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PRESS RELEASE MAY 2 2018

# Ovzon intends to list its shares on Nasdaq First North Premier Stockholm

**Ovzon AB (“Ovzon” or the “Company”), a Swedish-based provider of a satellite based mobility broadband service, is today announcing its intention to proceed with an initial public offering of the Company’s shares on Nasdaq First North Premier (the “Offering”).**

- The Offering is expected to be conducted at a fixed price corresponding to a total value of the Company’s shares of approximately SEK 350 million (before any proceeds from the Offering)
- The Offering includes a new issue of shares which is expected to provide Ovzon with approximately SEK 189 million before transaction costs and a sale of existing shares of approximately SEK 136 million, offered by the sole direct shareholder in the Company. The Offering is expected to, in aggregate, correspond to approximately 60 percent of the total number of shares outstanding after the Offering
- In addition, the Company is expected to issue an option to Carnegie to acquire additional shares corresponding to at most 15 percent of the total number of shares in the Offering (the “Over-allotment option”), providing Ovzon with additional proceeds of SEK 49 million
- The Company intends to use the 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
- Two investors have committed to become cornerstone investors: Bure Equity AB and Investment AB Öresund, whose combined commitments correspond to approximately 38 percent of the total number of shares in the Offering and approximately 24 percent of the number of outstanding shares in the Company, provided the Over-allotment option is exercised in full

*“The upcoming listing and capitalization of Ovzon is an important milestone in our expansion. It will give us the financial resources to further strengthen our position as the sole provider of, what we believe to be, the most powerful satellite based mobility broadband service. Moreover, the listing will create much more favorable conditions for our next step concerning procurement, financing, and ordering of our own satellite – an event which will substantially leverage our revenue and earnings capacity”,* comments Per Wahlberg, CEO of Ovzon

## THE OFFERING IN BRIEF

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 is expected to amount to approximately SEK 374 million, provided the Over-allotment option is exercised in full, and will comprise of a combination of existing and new shares. The shares will be offered to qualified investors in Sweden and internationally as well as to the general public in Sweden. The Offering is expected to be conducted at a fixed price corresponding to a total value of the Company’s shares of approximately SEK 350 million before any proceeds from the Offering. The new share issue will provide



Ovzon with proceeds of approximately SEK 238 million before transaction costs, provided that the Over-allotment option is exercised in full. The Company intends to use the net proceeds from the Offering to repay certain outstanding liabilities and to further promote Ovzon's growth and the continued development of Ovzon's service offering.

Two institutional investors, Bure Equity AB and Investment AB Öresund, have committed to become cornerstone investors ("Cornerstone Investors"). Their commitments amount to approximately SEK 71 million and SEK 71 million, respectively, corresponding to approximately 12 percent and 12 percent of the number of outstanding shares in Ovzon after completion of the Offering, respectively, provided that the Over-allotment option is exercised in full.

Full terms of the Offering will be included in a prospectus relating to the Offering.

### **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 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.

### **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.

### **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](http://www.oresund.se).

#### FOR FURTHER INFORMATION, PLEASE CONTACT:

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