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## Announcement regarding the exercise of the over-allotment option and end of the stabilisation period in advance

**ABG Sundal Collier AB ("ABGSC"), in its capacity as stabilisation manager, announces that the over-allotment option in connection with Arctic Falls AB's (publ) ("Arctic Falls" or the "Company") offering of shares ahead of the listing on Nasdaq First North Growth Market (the "Offering") has been exercised in full and that the stabilisation period, which was initially expected to conclude on 10 January 2026, has now ended in advance. No stabilisation measures have been carried out or will be carried out.**

In connection with the offering to acquire shares in Arctic Falls and the listing of the Company's shares on Nasdaq First North Growth Market in Stockholm on 11 December 2025 (the "**Offering**"), the selling shareholders, Swedia Invest AB, Siheden AB, Jalar Finans & Konsult AB and Vinterängen Förvaltning AB undertook, at the request of ABGSC, to offer up to an additional 353,583 shares, corresponding to a maximum of 15 per cent of the total number of shares in the Offering, for the purpose of covering any over-allotments in the Offering. No price stabilisation measures have been conducted since the listing on 11 December 2025 and, considering the development of the Company's share price, ABGSC has decided to exercise the over-allotment option in full and to end the stabilisation period in advance.

### **About Arctic Falls**

Arctic Falls is a leading Nordic provider of testing services for the tyre and automotive industries, particularly within winter testing. The Company is based in Älvsbyn and has more than 40 years of experience in developing and operating complete testing environments for the automotive industry. Under extreme climatic conditions, Arctic Falls offers advanced test environments and technical solutions that support the development of next-generation vehicle technologies and tyres. Through its facilities in northern Sweden, the Company enables the validation and optimisation of future vehicle technologies, including electric vehicles, autonomous systems, advanced safety solutions and high-performance winter tyres, in a stable winter climate.

The Company currently owns and operates eight permanent test facilities in northern Sweden, strategically located to ensure long-term stable winter conditions. With five land-based outdoor facilities, the Company offers a wide range of tracks and testing environments designed to simulate various road surfaces and driving situations. These are complemented by three modern indoor facilities, which enable reproducible testing under controlled climatic conditions year-round.

Arctic Falls is a steadily growing company with a proven track record of organic revenue growth combined with strong profitability. Between the financial years 2020/2021 and 2024/2025, the Company's average annual revenue growth (CAGR) amounted to approximately 18 percent. Growth has primarily been driven by strategic investments in new facilities as well as gradually increasing utilisation rates in existing facilities. The Company's development has also been accompanied by improved profitability, with the operating margin (EBIT) increasing from approximately 27 percent in the 2020/2021 financial year to approximately 39 percent in the 2024/2025 financial year.

#### **Advisors**

ABG Sundal Collier AB (publ) is acting as Sole Global Coordinator and Bookrunner ("**Sole Global Coordinator and Bookrunner**"). Baker McKenzie is acting as legal advisor to Arctic Falls in connection with the IPO.

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Any offering of the securities referred to in this press release will be made by means of a prospectus. This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (together with any related implementing and delegated regulations, the "**Prospectus Regulation**"), and has not been approved by any regulatory authority in any jurisdiction. A prospectus in connection with the Offering has been prepared and published by the Company on the Company's website. Investors should not invest in any securities referred to in this press release except on the basis of information contained in the aforementioned prospectus.

In any EEA Member State other than Sweden, this press release is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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This press release may include statements, including the Company’s financial and operational medium- to long-term objectives that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “assumes”, “believes”, “intends”, “estimates”, “anticipates”, “should”, “according to estimates”, “predicts”, “expects”, “may”, “will”, “plans”, “schedules”, “potential”, “forecasts”, “could”, “as far as is known” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made. Each of the Company, its shareholders, Sole Global Coordinator and Bookrunner and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this press release whether as a result of new information, future developments or otherwise.

Information in this press release or any of the documents relating to the IPO cannot be relied upon as a guide to future performance.

The Sole Global Coordinator and Bookrunner is acting exclusively for the Company and no one else in connection with any offering of the Company’s shares. The Sole Global Coordinator and Bookrunner will not regard any other person as clients in relation to any offering of the Company’s shares and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to any offering of the Company’s shares, the contents of this press release or any transaction, arrangement or other matter referred to herein. The Sole Global Coordinator and Bookrunner or any of its respective subsidiary undertakings, affiliates or any of their respective directors,

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#### **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 Company’s shares subject of the Offering have been subject to a product approval process, which has determined that such 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” (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Company’s shares may decline and investors could lose all or part of their investment; the Company’s shares offer no guaranteed income and no capital protection; and an investment in the Company’s 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 Offering.

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 Company’s shares.

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, shares in the Offering have been subject to a product approval process, which has determined that the Company’s 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 defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the “**UK Target Market Assessment**”). Notwithstanding the UK Target Market Assessment, “distributors” (for the purposes of the UK Product Governance Requirements) should note that: the price of the Company’s shares may decline and investors could lose all or part of their investment; the Company’s shares offer no guaranteed income and no capital

protection; and an investment in the Company's 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 UK Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, the Sole Global Coordinator and Bookrunner will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; 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 Company's shares. Each distributor is responsible for undertaking its own UK Target Market Assessment in respect of the Company's shares and determining appropriate distribution channels.

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**For more information, please contact:**

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**About Arctic Falls**

Arctic Falls is a leading provider of testing services for the tire and automotive industries. With eight facilities—three indoor and five outdoor—we offer flexible and reliable environments for development and validation. In addition to test environments, our services include testing and testing support, and coordination.

Our global customer base of vehicle and tire manufacturers values our strong focus on confidentiality, safety, and high-quality service, and we aim to be a long-term and trusted partner in their development work. Arctic Falls was founded in 1985 and operates in northern Sweden, where unique climate conditions and our extensive experience provide optimal opportunities for year-round testing.