

# ASTG **Advanced Stabilized Technologies Group**

Advanced Stabilized Technologies Group AB (ASTG)  
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## ASTG signs Letter of Intent for Technology Acquisition agreement with Swedish ReQuTech AB

### **ASTG is expanding its portfolio with a land-based “on the move” solution**

ASTG and ReQuTech AB have signed a Term Sheet with the intent to transfer solution and technology for a land-based solution suited for satellite communications on the move.

In the transaction, ASTG will acquire all the technology and rights needed in relation to the specified solution for land-based on the move communication, initially aimed at a commercial market. Prototypes are ready and the solution is in its final testing phase. The solution has already been promoted to a number of customers and sales activities will continue uninterrupted during the handover phase from ReQuTech to ASTG. The plan is to reuse the unique software and algorithms from ASTG’s maritime solution in the land-based solution, to optimize performance and ensure ongoing synergies in software and stabilization development.

The parties will also enter into a technology cooperation agreement, focused on joint development of the current land-based solution, as well further research and development into new technologies and solutions.

The technology value of the solution at its current stage is agreed to be estimated at 8 MSEK. As payment for the Technology Acquisition, ASTG will do a directed rights issue to ReQuTech with a fixed amount of 1.6 million B-shares in ASTG, as well as SEK 600 000 in cash upon execution of the agreement. This corresponds to an increase in the current number of shares in ASTG of approximately 5.75%. The equivalent cash value based on VWAP as of Friday February 7, 2020, is approximately 7.58 MSEK. There is a 12-month lockup period for the issued shares, i.e. ReQuTech cannot sell the shares for a period of at least one year. The parties have also agreed on an earn-out model tied to milestones for production ramp up and sales success, up to a maximum of SEK 800 000.

There will be no transfer of employees in the transaction. ASTG will incorporate the technology and solution into its ongoing operation, and purchase, as required, resources and competence from ReQuTech, who in turn will provide necessary warranties for availability of resources.

“I am very pleased to sign this Technology Acquisition agreement with ReQuTech. This is in-line with our “Accelerate” strategy of completing acquisitions in the Nordic market, and the solution fits perfectly into our evolution road map and our strategy of creating diversification, synergies and a wider portfolio. SatCom on the Move for Land is one of the markets that we have

identified as growing significantly in the coming years and I am looking forward to getting this solution to the market as soon as possible. Our dialogues with ReQuTech and its owners, which also includes Qamcom AB, have been very professional and inspiring and I look forward to developing further technology and solutions together with ReQuTech.”, says Carsten Drachmann, CEO at ASTG.

“We have been developing satcom antenna systems for more than 12 years and several of our designs have been purchased by international companies. I’m most excited to have reached this agreement with ASTG. We will support with technical staff as well as sales and management as needed to assure the success of the solution launch.”, says Omid Sotoudeh, CEO at ReQuTech.

“This is a great step for ReQuTech and our business model to develop new technology for satellite communication solutions. Qamcom Group, which ReQuTech is a part of, develops technology and solutions based on advanced signal processing (including emerging fields like DL/ML and AI) with a clear focus on system safety and our model is to work in strong strategic partnerships. In this context, ASTG – with their clear focus on safety, precision and stabilization – is an excellent partner to take our inventions to market and I am pleased to now also be shareholder in ASTG so we can further develop joint visions and solutions for a growing satellite industry.”, says Johan Lassing, CEO at Qamcom Research & Technology AB.

The parties are now entering into a phase of Due Diligence and final negotiation, which is expected to close no later than April 1, 2020.

ReQuTech website: [www.regutech.com](http://www.regutech.com)

QamCom website: [www.qamcom.se](http://www.qamcom.se)

#### ***About Advanced Stabilized Technologies Group AB***

*ASTG includes the wholly owned subsidiary AIMS AB.*

*ASTG AB develops, manufactures and sells innovative 4-axes stabilizing VSAT antennas for maritime use. The company is also selling development projects based on C2SAT's antenna platform. AIMS AB develops and sells advanced inertial sensor units (IMUs) designed to measure movements in three dimensions.*

*The company's registered office is in Stockholm, Sweden.*

FOR MORE INFORMATION CONTACT: Carsten Drachmann, CEO Email: [carsten.drachmann@astg.se](mailto:carsten.drachmann@astg.se)  
Phone: +45 4063 4036

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