

Press release

Helsingborg, 13th of September 2022

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MilDef completes a directed share issue of 2,343,750 shares, raising proceeds of MSEK 150

MilDef Group AB (publ) ("MilDef" or the "Company") has, based on the authorisation from the annual general meeting on the 12th of May 2022, resolved to carry out a directed share issue of 2,343,750 shares at a subscription price of SEK 64 per share. The subscription price has been determined through an accelerated bookbuilding procedure performed by Skandinaviska Enskilda Banken AB ("SEB" or the "Sole Global Coordinator").

The bookbuilding procedure that was announced by the Company earlier today has been completed and MilDef's Board of Directors has resolved to carry out a directed issue of 2,343,750 shares, at a subscription price of SEK 64 per share, consequently raising proceeds of MSEK 150 before transaction costs. A significant number of institutional investors subscribed for shares in the new share issue, among others, Andra AP-fonden, Swedbank Robur, Svalder AB, Carnegie Fonder and Grenspecialisten Förvaltning.

After the directed share issue, the total number of shares in MilDef will amount to 39,859,566¹. The Company intends to use the proceeds to enable continued expansion through strategic acquisitions in line with the Company's business plan and strategy.

The Board of Directors is of the opinion that the proceeds contributes to a good balance of different financing sources, that the directed share issue is positive for the Company's capital structure, general risk level and that the proceeds enables continued expansion through strategic acquisitions. Prior to the directed share issue, the Company has also considered the possibility to raise the required equity through a rights issue. The Board of Directors of the Company has thereby concluded that a rights issue would be significantly more time-consuming and entail significantly higher costs and increased exposure to potential market volatility compared to the directed share issue. Unlike a rights issue, the directed share issue has also broadened the shareholder base and provided the Company with new reputable institutional owners, which the Board of Directors considers to be of benefit to MilDef and the general liquidity in the share. In the light of the above, the Board of Directors has made the assessment that a directed share issue with deviation from the shareholders' preferential rights was the most favourable alternative for MilDef and in the best interest of the Company's shareholders. As the subscription price in the directed share issue was determined through a bookbuilding procedure, the Board of Directors assesses that the subscription price reflects current market conditions and demand.

In connection with the directed share issue, the Company has undertaken, subject to customary exceptions, not to issue additional shares during a period of 180 days. In addition, all members of the Company's executive management and Board of Directors have agreed not to sell any shares in the Company during a period of 90 days, with certain exceptions for financing, incl. tax, incentive program participation.

Advisors

SEB is the financial advisor and HWF Advokater AB is the legal advisor to the Company. Advokatfirman Cederquist KB is the legal advisor to SEB

¹ Total number of shares includes the number of shares to be issued in relation to the approximately MSEK 80 million issue-in-kind with a subscription price of SEK 71.02, announced in a separate press release dated September 12, 2022 relating to the acquisition of Handheld Group AB.



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This information is information that MilDef Group 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 persons set out above, at 23:15CET on the 13th of September 2022.

About MilDef

MilDef was founded in 1997 in Helsingborg, Sweden and is a provider of tactical IT for demanding environments. Tactical IT includes rugged electronics, software and services. Today, MilDef's products are sold to over 160 customers through their subsidiaries in Sweden, Norway, Finland, the UK and the US as well as through a partner network to over 30 countries, primarily within the EU. MilDef is listed on Nasdaq Stockholm. www.mildef.com

Important information

This press release does not constitute an offer to sell or a solicitation of any offer to purchase any securities. This press release is not a prospectus and it has not been approved by any regulatory authority in any jurisdiction. Any decision to invest in securities referred to in this press release must be made on the basis of all publicly available information relating to the Company and the securities. This press release does not purport to identify or suggest the risks (direct or indirect) which may be associated with an investment in MilDef or its securities.

The Sole Global Coordinator is acting for MilDef in connection with the directed share issue and no one else. The Sole Global Coordinator will not be responsible to anyone other than MilDef for providing the protections afforded to their clients nor for giving advice in relation to the transaction or any other matter referred to herein.

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No prospectus or offering document has been or will be prepared in connection with the securities to which this information refers. Any investment decision in connection with the securities to which this information refers must be made on the basis of publicly available information. Such information has not been independently verified. The information contained in this announcement is for background purposes only and does not purport to be full or complete.

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available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with Qualified Investors.

In the United Kingdom, this communication is being distributed to and is directed only at “Qualified Investors” within the meaning of Article 2 (e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK 4 Prospectus Regulation**”), who are (i) investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**Relevant Persons**”). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

In connection with the securities to which this information refers, the Sole Global Coordinator and any of their affiliates may take up a portion of the new shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for its or their own account(s) in such securities, any other securities of MilDef or other related investments in connection with the securities to which this information refers or otherwise. In addition, certain of the Sole Global Coordinator or their affiliates may enter into financing agreements and swaps with investors in connection with which such Sole Global Coordinator (or their affiliates) may, from time to time, acquire, hold or dispose of the share of MilDef. Accordingly, references in this announcement to the shares being offered or otherwise dealt with should be read as including any offer to, or dealing by, the Sole Global Coordinator or any of them and any of their affiliates acting in such capacity. The Sole Global Coordinator do not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU 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 new shares in the directed share issue (the “**Issue Shares**”) have been subject to a product approval process, which has determined that the Issue Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need 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 be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Global Coordinator will only procure 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 (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 Issue Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels.

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 materialise 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. Neither the Company nor the Sole



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