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## Ekobot decides on a rights issue of units of approximately SEK 13.6 million

**Ekobot decides on a rights issue of units of approximately SEK 13.6 million and a directed issue of convertibles, subject to the approval of the Extraordinary General Meeting, in order to begin the commercialization phase of autonomous agricultural robots**

The Board of Directors of EKOBOT AB (publ) ("Ekobot" or "the Company") has today, subject to the subsequent approval of the Annual General Meeting, decided to carry out a new issue of a maximum of 169,619 units (shares and warrants) with preferential rights for existing shareholders ("Rights Issue"). Upon full subscription, the Company will receive an issue proceeds of approximately SEK 13.6 million before issue costs. The rights issue is covered to approximately 68 percent by subscription commitments and guarantee commitments. The Board has also, subject to the subsequent approval of the Annual General Meeting, decided on a directed new issue of convertibles to Formue Nord Fokus A / S (the "Convertible Issue"). The rights issue is carried out with the aim of initiating the commercialization phase of the Company's autonomous agricultural robots. Notice of an Extraordinary General Meeting for a decision to approve the Rights Issue and the Convertible Issue is published in a separate press release.

### Summary of the terms

- Rights issue of a maximum of 169,619 units (1,696,190 shares and 848,095 warrants of series TO2) corresponding to, upon full subscription, a total issue proceeds of approximately SEK 13.6 million before issue costs.
- The rights issue is secured to approximately 68 percent through subscription commitments of approximately SEK 4.3 million and guarantee commitments of SEK 5.0 million.
- For each existing share held on the record date, one (1) unit right is received in the Rights Issue. Holdings of fourteen (14) unit rights entitle the holder to subscribe for one (1) new unit. One (1) unit consists of ten (10) shares and five (5) warrants of series TO2.
- Subscription price of SEK 80.00 per unit (SEK 8.00 per share).
- The record date for the Rights Issue is 28 April 2022 with the last day for trading including the right to receive unit rights on 26 April 2022 and the first day for trading excluding the right to receive unit rights on 27 April 2022.
- The subscription period for the Rights Issue is expected to begin on May 2, 2022 and end on May 16, 2022. Trading in unit rights will take place on the Nasdaq First North Growth Market between May 2 and May 11, 2022.
- Warrants of series TO2 have a planned redemption period from 3 October 2022 to 14 October 2022. The exercise price is planned to amount to 75 percent of the volume-weighted average

price over a two-week period, between 19 September 2022 and 30 September 2022, before option redemption, however, a minimum of the share's quota value and a maximum of SEK 9.60. Upon full exercise of warrants of series TO2 at the highest exercise price (SEK 9.60 per new share), the warrants will provide the Company with approximately SEK 8.1 million before issue costs.

- Convertible issue to Formue Nord Fokus A / S for a nominal amount of SEK 3.0 million, with a quarterly interest rate of 3 percent and the right to convert to new shares at a conversion price of SEK 9.60 until 30 April 2023.

### **Background and motives**

The number of farmers who choose to automate their farming activities is constantly increasing. Farmers generally need to review their costs for inputs and are pressured to find new cost-effective solutions to achieve profitability, which is why the demand for robotic weed control is expected to increase significantly in the coming years. Ekobot's solution is so effective during the crop's sensitive period that, according to the Company's experience and calculations, it can provide a significantly increased yield from cultivation, which according to the Company's assessment is unique in the market.

During the first year as a listed company, Ekobot has laid the foundation for the Company's future commercialization phase of autonomous agricultural robots. Among other things, field tests were carried out in the Netherlands that showed an improvement in cleaning efficiency and performance from 20 percent in 2020 to 78 percent in 2021. In January 2022, purchases of robot components for robots were made as a basis for the impending commercialization and in February signed declarations of intent for pilot installations 2022 and commercial installations in 2023 at three of the Netherlands' largest vegetable growers. In March, Ekobot received its first order for the installation of the Company's robot system in the Netherlands.

The motive for the Rights Issue and the Convertible Issue is thus to support the beginning of the commercialization phase of autonomous agricultural robots, with a first order in place for the 2022 cultivation season.

- Continue to conduct the operational business consisting of preparations for commercialization (SEK 6.0 million).
- Purchase of additional robot components and other materials (SEK 2.8 million).
- Recruitment of additional staff in sales and marketing (SEK 1.8 million).
- Repayment and conversion of bridge loans The company raised for the purchase of robot components in order to enable the delivery of robots to the customer during the cultivation season 2022 (SEK 4.0 million).

### **The rights issue**

The Board of Ekobot has, subject to the subsequent approval of the Annual General Meeting, decided to carry out a new share issue with preferential rights for existing shareholders of a maximum of 169,619 units (1,696,190 shares and 848,095 warrants of series TO2). The main terms and conditions for the Rights Issue are presented below and are subject to approval by the shareholders at the Extraordinary General Meeting that the Board will convene later today.

- Anyone who is registered as a shareholder on the record date of April 28, 2022 will receive one (1) unit right for every one (1) share held in the Company.
- Fourteen (14) unit rights entitle to subscribe for one (1) new unit. One (1) unit consists of ten (10) shares and five (5) warrants of series TO2.
- The unit rights are intended to be traded on the Nasdaq First North Growth Market from 2 May 2022 until 11 May 2022.

After subscription, paid subscribed units ("BTU") for units subscribed with the unit rights will be registered in the subscriber's VP account or securities depository.

- Shares and warrants will be registered in the subscribers' VP account or securities depository if they have been registered with the Swedish Companies Registration Office, which is expected to take place during week 22, 2022.
- The record date for the Rights Issue is 28 April 2022 with the last day for trading including the right to receive unit rights on 26 April 2022 and the first day for trading excluding the right to receive unit rights on 27 April 2022.
- The subscription price is SEK 80.00 per unit (SEK 8.00 per share).
- The subscription period for the Rights Issue is expected to begin on May 2, 2022 and end on May 16, 2022.
- In the event that the Rights Issue is fully subscribed, the Company will receive approximately SEK 13.6 million before issue costs, which are estimated to amount to approximately SEK 2.0 million.
- Warrants of series TO2 have a planned redemption period from 3 October 2022 to 14 October 2022. The exercise price is planned to amount to 75 percent of the volume-weighted average price over a two-week period, between 19 September 2022 and 30 September 2022, before option redemption, however, a minimum of the share's quota value and a maximum of SEK 9.60. Upon full exercise of warrants of series TO2 at the highest exercise price (SEK 9.60 per new share), the warrants will provide the Company with approximately SEK 8.1 million.
- In the case of a fully subscribed Rights Issue, the Company's share capital will increase by SEK 593,666.50 from SEK 831,134.50 to SEK 1,424,801.00. Upon full redemption of warrants of series TO2 in addition, the Company's share capital will increase by an additional SEK 296,833.25 to SEK 1,721,634.25.
- The dilution for shareholders who do not participate in the Rights Issue will amount to a maximum of 41.7 percent, and in the event of full subscription of TO2 series warrants to a maximum of 51.7 percent.

### **Subscription commitments and warranty commitments**

The rights issue is secured to approximately 68 percent through subscription commitments of approximately SEK 4.3 million and guarantee commitments of SEK 5.0 million.

No compensation is paid for subscriptions provided. For the guarantee commitments, a guarantee compensation in the form of cash of twelve (12) percent or fifteen (15) percent in units of guaranteed amount is paid.

### **Directed new issue of convertibles**

In addition to the decision on the Rights Issue, the Board of the Company has also, subject to the subsequent approval of the Annual General Meeting, decided on a directed new issue of convertibles to Formue Nord Fokus A / S. The purpose of the directed new issue of convertibles is for the convertible loan to replace the part of the existing loan that the Company has and which is not repaid with the help of the issue proceeds from the Rights Issue. The directed new issue of convertibles is proposed to amount to SEK 3.0 million according to the conditions below.

- 312,500 convertibles, which entails the right to subscribe for 312,500 new shares.
- Conversion price of SEK 9.60 per new share until and including April 30, 2023.
- Convertible amount of SEK 3,000,000.
- The convertible holder is entitled during the period from the date of payment, planned until after the Extraordinary General Meeting, until and including 30 April 2023 to convert the loan into shares.
- In the event that the entire loan has not been converted, repayment of the loan and interest must take place no later than 30 April 2023.
- The convertibles have a quarterly interest rate of three (3) percent.

Assuming a fully subscribed planned issue of units, full exercise of warrants of series TO2, full conversion of the convertibles entails a dilution of approximately six (6) percent.

### **Memorandum**

Complete terms and conditions for the Rights Issue, information on subscription and guarantee commitments and other information about the Company will appear in the memorandum that will be published by the Company prior to the commencement of the subscription period.

### **Preliminary schedule for the Rights Issue**

April 21, 2022 Extraordinary General Meeting with resolution approving the Rights Issue, the Convertible Issue and the amendment to the Articles of Association

April 25, 2022 Estimated date for publication of memorandum

April 26, 2022 Last trading day in the share, including the right to receive unit rights

April 27, 2022 First trading day in the share excluding the right to receive unit rights

April 28, 2022 Record date for the Rights Issue

May 2 - May 11, 2022 Trade in unit rights

2 May - 16 May 2022 Subscription period

May 18, 2022 Estimated date for publication of the outcome of the Rights Issue

### **Advisor**

Augment Partners AB is the financial advisor and Eversheds Sutherland Advokatbyrå AB is the legal advisor in connection with the Rights Issue.

### **IMPORTANT INFORMATION**

THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER TO SELL OR AN INVITATION CONCERNING AN OFFER TO ACQUIRE OR SUBSCRIBE THE SECURITIES ISSUED BY THE COMPANY IN ANY KIND OF ANY JURISDICTION. In a Member State in the European Economic Area ("EEA"), securities referred to in this press release are only offered in accordance with applicable derogations in Regulation (EU) 2017/1129 of 14 June 2017 ("Prospectus Regulation"). INVITATION TO INTERESTED PERSONS TO SUBSCRIBE SHARES IN THE COMPANY WILL ONLY

BE DONE THROUGH THE INFORMATION MEMORANDUM THE COMPANY PLANS TO PUBLISH BEFORE THE PERFORMANCE ISSUE.

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## About Ekobot

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Ekobot AB (publ), based in Västerås, conducts business based on the business concept of developing, manufacturing and selling autonomous agricultural robots that enable efficient precision cultivation where weed management takes place completely without or with minimal use of herbicides. The company's vision is to provide the agricultural sector with a long-term sustainable alternative for reducing or completely eliminating chemical spraying in crops of crops for human consumption. The company is listed on the Nasdaq First North Growth Market.

For more information, see Ekobot's website [www.ekobot.se](http://www.ekobot.se)

Augment Partners AB, tel. +46 8 604 22 55, e-mail: [info@augment.se](mailto:info@augment.se) is the Company's Certified Adviser.

*This information is information that Ekobot 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 2022-03-21 08:50 CET.*

## Attachments

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[Ekobot decides on a rights issue of units of approximately SEK 13.6 million](#)