

ASTG **Advanced Stabilized Technologies Group**

Advanced Stabilized Technologies Group AB (ASTG)
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Press release in English

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ASTG signs agreement with ReQuTech

ASTG announces that it has signed the final agreement to acquire SatCom on the Move for Land technology from Swedish ReQuTech

Referring to the signing of a Letter of Intent with ReQuTech on February 10, 2020, ASTG informs that it has now signed the final agreement and the transaction takes place with immediate effect.

“This is an important step in our technology and product strategy. By acquiring this technology, we are complementing our stabilized SatCom solutions to also cover the land segment. There are good synergies with our existing Maritime products, and we will now use our knowledge to move the technology from prototype stage into a final product and production ramp up. We will start to market the solution immediately. I am also very pleased to welcome ReQuTech as one of our new main shareholders in ASTG, and I am looking forward to do more business with the two owners of ReQuTech, Omid Sotoudeh and Johan Lassing from Qamcom”, says Carsten Drachmann, CEO at ASTG.

“ReQuTech has a clear strategy of developing state of the art technology for satellite communication. We have worked for several years to develop this unique solution for SatCom on the Move for Land, and we are delighted to handover it over to ASTG. ASTG has the knowledge and ability to productize the technology and take it to market. We are also very pleased to be new shareholders and investors in ASTG and we look forward to create more technology with ASTG in a long term relationship, both as ReQuTech and Qamcom”, says Omid Sotoudeh, CEO and Founder at ReQuTech, and Johan Lassing CEO and founder at Qamcom.

In the transaction, ASTG will acquire all the technology, design and IP rights needed in relation to the specified solution for land-based on the move communication, initially aimed at a commercial market. There will be no transfer of employees in the transaction. ASTG will incorporate the technology and solution into its ongoing operation, and purchase, when needed, resources and competence from ReQuTech, who in turn have provided necessary warranties for availability of resources.

The technology value of the solution at its current stage is agreed to be 8 000 000 SEK.

As payment for the Technology Acquisition, the ASTG Board of Directors has approved a directed rights issue to ReQuTech with a fixed amount of 1 600 000 B-shares in ASTG, as well as SEK 600

000 in cash upon execution of the agreement. Upon signing the Term Sheet on February 10, 2020, the share price was 4.62 SEK per B-share. With the current situation of Covid-19 and a lower share price than anticipated, and in order not to issue more shares, the parties have agreed to assume that the share price will return to 4.62 SEK or more within the 12 months lock-up period. Should the share price not recover as expected, the agreement outlines how ASTG may do additional cash payment to ReQuTech to reach the agreed technology value.

The parties have also agreed on an earn-out model tied to milestones for sales success, up to a maximum of SEK 800 000.

After the execution of the contract, the total number of shares in the company is 29 111 664 and the share capital is 1 993 274.21 SEK. The issuing of new shares results in a dilution of approx. 5.5% based on the total number of after the rights issue.

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
Phone: +45 4063 4036

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