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Press release 2021-05-12

MilDef intends to list its shares on Nasdaq Stockholm

MilDef Group AB ("MilDef" or the "Company"), a Nordic provider of rugged electronics and complete hardware systems for security and defense customers, intends to carry out a new issue of shares (the "Offering") and in connection therewith list the Company's shares on Nasdaq Stockholm. The Offering will also comprise existing shares offered by certain existing shareholders in order to broaden the ownership base. Svolder, Carnegie Fonder, Grenspecialisten, LMK Venture Partners and a consortium of Erik Syrén, Martin Bjäringer, Tedde Jeansson and Carl Rosvall (together the "Cornerstone Investors"), have undertaken to subscribe for shares in the Offering corresponding to a total value of SEK 300 million.

MilDef sees good opportunities for future profitable growth and the main purpose of listing the Company's shares on Nasdaq Stockholm is to create conditions for continued good growth. The Offering will expand the Company's ownership base and provide greater access to the Swedish and international capital markets, which is expected to promote the Company's future growth and development. Furthermore, the listing is expected to raise capital for the Company and thereby improve the conditions for organic and acquisition-driven growth. A listing also enables the Company to use the Company's shares as payment in future acquisitions. MilDef's Board of Directors and management regard the listing as a natural and important step in the Company's development and have made the assessment that it will increase awareness of the Company and its operations, and thereby strengthen its brand.

Nasdaq Stockholm's listing committee has made the assessment that MilDef fulfils the applicable listing requirements. Nasdaq Stockholm will approve an application for admission to trading of the Company's shares on Nasdaq Stockholm, provided that certain conditions are fulfilled, including that the Company submits such application and fulfills the distribution requirement. Depending on market conditions, the listing on Nasdaq Stockholm is expected to be completed during Q2 2021.

The Offering in brief

The shares will be offered to institutional investors in Sweden, and internationally (excluding the U.S.), as well as to the general public in Sweden. All offers and sales outside the United States will be made in compliance with Regulation S under the U.S. Securities Act of 1933.

- The Offering is expected to be conducted at a fixed price of SEK 36.50 per share, corresponding to a total market value of the Company's shares of approximately SEK 900 million prior to the Offering
- The Offering includes newly issued shares expected to generate approximately SEK 400 million in proceeds to the Company before deduction of costs relating to the Offering

- In order to cover a potential overallocation in connection with the Offering, the Company has committed to issue additional new shares, corresponding to a maximum of 10 percent of the number of shares in the Offering
- The Cornerstone Investors have undertaken to subscribe for shares in the Offering under certain conditions, and at the same price as other investors, corresponding to a total value of SEK 300 million

Complete terms, conditions and instructions for the Offering will be described in a prospectus prepared by the Company in connection with the intended Offering. The prospectus is expected to be published during the second half of May.

Björn Karlsson, CEO of MilDef, comments:

“The listing on Nasdaq Stockholm is an important component of our strategic plan and will provide further support and fuel to our M&A agenda. Furthermore, the public environment will also have positive effects for future organic growth. The Company has built a stable international platform for further expansion and looks with confidence at future opportunities for both current and future shareholders. I look forward to welcoming cornerstone and other new investors to be part of MilDef’s ownership base and our future exciting journey.”

About MilDef

MilDef was founded in 1997 in Helsingborg, Sweden, and is a supplier of rugged electronics within tactical IT for challenging environments. MilDef’s products are sold to more than 160 customers through MilDef’s subsidiaries in Sweden, Norway, United Kingdom and the United States and through partner networks in more than 30 countries, predominantly within the EU. The product portfolio encompasses all components of an IT system – from servers and client computers to network equipment and intelligent displays and have been developed to withstand heat, cold, moisture, vibration, shock and other environmental impacts.

Advisors

Skandinaviska Enskilda Banken AB (publ) (“SEB”) is acting as Global Coordinator and Bookrunner in connection with the Offering. HWF Advokater AB is acting as legal advisor to MilDef and Advokatfirman Cederquist KB is acting as legal advisor to SEB. Avanza Bank AB (publ) is acting as Retail Manager alongside SEB in connection with the Offering.

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Important information

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in MilDef Group AB.

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Any offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (together with any related implementing and delegated regulations, and with respect to the United Kingdom, such regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal Act 2018) the "**Prospectus Regulation**"). Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

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Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe,” “expect,” “anticipate,” “intend,” “estimate,” “will,” “may,” “continue”, “should”, “could” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond the Company’s control. 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 information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.