,434,782 shares, at a subscription price of SEK 92 per share, consequently raising proceeds of SEK 500 million before transaction costs. As a result of the strong demand from both new and existing long-term institutional investors, the Company has decided to increase the size of the Directed Share Issue with approximately SEK 50 million from approximately SEK 450 million to SEK 500 million. The subscription price of SEK 92 per share corresponds to a discount of approximately 4.7 percent in relation to the closing price of the MilDef share on Nasdaq Stockholm on 13 November, 2024. 3,993,206 shares will be issued pursuant to the authorization granted by the Annual General Meeting held on 23 May, 2024 ("**Tranche 1**") and the remaining 1,441,576 shares will be issued subject to subsequent approval by an Extraordinary General Meeting, intended to be held on 9 December, 2024 ("**Tranche 2**").

The Directed Share Issue was significantly oversubscribed and the entitled entities to subscribe were Swedish and international institutional investors, including several new shareholders, among them Fjärde AP-fonden and an international institutional long-only investor, as well as a number of existing shareholders, among them Svolder AB, Andra AP-fonden, Tredje AP-fonden and Carnegie Fonder. The Company intends to use the proceeds from the Directed Share Issue to partly finance the acquisition of roda computer GmbH ("**roda**"), which was announced separately by MilDef earlier today.

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Prior to the Board of Directors' decision to carry out the Directed Share Issue, the Company's Board of Directors has made an overall assessment and carefully considered the possibility of raising capital through a rights issue, but concluded that an issue with deviation from the shareholders' preferential rights is a better alternative for the Company and its shareholders. A prerequisite for the acquisition of *roda* is that the Company secures sufficient financing through a capital injection. In this regard, it is important to raise capital in a time and cost effective manner, and the Board of Directors considers it necessary to swiftly secure the necessary financing. A rights issue would be significantly more time and resource consuming, especially due to work and costs related to guarantee procurement and prospectus processing. In addition, a rights issue would not be practicable prior to the closing of the acquisition *roda*, which is expected to take place in the first quarter of 2025 as soon as customary regulatory approvals and closing conditions have been met, which is why costs related to bridge financing would also have to be incurred. Furthermore, the time required for a rights issue under the current market conditions would also entail a not insignificant exposure to market volatility and risk of worsening the conditions for raising capital. It is expected that the Directed Share Issue can be carried out in a time and cost effective manner, with what the Board of Directors considers to be a good result. In addition, it is considered advantageous to further diversify and strengthen the Company's ownership among Swedish and international institutional investors of strategic importance, which the Board of Directors consider to be positive for MilDef and the liquidity of the share. In the opinion of the Board of Directors, this creates security and stability for both the Company and its shareholders.

With the above in mind, the Board of Directors is of the opinion that a directed share issue with deviation from the shareholders' preferential rights is the most advantageous alternative for both the Company and for all shareholders. Since the subscription price in the Directed Share Issue has been determined through a bookbuilding procedure, the Board of Directors assesses that the subscription price reflects current market conditions and demand.

Through the Directed Share Issue, the number of shares in the Company will increase by 5,434,782 shares, from 39,932,066 to 45,366,848 shares, and the share capital will increase by SEK 1,358,695.50, from SEK 9,983,016.50 to SEK 11,341,712.00. This corresponds to a dilution effect of approximately 12.0 percent of the share capital and voting rights in the Company.

The settlement date for Tranche 1 is expected to be around 18 November, 2024. Paid subscribed shares ("**BTAs**") will be issued and allotted to the subscribers in Tranche 2. BTAs will not be admitted to trading on Nasdaq Stockholm. BTAs will be converted into shares after the Extraordinary General Meeting's approval of Tranche 2, which is expected to take place around 16 December, 2024.

The Company has undertaken, subject to certain exceptions, not to issue additional shares during a period of 180 days following the settlement date for Tranche 2. In addition, all members of the Company's executive management and Board of Directors have, subject to certain exceptions, agreed not to sell any shares in the Company during a period of 90 days following the settlement date for Tranche 2, with certain exceptions for financing, including tax effects, and incentive program participation.

### **Extraordinary General Meeting**

The Company will issue a notice of an Extraordinary General Meeting to approve the issue of Tranche 2 in the Directed Share Issue. The Extraordinary General Meeting will be held on or about 9 December, 2024. The issue of Tranche 2 is conditional upon an Extraordinary General Meeting approving the resolution no later than 13 January, 2025 and that it is registered by the Swedish Companies Registration Office no later than 27 January, 2025. A valid resolution requires the approval of at least two-thirds of the votes cast and shares represented at the Extraordinary General Meeting. Three of MilDef's largest shareholders, Svolder AB, Andra AP-fonden and Tredje AP-fonden, together with other shareholders and members of MilDef's Board of Directors, management and other employees, who together hold approximately 44 percent of the share capital and voting rights in MilDef, have

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undertaken to vote to approve the Board of Directors' resolution to issue shares. A separate notice of the Extraordinary General Meeting will be published shortly.

#### **Advisors**

SEB is the Sole Global Coordinator and Bookrunner and HWF Advokater AB is the legal advisor to the Company. Advokatfirman Cederquist KB is the legal advisor to SEB.

*This information is information that MilDef Group AB (publ) 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 below, at 23:20 CET on the 13 November, 2024.*

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SEB is acting for MilDef in connection with the Directed Share Issue and no one else. SEB will not be responsible to anyone other than MilDef for providing the protections afforded to their clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This announcement is for information purposes only, does not intend to be complete, is subject to changes and is not being made in and copies of it may not be released, distributed or published or sent into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa, South Korea, Russia, Belarus or any other jurisdiction in which the release, distribution or publication would be unlawful or require registration or any other measure in accordance with applicable law.

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securities in the United States. No action has been taken by the Company, SEB or any of their respective affiliates that would permit an offering of the shares or possession or distribution of this announcement or any offering or publicity material relating to the shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and SEB to inform themselves about, and to observe, any such restrictions.

No prospectus or offering document has been or will be prepared in connection with the securities to which this information refers. Any investment decision in connection with the securities to which this information refers must be made on the basis of publicly available information. Such information has not been independently verified. The information contained in this announcement is for background purposes only and does not purport to be full or complete.

This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 of 14 June 2017 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or other securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In each EEA member state, this communication is only addressed to and directed at persons who are "Qualified Investors" in that member state within the meaning of Article 2 (e) of the Prospectus Regulation. The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with Qualified Investors.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "Qualified Investors" (within the meaning of Article 86(7) of the Financial Services and Markets Act 2000), who are (i) investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

In connection with the securities to which this information refers, SEB and any of their affiliates may take up a portion of the new shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for its or their own account(s) in such securities, any other securities of MilDef or other related investments in connection with the securities to which this information refers or otherwise. In addition, certain of SEB or their affiliates may enter into financing agreements and swaps with investors in connection with which SEB (or their affiliates) may, from time to time, acquire, hold or dispose of the share of MilDef. Accordingly, references in this announcement to the shares being offered or otherwise dealt with should be read as including any offer to, or dealing by, SEB or any of them and any of their affiliates acting in such capacity. SEB do not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

### **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

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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 UK MiFIR; 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.

#### **Information to investors under the Screening of Foreign Direct Investment Act (2023:560)**

As MilDef has made the assessment that the Company conducts activities worthy of protection in accordance with the Screening of Foreign Direct Investment Act (2023:560), certain investments in the Directed Share Issue may require examination by the Inspectorate for Strategic Products. For more information, please visit the Swedish Inspectorate for Strategic Products' website, [www.isp.se](http://www.isp.se), or contact the Company.

#### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. Neither the Company nor SEB guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company, SEB nor anyone else undertakes to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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