



Veg of Lund intends to carry out a directed issue of units

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This press release is an English version of the previously published Swedish version, which has interpretative preference.

Veg of Lund AB (publ) (“Veg of Lund” or the “Company”) intends to carry out a directed issue of units of approximately MSEK 30, each unit consisting of three (3) shares and one (1) warrant of series TO1, to qualified investors through an accelerated bookbuilding-procedure (the “Directed Issue”). The Company has the intention, if the directed issue is carried out, to issue and allot one (1) warrant of series TO1 to current shareholders for indicative every twenty-three (23) shares already held in the Company.

The Company has engaged Mangold Fondkommission AB to investigate the conditions for implementing the Directed Issue. If the Directed Issue is carried out it will be carried out with the support of the authorization from the annual general meeting held on 12 May 2021.

The rationale for deviating from the shareholders’ pre-emption rights is to secure financing in a time- and cost-effective manner, and to diversify the shareholder base. According to the assessment of the board of directors, this speaks together, and with sufficient strength, that it is in the Company’s and the shareholders’ interest to make an issue deviating from the shareholders pre-emption rights.

The proceeds from the Directed Issue will be used to strengthen the Company’s working capital prior to the continued launch of the plant-based drink DUG®, which began in May 2021. Since its launch, Veg of Lund has entered into agreements with, inter alia, ICA, Axfood and Mathem, which can sell the beverage in up to 1,750 stores in Sweden. The Company has also entered into agreements with Amazon UK, Ole’ and Sam’s Club in China. The Company intends to use the payment to increase the production of DUG, consumer marketing in the Company’s strategically markets and to develop the organization.

The subscription price and the number of units in the Directed issue will be determined by the accelerated book-building procedure. The book building-procedure will commence directly after the publishing of this press release. The board of directors’ assessment is that the subscription price in the Directed Issue will be in accordance with market conditions, since it will be determined through an accelerated book-building procedure. The board of directors intends to resolve upon the Directed Issue as well as allotment of units and publish a press release regarding this before the opening of Nasdaq First North Growth Market on 26 August 2021.

Payment for the newly issued units in the Directed Issue will be made in cash.



The Directed Issue is subject to a resolution by the board of directors and the board of directors can, at its discretion, choose to cancel the Directed Issue or to carry out the Directed Issue on other terms than what is described above.

If the Directed Issue is carried out, the board of directors of Veg of Lund intends to, simultaneously, issue warrants of series TO1 (same series as in the Directed Issue) to finally be allotted to current shareholders in the Company. The warrants of series TO1 are intended to be admitted to trading on Nasdaq First North Growth Market.

Advisor

Mangold Fondkommission AB is the sole bookrunner and financial advisor and Fredersen Advokatbyrå is the legal advisor in connection with the Directed Issue.

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This information is such that Veg of Lund AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 25 August 2021, at 5:31 p.m. CEST.

About Veg of Lund

Veg of Lund develops unique plant-based foods meeting consumers' demands for taste and sustainability. The company has roots in research at Lund University and owns patented methods for developing new food categories in the fast-growing market for plant-based foods. Veg of Lund's climate-smart and tasty products are sold in Europe and Asia under the DUG® and MyFoodie® brands. The company's shares were listed on the Nasdaq First North Growth Market under ticker VOLAB. Read more at ir.vegoflund.se. Eminova Fondkommission AB is the company's Certified Adviser and can be contacted via telephone: +46 8 684 211 10 or e-mail: adviser@eminova.se.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless required by law or Nasdaq First North Growth Market regulations.