

Scandinavian Astor Group focuses on stealth technology for military purposes - enters into an investment agreement in Dolprop Industries

Scandinavian Astor Group AB (publ) ('Astor Group' or the 'Company') announced today that the Company and its subsidiary Oscilion System AB have entered into an investment and licence agreement of SEK 15 million in the underwater technology company Dolprop Industries ('Dolprop'). The investment will be made with existing cash in Astor Group and is part of Astor Group's strategy to strengthen its position in the defence and security sector. The licence rights will be placed in Astor Group's subsidiary Oscilion System AB, which will change its name to Oscilion Naval Systems AB ('Oscilion Naval Systems') in connection with the transaction.

Under the terms of the investment agreement, the Company has undertaken to invest SEK 15 million and will receive a 15% ownership in Dolprop for this investment. The investment is conditional upon the signing of a shareholders' agreement by shareholders representing together with the Company at least 90 per cent of the number of shares in Dolprop after the investment. As of the date of this press release, shareholders representing more than 90 per cent have accepted the shareholders' agreement. Under the shareholders' agreement, the Company has received an option to increase its ownership in Dolprop to 51 per cent within a three-year period. Furthermore, the transaction is conditional upon the shareholders of Dolprop resolving to (i) approve the board of directors' resolution on a directed share issue to the Company and (ii) elect Mattias Hjorth to the board of directors of Dolprop. The transaction is also subject to approval under applicable foreign direct investment (FDI) rules.

Under the terms of the licence agreement, Oscilion Naval Systems obtains an exclusive right to use all of Dolprop's patents for the development of products for military and defence purposes. Upon actual sales of products based on the patents covered by the licence, Oscilion Naval Systems will, during the first ten years, pay a royalty of five percent of the actual sales. Thereafter, the royalty will decrease by half a per cent per year. Fredrik Bergman, current CEO of Oscilion and with a background from FMV T&E, will continue to lead the operations of Oscilion Naval Systems.

"We see great potential in Dolprop's technology for military stealth vessels and this investment is a strategic step for us to develop innovative solutions in underwater technology with stealth capabilities for the defence sector. The licence agreement gives us a unique opportunity to further develop Dolprop's technology while providing synergies for both Astor Group and Dolprop", comments Mattias Hjorth, CEO of Astor Group.

More about Dolprop Industries

Dolprop Industries AB is a Swedish innovative company developing sustainable marine propulsion technology inspired by nature's evolution. The company has created a biomimetic (biomimcry) marine propulsion where a fin replaces the traditional propeller, providing superior efficiency, quiet operation and increased safety for both humans and



animals. The technology enables marine propulsion with zero cavitation and minimal noise emissions.

Scandinavian Astor Group – Strength and security in all elements

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Please note that this is an English translation of a press release written in Swedish by Scandinavian Astor Group AB (publ), in the event of any inaccuracies, the Swedish version applies.

About Scandinavian Astor Group AB (publ)

Scandinavian Astor Group is active in the defence industry. The company is a supplier of products, services and related technical solutions in military defence and civil security as well as products for industries. Astor Group is a public company with shares traded under the ticker ASTOR on NGM Nordic SME and is dual listed on Boerse Stuttgart. The Company has a registered office in Stockholm, Sweden. Shark Communication AB, tel. +46 73-434 45 15, e-mail: info@sharkcom.se is the Company's Mentor. For more information about Astor Group's business, visit: www.astorgroup.se