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PRESS RELEASE MAY 8 2018

Ovzon publishes prospectus for Initial Public Offering on Nasdaq First North Premier

Ovzon AB (“Ovzon” or the “Company”), a Swedish-based provider of a satellite based mobility broadband service, announced on May 2, 2018, its intention to proceed with an initial public offering of the Company’s shares on Nasdaq First North Premier. Today, the Company publishes the prospectus for the offering (the “Offering”).

The Offering in brief:

- The price per share in the Offering has been set to SEK 70, corresponding to a value of the total number of shares in Ovzon upon completion of the Offering of SEK 588 million, provided the Over-allotment option is exercised in full
- The Offering comprises 4,642,857 shares of which 2,699,971 shares will be issued by the Company and 1,942,866 existing shares will be offered by the Company’s sole direct shareholder, OverHorizon (Cyprus) PLC (the “Principal shareholder”). The Offering is expected to provide Ovzon with approximately SEK 189 million before transaction costs. The Offering corresponds to approximately 60 percent of the total number of shares outstanding after the Offering
- In order to cover potential over-allotment in relation to the Offering, the Company will undertake to issue an option to Carnegie to acquire up to 696,428 additional new shares (the “Over-allotment option”), corresponding to a maximum of 15.0 percent of the total number of shares in the Offering
- Assuming a full exercise of the Over-allotment option, the value of the Offering will amount to approximately SEK 374 million, and correspond to approximately 64 percent of the total number of shares in Ovzon upon completion of the Offering, and the Offering will provide Ovzon with approximately SEK 238 million before transaction costs
- The Company intends to use its net proceeds from the Offering to strengthen the Company’s capital structure and to promote Ovzon’s continued growth and development of its service offering. The Principal shareholder intends to use its net proceeds to repay certain outstanding liabilities largely related to the historical funding of Ovzon
- Bure Equity AB and Investment AB Öresund have committed, subject to the fulfilment of certain conditions, to acquire shares in the Offering corresponding to approximately 12.0 percent and 12.0 percent, respectively, of the total number of outstanding shares in the Company, provided the Over-allotment option is exercised in full
- The commitments from the two cornerstone investors amounts to SEK 141 million, corresponding to approximately 38 percent of the total number of shares in the Offering, provided the Over-allotment option is exercised in full
- At an Extraordinary General Meeting scheduled to be held on May 9, 2018, Patrik Tigerschiöld, Nicklas Paulson, Magnus René and Peter Näslund will be appointed to the Board of Directors for the period until the end of the Annual General Meeting 2019. In connection with this, Per Wahlberg is proposed to resign from the Board of Directors
- The Offering consists of an offering to institutional investors in Sweden and internationally as well as an offering to the general public in Sweden



- Trading in the Ovzon shares on Nasdaq First North Premier is expected to begin on May 18, 2018, under the ticker “OVZON” and settlement is expected to take place on May 22, 2018
- A prospectus with full terms and conditions is published today May 8, 2018, on Ovzon’s website and Carnegie’s website for on-going offerings

”Ovzon has a unique offering with, what we consider to be, the market’s most powerful satellite-based mobile broadband service. The IPO of Ovzon enables an expansion of our current service and accelerates the process of launching our own satellite – which is expected to substantially leverage our revenue and earnings capacity. Through the new ownership structure, with prominent anchor investors already onboard, we have the prerequisites in place to continue to develop our offering and to keep creating value for both existing and new shareholders.”, comments Per Wahlberg, CEO of Ovzon

PROSPECTUS AND APPLICATION

The prospectus (in Swedish and English) is published on Ovzon’s website www.ovzon.com and Carnegie’s website www.carnegie.se. Application can be made through Avanza www.avanza.se and Nordnet www.nordnet.se.

PRELIMINARY TIMETABLE

Application period for the general public in Sweden:	May 9-17, 2018
Application period for institutional investors:	May 9-17, 2018
First day of trading on Nasdaq First North Premier:	May 18, 2018
Settlement day:	May 22, 2018

ADVISORS

Carnegie is the Global Coordinator and Sole Bookrunner. White & Case is legal advisor to the Company and Gernandt & Danielsson is legal advisor to Carnegie.

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ABOUT OVZON AND BACKGROUND TO THE LISTING

Ovzon is a provider of a satellite based mobility broadband service, targeting end-markets and users in need of high data speeds combined with mobility. Applications include real-time sensor and video upload, either from moving or highly mobile platforms, including small vehicles, small aircraft or UAVs, or transmissions directly from on-site staff holding the terminals and transmitting on-the-go.

Since its inception, Ovzon has developed a complete satellite communication service with compact and mobile terminals at its core. Ovzon’s current system is designed to provide a competitive advantage through a unique combination of several characteristics, including high mobility, high uplink and downlink data rates, small easy-to-use terminals and high link availability. Ovzon’s current service is based on leveraging leased satellite transponders from five existing communication satellites. To expand the service coverage and total available bandwidth, Ovzon aims to lease further capacity, including from satellites currently under construction and which are expected to be launched in 2019. The Company’s goal is to launch its own satellites to be able to offer an even more powerful service to its customers.

Ovzon is headquartered in Solna, Sweden and has offices in Tampa, FL and Bethesda, MD in the United States. The Group has 14 employees as well as 4 full time and 5 part-time consultants. For the year ended 31 December 2017 Ovzon had revenues of SEK 201.1 million and an EBIT of SEK 24.0 million, equivalent to an EBIT margin of 12.0 percent. The Company’s results in 2017 were negatively affected by non-recurring costs such as costs relating to the Offering, of approximately SEK 8.5 million, and costs to start using the orbital slot position 59.7 °E, of SEK 8 million, which is a cost associated with its future service. Adjusted for IPO costs, the Company’s adjusted EBIT amounted to SEK 32.5 million, for the year ended 31 December 2017, equivalent to an adjusted EBIT margin of 16 percent.

The Company and OverHorizon (Cyprus) PLC, the sole direct shareholder in the Company, is seeking to diversify the ownership base of the Company in order to further promote Ovzon’s continued growth and development of its service offering. The proceeds from the Offering will be used to strengthen the capital



structure of the Company by repaying certain outstanding liabilities largely related to the historical funding of the development of Ovzon's current service offering. A listing is also seen as an important step towards being able to fulfil the Company's goal of launching its own satellite. The Company's board of directors has therefore applied for listing of the Company's shares on Nasdaq First North Premier.

The Offering and the listing on Nasdaq First North Premier will increase the shareholder base and enable the Company to access the Swedish and international capital markets, which is expected to support Ovzon's continued growth and development, strengthen Ovzon's brand and ability to attract both new customers and employees. The board of directors and management team consider the Offering and listing of the shares to be a logical and important next step in Ovzon's development, which will also serve to increase the public awareness of Ovzon and its operations.

ABOUT BURE EQUITY AB

Bure was founded in 1992 when the wage earners' funds (Sw. Löntagarfonderna) were dissolved and listed on Nasdaq Stockholm in 1993. Today, Bure is an investment company with a net asset value of approximately SEK 8.3 billion (as of Q1 2018). The investment portfolio includes nine portfolio companies, out of which five are listed companies, and a net cash position of approximately SEK 943 million. Bure's main owners are the Tigerschiöld family, Nordea Investment Funds and the Björkman family.

ABOUT INVESTMENT AB ÖRESUND

Investment AB Öresund is a listed investment company active in asset management. Öresund's overall goal as an investment company is to run its business in such a way as to generate a healthy long-term return for its shareholders. The investment portfolio includes approximately 25 companies. Öresund has a net asset value of SEK 5.6 billion and a net cash position of SEK 305 million (as of Q1 2018). Öresund's main owner is the Qviberg family. For more information, see www.oresund.se.

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