



Press release May 18, 2020

Announcement from Ovzon's extra general meeting

The extra general meeting of Ovzon AB (publ) ("Ovzon" or the "Company") was held today on 18 May 2020 and the following resolutions were passed by the meeting.

Approval of directed share issue and allotment of shares

The extra general meeting resolved, in accordance with the board of directors' proposal, to approve the share issue of a maximum of 7,446,809 shares, with deviation from the shareholders preferential rights, which had previously been resolved upon by the board of directors. Through the directed share issue, the number of shares and votes in the Company will increase by 7,446,809, from 34,944,155 shares and votes to 42,390,964, and the share capital will increase by SEK 744,680.90, from SEK 3,494,415.50 to SEK 4,239,096.40. The subscription price for the shares is SEK 47 per share, which is based on bilateral negotiations with investors carried out by the Company and Carnegie Investment Bank AB, in total SEK 350 million before transaction costs. The board of directors' assessment is therefore that the subscription price in the new share issue is in accordance with market conditions.

The reason for the new share issue of shares, with deviation from the shareholders' preferential rights, is that it is considered beneficial for the Company and its shareholders to further diversify the institutional shareholder base and utilize the opportunity to raise capital to the Company at attractive terms and to replace the previous junior loan commitment with equity for an increased financial stability.

All shares have been subscribed for and allotted.

For additional information regarding the directed shares issue refer to the press release published by Ovzon on 29 April 2020.

Approval of rights issue

The extra general meeting resolved, in accordance with the board of directors' proposal, to approve the preferential rights issue of a maximum of 3,853,724 shares which had previously been resolved upon by the board of directors. Through the rights issue, the Company's share capital will increase by a by SEK 385,372.40, from SEK 4,239,096.40 to SEK 4,624,468.80, and the number of shares and votes will increase by from 42,390,964 shares and votes to 46,244,688 shares and votes. The subscription price for the shares is SEK 40 per share. The rights issue provides the Company with proceeds amounting to a total of approximately SEK 154 million before transaction costs. Subscription of shares with subscription rights shall be made during the period from 2 June 2020 up to and including 16 June 2020 and paid in cash.



Further information about the preferential rights issue will be available in the prospectus to be published following the Swedish Financial Supervisory Authority's approval.

Dilution related to the new share issues

Shareholders not participating in the preferential rights issue will be diluted by approximately 24 percent of the shares and votes following the directed issue and preferential rights issue.

Incentive program for employees

At the annual general meeting on 1 April 2020, it was resolved that an incentive program of a maximum of 700,000 warrants was implemented. Due to the share issues above, the board of directors has decided to cancel all warrants issued in the mentioned incentive program and has instead proposed that a new incentive program is implemented at the extra general meeting.

The extra general meeting resolved, in accordance with the board of directors' proposal, to issue 900,000 warrants and to approve subsequent transfers of the warrants. If all issued warrants are exercised the share capital of the Company will increase with SEK 90,000.

The warrants are subscribed for by the Company's subsidiary OverHorizon AB for transfer to employees. The purpose of the issue and transfer of warrants is to implement an incentive program for all employees.

Each warrant entitles the holder to subscribe for one new share in the Company against cash payment at a subscription price corresponding to 200 percent of the volume weighted average price for the Company's share on Nasdaq First North Premier Growth Market during the period from 9 June 2020 up to and including 16 June 2020. The warrants may be exercised for subscription of shares during the period from 18 June 2023 up to and including 18 July 2023.

The right to acquire warrants shall be granted to all persons that on 1 June 2020 are employed in the Group in accordance with the allocation as set out in the notice for the extra general meeting and the complete proposal held available at the Company's website.

In case all warrants that can be issued and transferred within the framework of the incentive program are transferred to employees and all warrants are exercised for subscription of shares, the number of shares and votes in the Company will increase by 900,000 (with reservation for eventual recalculations according to the Warrant Terms), which corresponds to a dilution of approximately 1.91 percent.

For further details regarding the resolutions set out above refer to the press release regarding the share issues, the notice and the complete proposals available at the Company's website, www.ovzon.com.



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