

Stockholm 28 September 2022

## **Meltron AB (publ) carries out guaranteed new issue with preferential rights for existing shareholders**

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*The Board of Directors of Meltron AB (publ) ("**Meltron**" or the "**Company**") has today, pursuant to the authorization from the Annual General Meeting held on 1 October 2021, resolved to carry out an issue of new shares with preferential rights for existing shareholders (the "**Rights Issue**" or the "**Offer**") of approximately SEK 16.1 million before issue expenses in accordance with previously communication via press release on 13 June 2022. The proceeds will primarily be used to carry out the planned sales activities, including therefore necessary working capital, for technical and business development, repayment of bridge loan and for other operations. The Rights Issue is secured to approximately 64 per cent through subscription commitments and guarantee commitments.*

### **Background and reason**

Meltron develops, manufactures and sells advanced lighting systems built on LED technologies based on over 20 years of research and development. The work of the Company has generated a high quality, patent portfolio of products. Meltron has today a set of meriting important reference customers of high dignity, primarily in Finland, to which the Company has conducted direct sales. This creates opportunities and facilitates for the Company to further win strategically important customer contracts and secure recurring business. The Company is now focusing on gradually developing a network of distributors and partners as the main channels for sales growth.

During the last six months, the Company has

- appointed a new CEO, Stefan Kåla, who started his position on 1 March and has brought new dynamics; he has long and wide experience in marketing and sales of lighting systems;
- implemented an efficiency and cost reduction programme; fixed costs have been reduced by more than 30% and the work continues on further reducing purchasing and production costs;
- received several orders from large customers, mainly the Finnish forest industry, both for their continuous modernization of their facilities and for new investments; and
- initiated an active dialogue with a number of prospective distributors in different markets.

The current phase of development requires additional working capital and a focused sales organisation along with planned partnerships. During the past six months, the Company has

held detailed discussions with various partners, which will hopefully lead to new and important channels for marketing and sales. This is the background and the motive of the forthcoming Rights Issue.

Therefore, the Company is now carrying out a Rights Issue of SEK 16.1 million with the possibility of an additional directed share issue of approximately SEK 5 million on the same terms and conditions. The Company has received guarantee commitments of SEK 10 million from a consortium of investors as well as subscription commitments of more than SEK 300,000 from the Company's Board of Directors and management, which together constitute a so-called base guarantee up to approximately 64 percent of the total amount of the issue. The Company has, however, neither requested nor received bank securities or other security for these commitments. The guarantors are compensated with 14 per cent in cash (corresponding to approximately SEK 1.4 million), and by set-off against newly issued shares at the subscription price by an additional 4 per cent. No remuneration will be paid for submitted subscription commitments.

Net proceeds of the Offer, after expenses and repayment of bridge loan, are planned to be used as follows:

Marketing and sales	40 %
Development, certifications	10 %
Strategic component purchases	30 %
Other working capital	20 %

The net proceeds of the Rights Issue will strengthen the Company's financial situation and is deemed, based on current cash and cash equivalents, including and in combination with additional direct investments, suffice to secure the Company's business strategy and strategic objectives for the desired development for the next twelve (12) months. In case of a large interest, the Board of Directors has the opportunity to issue additional shares on the same terms and conditions, up to approximately SEK 5 million through a supplementary directed issue, provided, inter alia, that the Annual General Meeting on 30 September 2022 resolves to amend the Articles of Association regarding the limitations on the number of shares and share capital.

### **The Rights Issue in summary**

- Registered shareholders of the Company on the record date will receive one (1) subscription right for each (1) existing share.
- Five (5) subscription rights entitle the right to subscribe for fourteen (14) new shares.
- Each new share will have the same rights as existing shares of the same class in the Company.
- The subscription price is SEK 0.10 per share.
- The record date for the right to participate in the Rights Issue is 24 October 2022.
- Upon full subscription, Meltron receives approximately SEK 16.1 million before issue expenses.
- The subscription period is 26 October – 9 November 2022.

- The Rights Issue is secured up to 64 per cent through guarantee commitments and subscription commitments, however, the Company has neither requested nor received bank securities for these commitments
- In case of a large interest, the Board of Directors of the Company may, if the issue is oversubscribed, resolve on a supplementary directed share issue of up to approximately SEK 5 million on the same terms as in the Offer, provided, inter alia, that the Annual General Meeting on 30 September 2022 resolves to amend the Articles of Association regarding the limitations on the number of shares and share capital.

### **Preliminary schedule**

Thursday 20 October 2022	Last day of trading of the share including the right to participate.
Friday 21 October 2022	First day of trading of the share without the right to participate in the Rights Issue.
Monday 24 October 2022	Record date for receiving subscription rights and the right to participate in the Rights Issue.
Monday 24 October 2022	Estimated date of publication of the Memorandum.
Wednesday 26 October 2022	Subscription period starts, start of trading of subscription rights and BTA (paid shares).
Friday 4 November 2022	Trading of subscription rights ends.
Wednesday 9 November 2022	Subscription period ends.
Monday 14 November 2022	Announcement of the outcome of the Rights Issue. Contract notes are distributed.

### **Terms and conditions of the Rights Issue**

The Board of Directors of Meltron resolved on 28 September 2022, pursuant to the authorization from the Annual General Meeting held on 1 October 2021, on a rights issue of a maximum of 161,402,822 shares. In addition, the Board of Directors may, in case of oversubscription of the Offer, resolve to issue up to approximately 50 million additional shares through a supplementary directed share issue, entailing an additional issue proceeds of SEK 5 million, provided, inter alia, that the Annual General Meeting on 30 September 2022 resolves to amend the Articles of Association regarding the limits on the number of shares and share capital. Meltron's share capital before the new share issue amounts to SEK 5,764,386.60 divided into 57,643,866 shares. All shares are of the same class. Upon subscription of all shares resolved to be issued today, the Company's share capital will increase by a maximum of SEK 16,140,282.20.

Five (5) existing shares in the Company entitle the right to subscribe for fourteen (14) new shares to a subscription price of SEK 0.10 per share. Hereby, each existing share on the record date entitles the right to one (1) subscription right and five (5) subscription rights entitles the right to subscribe for fourteen (14) new shares.

### **Guarantee commitments**

The Rights Issue is guaranteed by contracts with external investors in a so-called base guarantee up to an amount of approximately SEK 10 million, and in addition there are

subscription commitments of SEK 300,000. These corresponds to approximately 64 per cent of the Rights Issue. The guarantee fee is 14 per cent of the guaranteed amount in cash and an additional 4 per cent by way of set-off against newly issued shares at the issue price. No cash or other assets have been pledged and no other securities have been provided for these commitments. Further information on the parties of the guarantee commitments will be presented in the Memorandum, which in accordance with the preliminary schedule above will be available on 24 October 2022, prior to the first day of subscription.

### **Advisors**

G&W Fondkommission is the financial advisor and Advokatfirman Delphi is legal advisor to Meltron in connection with the Rights Issue.

### **About Meltron – “More than Just Light”**

*Meltron AB designs, manufactures and sells LED lighting solutions which are based on interdisciplinary application of electronics, optics, thermodynamics and nano-structures. “More than Just Light” translates into energy savings, superior light quality, product life-time savings, increased productivity, safety and wellbeing for all. Meltron provides high quality solutions for the most demanding environments in infrastructure, industry and logistics. Read more at [www.meltron.com](http://www.meltron.com)*

Meltrons shares are traded on NGM Nordic SME under the ticker **MLTR**.

### **For further information, contact:**

Göran Lundgren, chairman of the Board

Ph: +46 70 467 40 40

E-mail: [goran.lundgren@meltron.com](mailto:goran.lundgren@meltron.com)

### **Meltron AB (publ)**

Malmgårdsvägen 63, SE-116 38 Stockholm.

Reg.no: 556988-9834. Website: [www.meltron.com](http://www.meltron.com)

This information is such information that Meltron is obliged to make public pursuant to regulatory requirements and trading on NGM Nordic SME. The information was submitted for publication in Swedish, by the contact persons set out above, on 28 September 2022 at 09.30 CEST. This English version is published as a service; in case of discrepancies the Swedish version will prevail.

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