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## Scandinavian Astor Group AB (publ) has completed a directed share issue of SEK 150 million

**The Board of Directors of Scandinavian Astor Group AB (publ) ("Astor Group" or the "Company") has, in accordance with the intention announced by the Company in a press release earlier today, and subject to subsequent approval by an extraordinary general meeting, resolved on a directed share issue of 6,521,739 shares, with deviation from the shareholders' preferential rights, at a subscription price of 23.0 SEK per share (the "Directed Share Issue"). The subscription price for the shares in the Directed Share Issue has been determined through an accelerated bookbuilding procedure carried out by Pareto Securities AB (the "Manager"). Through the Directed Share Issue, Astor Group will raise SEK 150 million before transaction costs related to the Directed Share Issue. A number of Swedish and international institutional investors participated in the Directed Share Issue, including both new and existing shareholders and members of the Company's Board of Directors and management.**

### **The Directed Share Issue**

The Board of Directors of Astor Group has today, subject to subsequent approval by an extraordinary general meeting, resolved on the Directed Share Issue. A number of Swedish and international institutional investors participated in the Directed Share Issue, including both new and existing shareholders, among them Finserve Global Security Fund, DNB Nordic Small Cap and, Anders Danielsson (privately and through company). In addition, the Company's board members Kristoffer Weywadt and Ola Alfredsson, as well as the proposed board members Lars Carlson, Mats R. Karlsson, and Martin Elovsson, also participated. As a result, all board members proposed by the Nomination Committee participated. The Directed Share Issue comprises 6,521,739 new shares at a subscription price of 23.0 SEK per share, through which the Company will raise SEK 150 million before deduction of transaction costs related to the Directed Share Issue.

The subscription price in the Directed Share Issue has been determined through an accelerated bookbuilding procedure and corresponds to a discount of approximately 11.4 percent compared to the closing price of the Company's share on NGM Nordic SME on 25 March 2025. The Board of

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Directors therefore considers the subscription price in the Share Issue to be in line with market terms based on the conditions stated above.

Prior to the Directed Share Issue, the Company's Board of Directors has conducted a comprehensive analysis of the conditions for, and carefully considered, the possibility of raising capital through a rights issue. The conclusion of this assessment is that a directed share issue, from an objective standpoint, is the most advantageous alternative for the Company and its shareholders. The reasons for this, and for deviating from the shareholders' preferential rights, are as follows:

- (i) To diversify and strengthen the Company's shareholder base with Swedish and international institutional and professional investors,
- (ii) a rights issue would take longer to complete and would entail a higher risk of a negative impact on the share price, particularly in light of the current volatile and challenging market conditions, and
- (iii) the execution of a directed share issue can be carried out at a lower cost and with less complexity compared to a rights issue

With regards to the above, the Board of Directors has concluded that a directed issue of shares, with deviation from the shareholders' preferential rights, is the most advantageous alternative for the Company to carry out the capital raising.

## **Background and rationale for the Directed Share Issue**

Astor Group has in recent years demonstrated strong growth, driven by a combination of organic expansion and strategic acquisitions. The Company foresees continued good opportunities for growth and currently has a pipeline of several acquisition candidates in a more advanced stage. These companies have a combined turnover of over SEK 500 million and an estimated EBITDA of over SEK 60 million. However, these discussions are still ongoing, and there is no guarantee that they will lead to completed transactions. The Company has noted that in some cases, having financing secured prior to an acquisition is a requirement, or provides a significant advantage, and creates flexibility in a very active acquisition market. Considering this, the Company believes that the Directed Share Issue creates value by enabling a more agile approach and positioning the Company as a preferred buyer compared to competitors who may not have immediate access to financing. In addition to financing potential acquisitions, the net proceeds are also intended to be used for investments in production capacity to meet high demand and for general corporate purposes.

Given the strong financial performance (329% total revenue growth, of which 72% was organic in the fourth quarter of 2024), combined with the larger group that has been built and is expected to grow further in the short term, future acquisitions will increasingly be financed through attractive debt alternatives, such as bank loans and bonds.

## **Lock-up Commitments**

In connection with the Directed Share Issue, the Company has undertaken, subject to customary exceptions (including an exception for shares that may be issued to finance upcoming acquisitions), not to issue any additional shares for a period of 180 calendar days following the announcement of the outcome of the Directed Share Issue. The Company's Board of Directors and the remaining members of the management team have undertaken, subject to customary exceptions, not to sell

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any shares in Astor Group for a period of 90 calendar days following the announcement of the outcome of the Directed Share Issue.

## **Extraordinary General Meeting and FDI approval**

The Board of Directors will, through a separate press release, which is expected to be published no later than 25 March 2025, issue a notice to an extraordinary general meeting to approve the Directed Share Issue.

The portion of the Directed Share Issue that has been subscribed for by the Company's board members, Kristoffer Weywadt and Ola Alfredsson, as well as the proposed board members Lars Carlson, Mats R. Karlsson, and Martin Elovsson, is subject to Chapter 16 of the Swedish Companies Act (2005:551) (commonly referred to as the Leo rules). This means that the portion of the Directed Share Issue allotted to the Company's board members, Kristoffer Weywadt and Ola Alfredsson, as well as the proposed board members Lars Carlson, Mats R. Karlsson, and Martin Elovsson, requires approval by an extraordinary general meeting with the support of at least nine-tenths of both the votes cast and the shares represented at the meeting.

The existing shareholder Anders Danielsson's (privately and through a company) participation in the Directed Share Issue will entail the shareholder's total shareholding to exceed a limit that requires reporting under the Swedish Foreign Direct Investments Screening Act (2023:560) ("FDI"). Thus, the allotment of shares to the shareholder is conditional on the shareholder obtaining the necessary approvals pursuant to FDI.

## **Number of shares, share capital and dilution**

Provided that the Directed Share Issue is approved at an extraordinary general meeting, the Directed Share Issue will result in a dilution of approximately 12.4 percent based on the total number of shares in Astor Group after the Directed Share Issue. The number of shares and votes in Astor Group will increase by 6,521,739, from 46,057,499 to 52,579,238. The share capital will increase by 1,719,686.481068 SEK, from SEK 12,144,683.861481 to 13,864,370.3425487 SEK.

## **Advisor**

Pareto Securities AB is acting as Sole Manager and Bookrunner to the Company in connection with the Directed Share Issue and the bookbuilding procedure. Eversheds Sutherland Advokatbyrå AB is acting as legal adviser to the Company and Baker McKenzie Advokatbyrå is acting as legal adviser to Pareto Securities AB in connection with the Directed Share Issue. Shark Communication is the Company's Mentor.

## **For further information, please contact:**

Scandinavian Astor Group's CEO Mattias Hjorth  
E-mail: [ir@astorgroup.se](mailto:ir@astorgroup.se)

*This information is information that Scandinavian Astor Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact person set out above, at the time specified by Astor Group's news distributor at the time of publication of this press release.*

*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 Finserve Global Security Fund**

Finserve Global Security Fund is Europe's oldest actively managed securities fund focused on defense, space, and cybersecurity. It is the only fund in Europe within these sectors classified as an Article 8 fund. The fund holds the highest Morningstar rating over three- and five-year periods. It is managed by a team and an Advisory Board with extensive experience in the sectors.

## **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](mailto:info@sharkcom.se) is the Company's Mentor. For more information about Astor Group's business, visit: [www.astorgroup.se](http://www.astorgroup.se)

## **Important Information**

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This press release does not identify or purport to identify risks (direct or indirect) that may be associated with an investment in new shares. Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Manager. The information in this press release is published only as background information and does not purport to be complete. An investor should therefore not rely solely on the information contained in this press release or its accuracy or completeness. Pareto Securities is acting for the Company in connection with the Directed Share Issue and not for anyone else. The Manager is not responsible to anyone else for providing the protections afforded to its clients or for providing advice in connection with the Directed Share Issue or any other matter referred to herein.

This press release does not constitute a recommendation regarding any investor's decision in relation to the Directed Share Issue. Each investor or potential investor should conduct its own investigation, analysis and evaluation of the business and the information described in this announcement and all publicly available information. The price and value of securities may decrease as well as increase. Past performance is not indicative of future results.

This press release does not constitute an offer to, or an invitation to, acquire or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States without such registration, an exemption therefrom, or in a transaction not subject to the registration

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requirements under the Securities Act. There is no intention to register any of the securities referred to herein in the United States or to make a public offering of such securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Singapore, South Africa, South Korea, the United States or any other jurisdiction where such disclosure, publication or distribution of this information would be contrary to applicable rules or where such action would be subject to legal restrictions or would require additional registration or other measures beyond those required under Swedish law. Actions contrary to this instruction may constitute a violation of applicable securities laws.

This press release does not constitute a prospectus as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not approved any public offering of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In each EEA member state, this press release is only addressed to and directed at "qualified investors" in that member state within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials relating to the securities referred to herein are being distributed only to, and are directed only at, and any investment or investment activity to which this document relates is available only to and will be engaged in only with, "qualified investors" (as defined in the UK version of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a)-(d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action based on this press release and should not act or rely on it.

## **Forward-Looking Statements**

This press release contains forward-looking statements regarding the Company's intentions, assessments, or expectations concerning the Company's future results, financial position, liquidity, development, prospects, expected growth, strategies, and opportunities, as well as the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by terms such as "believes," "expects," "anticipates," "intends," "estimates," "will," "may," "assumes," "should," "could," and, in each case, the negative thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, which in many cases are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will materialize or that they are accurate. As these assumptions are based on estimates and are subject to risks and uncertainties, the actual outcome or result may, for many different reasons, deviate significantly from what is expressed in the forward-looking statements. Such risks, uncertainties, contingencies, and other material factors could cause actual events to differ materially from the expectations expressly or implicitly disclosed in this press release through the forward-looking statements. The Company does not guarantee that the

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assumptions underlying the forward-looking statements in this press release are correct, and readers of this press release should not unduly rely on the forward-looking statements contained herein. The information, opinions, and forward-looking statements contained in this press release speak only as of the date of this press release and may be subject to change. Neither the Company nor anyone else undertakes any obligation to review, update, confirm, or publicly announce any revisions to any forward-looking statement to reflect events that occur or circumstances that arise in relation to the content of this press release, unless required by law or the rules of NGM Nordic SME.

## Information to Distributors

Solely for the purposes of the product governance requirements contained in: (a) 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 shares in the Company have been subject to a product approval process, which has determined that such shares are: (i) suitable for a target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as defined in MiFID II; and (ii) suitable for distribution through all distribution channels as permitted by MiFID II (the “**EU Target Market Assessment**”). In addition, solely for the purposes of each manufacturer’s product approval process in the United Kingdom, the target market assessment for the Company’s shares has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all distribution channels for such shares to eligible counterparties and professional clients are appropriate (the “**UK Target Market Assessment**” and, together with the EU Target Market Assessment, the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors 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 suitable only for investors who do not require 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 bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal, or regulatory selling restrictions in relation to the Directed Share Issue. Furthermore, it should be noted that notwithstanding the Target Market Assessment, Pareto Securities will only provide investors who meet the criteria of professional clients and eligible counterparties.

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 UK MiFIR; 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 target market assessment in respect of the Company’s shares and determining appropriate distribution channels.