



Press release February 3, 2023

Ovzon secures additional debt and receives interest for equity financing

Ovzon AB has secured additional financing, to finalize and launch the Ovzon 3 satellite, by increasing the current loan facility with P Capital Partners from USD 60 million to USD 65 million and through confirmed interest from several major shareholders, including Öresund, Bure, Handelsbanken Fonder, Fourth AP-fund and AFA Försäkring, to subscribe for SEK 200 million in an equity issue.

Today, in a separate press release, Ovzon announced the delay of the Ovzon 3 satellite and the subsequent shift to SpaceX as launch provider. As a consequence, Ovzon estimates an increased cost of the Ovzon 3 project with approximately USD 25 million. Ovzon has therefore secured financing by (i) increasing the current loan facility with P Capital Partners from USD 60 million to USD 65 million and (ii) confirmed interest from several major shareholders, including Öresund, Bure, Handelsbanken Fonder, Fourth AP-fund and AFA Försäkring, to subscribe for SEK 200 million in an equity issue. The company expects to provide more information on the new share issue in the near term and has appointed Carnegie Investment Bank as financial advisor.

The loan from P Capital Partners is denominated in USD, the remaining tenor for the facility is approximately three years (expires December 31, 2025) with an interest rate of USD 3M LIBOR + 10%. The loan terms include regular covenants and undertakings with one explicit condition for the facility being that Ovzon conducts a capital raise through equity before the end of May 2023. With USD 45 million already being drawn from the facility, the amended agreement means that an additional USD 20 million may be drawn if needed.

“We are proud to have strong commitment and long-term support by our shareholders and pleased to continue our excellent collaboration with P Capital Partners, to enable the company to deliver on the promise of finalizing and launching Ovzon’s unique first own satellite – Ovzon 3”, says Per Norén, CEO of Ovzon.

Webcast

Ovzon’s CEO Per Norén and CFO Noora Jayasekara will answer questions at a webcast on February 6, 2023, at 10.00 am CET.

The webcast will be available via the following link:

<https://onlinexperiences.com/Launch/QReg/ShowUUID=4FB13E88-D87F-4115-ADB0-02C89FAC4F45>



To participate via conference call, please register via the following link and follow the instructions:

<https://register.vevent.com/register/BI01396d5bcd6b42338d133b1197f150fb>

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About Ovzon

Ovzon offers world-leading mobile satellite communications solutions, SATCOM-as-a-Service, to customers across the globe. The services combine high data speed with high mobility. Ovzon's SATCOM-as-a-Service meets the growing demand for global connectivity for customers with high performance and security requirements such as Defense, Emergency Services, NGOs, Media and Commercial organizations. Ovzon was founded in 2006 and has offices in Stockholm, Sweden, Herndon, VA, and Tampa, FL, in the USA. Ovzon is listed on Nasdaq Stockholm Mid Cap. For more information, visit www.ovzon.com.