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Press release 23 May 2018

## **Allgon announces intention to carry out a bond issue of SEK 275 million**

**Allgon AB (publ) ("Allgon" or the "Company") today announces its intention to carry out a bond issue of SEK 275 million directed to Swedish and international qualified investors. The proceeds from the bond issue are intended to be used to partially finance the previously announced acquisition of all shares in Tele-Radio International Holding AB ("Tele Radio").**

On 4 May 2018, Allgon announced that the Company entered into a conditional agreement to acquire all shares in Tele Radio at a purchase price of SEK 350 million on a debt and cash free basis with a possible additional purchase price of up to a maximum of SEK 50 million. The acquisition agreement is conditional upon Allgon receiving sufficient funding to complete the acquisition. In connection thereof, the Company announced its intention to finance part of the acquisition through a rights issue and engaged ABG Sundal Collier to evaluate the possibilities and to assess the conditions to issue debt instruments or to raise other loan financing.

### **The bond issue**

The Company has engaged ABG Sundal Collier to act as Sole Bookrunner in connection with the contemplated bond issue. The intention is to issue bonds amounting to SEK 275 million within a total framework amount of SEK 500 million, which further enables future issuances of bonds of no more than SEK 225 million. The proceeds from the bond issue will be used to partially finance the acquisition of Tele Radio.

*This information is information that Allgon 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 below, at 08:45 CET on 23 May 2018.*

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**About Allgon**

Allgon is a corporate group with a strong entrepreneurial culture. Our focus is on giving value to our shareholders by developing and acquiring top businesses with a global customer base within digitalization and IoT. Allgon (ALL B) is trading on Nasdaq First North Stockholm with FNCA Sweden as certified adviser. Our specialist companies deliver a wide range of services for advanced industrial IoT equipment, digital communications systems, cloud-based infrastructure and wireless solutions for demanding environments. Our global customer base is within automotive, mobile and telecom, transport, construction and broadcasting sectors. For more information: [www.allgon.se](http://www.allgon.se)

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Any investment decision in connection with the bond issue must be made on the basis of all publicly available information relating to the Company. Such information has not been independently verified by the Sole Bookrunner. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

This press release does not constitute or form part of an offer or solicitation to purchase 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 US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the 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, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and has not been approved by any regulatory authority in any jurisdiction. Allgon has not authorized any offer to the public of securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the bond issue. Any prospectus will only be published in connection with admission to trading of the bond loan on a regulated market. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed 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" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (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 on the basis of this press release and should not act or rely on it.

#### *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 and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake 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.

#### *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 bonds in Allgon have been subject to a product approval process, which has determined that such bonds 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 bonds in Allgon may decline and investors could lose all or part of their investment; the bonds in Allgon offer no guaranteed income and no capital protection; and an investment in the bonds in Allgon 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 bond issue.

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 bonds in Allgon.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the bonds in Allgon and determining appropriate distribution channels.