



Press release from Scandinavian Astor Group AB (publ)
Stockholm 24 June 2025

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Scandinavian Astor Group AB (publ) intends to carry out a directed share issue of approximately SEK 300 million

Scandinavian Astor Group AB (publ) ("Astor Group" or the "Company") intends to carry out a directed share issue of approximately SEK 300 million to Swedish and international institutional and other qualified investors through an accelerated bookbuilding procedure (the "Directed Share Issue"). Astor Group has demonstrated strong operational momentum in 2025, marked by high order intake and several completed strategic acquisitions. To capitalize on favorable market conditions and drive continued expansion within the defense and security industry, the Company intends to carry out the Directed Share Issue to strengthen the Company's financial flexibility, enable continued expansion, and reinforce Astor Group's position in future acquisition processes.

Background and rationale for the Directed Share Issue

Astor Group has demonstrated strong operational momentum during 2025, marked by continued high order intake and several strategic acquisitions. In a short time, the Company has established a strong position in the defense and security industry, with a particular focus on high-tech growth segments that include advanced systems for various military applications, lightweight components and critical security solutions. The acquisitions of, among others, Ammunity in Latvia, along with the strong performance of existing subsidiaries, confirm the Company's ability to successfully execute the Company's growth strategy.

To capitalize on favorable market conditions and accelerate the Company's growth journey through further investments in production capacity, working capital, and future acquisitions, the Company intends to carry out the Directed Share Issue. The purpose of the Directed Share Issue is to strengthen the Company's financial flexibility, enable continued expansion, and reinforce Astor Group's position in future acquisition processes.

In accordance with previous communication, the Company's intention remains to increasingly finance the Company's acquisition strategy through attractive debt alternatives, such as bank loans and bonds.

The net proceeds from the Directed Share Issue are expected to be allocated as follows:

- **Investments in Ammunity (~40%)**

A portion of the proceeds will be used for working capital and initial capacity investments in Ammunity, a recently acquired Latvian ammunition manufacturer, to enable a rapid scale-up in production capacity upon closing of the acquisition in response to strong customer demand. Based on existing contracts and inquiries, Astor Group estimates that strategic production investments could, over time, lead to a sixfold increase in current annual production capacity.

- **Scaling of the Company's operations (~20%)**

Given the recent strong order development in subsidiaries such as Oscilion and Marstrom Composite, part of the proceeds will be used to strengthen the Company's working capital and delivery capacity to meet continued strong demand for defense systems and components.

- **Future acquisitions (~40%)**

Finally, a portion of the proceeds is intended to ensure preparedness for upcoming strategic acquisitions. This will provide the Company with financial flexibility in an active M&A market, strengthen the Company's negotiating position in competitive processes, and enable continued expansion in line with the Company's proven acquisition strategy.

The Directed Share Issue

The Directed Share Issue is intended to be carried out with deviation from the shareholders' preferential rights, based on the authorization granted by the Annual General Meeting held on 22 May 2025. Astor Group has appointed Pareto Securities AB as Sole Manager and Bookrunner (the "**Manager**") to explore the conditions for carrying out the Directed Share Issue. The Directed Share Issue will in total comprise shares corresponding to approximately SEK 300 million.

The subscription price in the Directed Share Issue will be determined through an accelerated bookbuilding procedure to be carried out by the Manager and will commence immediately after the publication of this press release. The bookbuilding procedure is expected to be completed before the market opens on NGM Nordic SME on 25 June 2025. The total number of shares to be issued, and the allocation in the Directed Share Issue will be determined by Astor Group in consultation with the Manager. The Company will announce the outcome of the Directed Share Issue through a press release once the bookbuilding procedure has been completed. The bookbuilding procedure may, at the discretion of the Company or the Manager, be shortened, extended, or cancelled at any time, and the Company may therefore choose to fully or partially refrain from carrying out the Directed Share Issue.

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 the Directed Share Issue, from an objectively, 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:

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- (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 the 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 the Directed Share Issue, with deviation from the shareholders' preferential rights, is the most advantageous alternative for the Company to carry out the capital raising.

By determining the subscription price in the Directed Share Issue through a bookbuilding procedure, the Board of Directors further considers that the market terms of the subscription price will be ensured.

Lock-up Commitments

On 25 March 2025, the Company carried out a directed share issue, in connection with which the Company undertook, towards the Manager, not to issue additional shares for a period of 180 calendar days following the announcement of the outcome of the directed share issue, subject to customary exceptions. The Manager has granted Astor Group an exemption to proceed with the Directed Share Issue.

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

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 is acting as legal adviser to Pareto Securities AB in connection with the Directed Share Issue.

For further information, please contact:

Scandinavian Astor Group's CEO Mattias Hjorth

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This information constitutes inside 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 Scandinavian Astor Group AB (publ)

Scandinavian Astor Group is a Swedish defense group shaping the future of security and protection. Through its three business areas - Astor Tech, Astor Industry and Astor Protect - the Group delivers advanced technology, high-quality components and critical security solutions to primarily the defense, industry and public safety sectors. Astor Group is listed on NGM Nordic SME (ticker: ASTOR) and Boerse Stuttgart. The Company is headquartered in Stockholm, Sweden. For more information about Astor Group's business, visit: www.astorgroup.se

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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 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



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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 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.