



Asetek A/S - Publishes prospectus and initiates right issue

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Aalborg, 2 December 2024

Asetek A/S (the "Company" or "Asetek") today announces the initiation of a rights issue (the "Offering") at a subscription ratio of 3:1 and subscription price of DKK 0.40 per new share. The Offering comprises at least 150,000,000 new shares and up to 294,941,676 new shares, which are issued with pre-emptive rights to subscribe for the new shares for the Company's existing shareholders. A prospectus regarding the Offering is available on the Company's website: <http://ir.asetek.com/share-info/prospectus/> (subject to certain restrictions).

The key terms of the Offering are the following:

- The Offering comprises at least 150,000,000 new shares and up to 294,941,676 new shares with a nominal value of DKK 0.10 each
- The subscription price is DKK 0.40 per new share. The subscription price reflects a customary market discount to the theoretical ex-rights price based on the share price on Friday 29 November 2024
- The gross proceeds of the Offering will be approximately DKK 118 million assuming all new shares are subscribed for in the Offering
- If less than 150,000,000 new shares are subscribed for in the Offering, corresponding to gross proceeds of DKK 60 million, the Company will withdraw the Offering
- Each of the Company's existing shareholders will be allocated three (3) pre-emptive rights for each one (1) existing share held at the Allocation Time (as defined below)
- For every one (1) pre-emptive right, the holder will be entitled to subscribe for one (1) new share
- Existing shares traded after 3 December 2024 at 5:00 p.m. CET will be traded without pre-emptive rights, provided that the existing shares are traded with the customary two-day settlement
- The pre-emptive rights can be traded on Nasdaq Copenhagen A/S in the period commencing on 4 December 2024 at 9:00 a.m. CET and closing on 17 December 2024 at 5:00 p.m. CET
- The subscription period for new shares commences on 6 December 2024 at 9:00 a.m. CET and closes on 19 December at 5:00 p.m. CET
- Any pre-emptive rights that are not exercised during the subscription period will lapse with no value, and the holder of such pre-emptive rights will not be entitled to compensation
- Any remaining shares not subscribed for by exercise of pre-emptive rights, may be subscribed for by existing shareholders of the Company, Danish or Norwegian investors or investors satisfying applicable exemptions in Article 1(4) of the Prospectus Regulation (as defined below), such as qualified investors (as defined in the Prospectus Regulation), during the subscription period

René Svendsen-Tune, Chairman of the Board of Directors in Asetek says: “I would like to begin by stating that it is with humility that I acknowledge the volatility within the largest part of our business, Liquid Cooling, has led us to a situation where we are seeking shareholder support to carry out a rights issue. This, of course, was not something we anticipated when we began 2024, coming off a record strong 2023.

Despite the challenges faced this year, we believe that the company stands on a solid foundation. Our Liquid Cooling business continues to generate attractive double-digit EBITDA margins, and it holds a strong market position in the premium segment with a long-term attractive outlook. Our SimSports segment has proven its attractiveness through rapid growth, and we believe continued investments and increased scale will lead to higher profits and margins beyond the medium term.

We are confident that our outlined strategy is the most value-creating for the company, and we hope to gain support from our shareholders to capitalize on the opportunities we see in both segments in order to reach our medium-term ambitions.”

Background to the Offering and use of proceeds

As announced on 7 November 2024 and 26 November 2024, the Company's Board of Directors has resolved to seek to strengthen the Company's financial position through a rights issue.

Lower demand in Asetek's Liquid Cooling segment impacted the Company's earnings in first half year of 2024 and continues to affect the business in 2024. As response to these developments, Asetek initiated measures to right-size the organisation and management, including scaling down the U.S. operations. While these measures are expected to yield annual cost savings of approximately USD 3 million with full effect from the first quarter of 2025, these measures are, however, not sufficient to satisfy the Company's working capital needs for the next twelve months and its ambition to continue investments in its SimSports segment as further set out in the updated medium-term ambitions. The Company does not believe that its current cash position and the liquidity available from its operations, external borrowings, and other currently available sources are sufficient to satisfy its working capital needs beyond January 2025 if the minimum Offering is not completed.

Due to the financial developments in 2024 and considering the Company's current capitalisation and working capital, the Company urgently requires new capital to ensure sufficient working capital for the next twelve months. The Company aims to raise gross proceeds from the Offering, if fully subscribed, of approximately DKK 118 million, with potential net proceeds of approximately DKK 104 million. The Company will withdraw the Offering before completion if the result of the Offering shows that the minimum number of new shares of 150,000,000 are not subscribed for, corresponding to gross proceeds of DKK 60 million and net proceeds of DKK 48 million. If the minimum Offering is not subscribed for, the proceeds will not meet the conditions set out in certain of the subscription commitments entered into with shareholders (see below) nor the condition for refinancing of Group's financing agreements with the bank acting as the Group's primary financing source announced in a company announcement published on 26 November 2024.

In evaluation of the use of proceeds, the Company's Board of Directors and executive management have reviewed the medium-term period. The net proceeds from the Offering are intended to be used to strengthen the Asetek group's balance sheet in the short and medium terms as well as enable continued investments into its SimSports segment. The SimSports segment is expected to be the primary use of the proceeds from the Offering as the Liquid Cooling segment is expected to remain profitable and generate a positive free cash flow going forward. The investments in the SimSports segment include short-term growth-related working capital investments as well as investments related to increasing the operational costs, such as marketing and product development, during the medium-term.

The Company believes that continued investments within the SimSports segment will likely lead to higher profit margins in the medium and long term compared to what could be achieved if investments were scaled down to a minimum. However, if the Offering is not fully subscribed, the Company will decrease the contemplated investments in the SimSports segment if these cannot be funded by the cash generated in the Liquid Cooling segment or through other sources, including equity or debt. Further, this will negatively impact the Company's ability to achieve its medium-term ambitions. If the Company successfully raises approximately DKK 115 million in gross proceeds in the Offering and given the Company's updated financing arrangements with its bank as announced in company announcement of 26 November 2024, the Company does currently not expect to raise additional capital from subsequent share or debt issuances to achieve its medium-term ambitions, based on its current strategy and subject to the assumptions applied for such ambitions. It is emphasized that while management considers such medium-term ambitions and expectations of capitalization as reasonable, they are inherently subject to significant business, operational, economic, political, legal, and competitive uncertainties and contingencies, many of which are beyond the Company's influence, and upon assumptions with respect to future business decisions that are subject to change. Therefore, the Company's expectations as to future developments may deviate substantially from actual developments, and the Asetek group's actual capital needs may be different from the expectation set out herein since anticipated events may not occur as expected or may materially differ from the expectation provided. Accordingly, shareholders and potential investors should treat this information with caution and not place undue reliance on the expectations set forth herein.

Support from shareholders and investors

Certain shareholders (Angu Invest ApS, Arbejdsmarkedets Tillægspension (ATP), Joanjo Holding ApS, Lucas Leucht, and 2I - Vermögensverwaltung GmbH) have undertaken subscription commitments to exercise their allocated pre-emptive rights and/or apply for subscription for remaining shares corresponding to gross proceeds of between approximately DKK 11.2 million and DKK 17.7 million (depending on the final Offering size).

Additionally, all members of the Board of Directors, executive management, and members of management have undertaken to exercise allocated pre-emptive rights and/or apply for subscription for remaining shares for an aggregate amount of approximately DKK 3.2 million. The total subscription commitments from existing shareholders, Board of Directors, executive management, and members of management correspond to approximately 24% of the minimum Offering and approximately 18% of the maximum Offering.

Prospective financial information and medium-term ambitions

As further described in the prospectus, the Company maintains its present prospective financial information for the financial year ending 31 December 2024 and its medium-term ambitions as announced on 7 November 2024.

Main terms of the offering

Below is a summary of the main terms of the Offering. Reference is made to the prospectus for a detailed description of all terms and conditions of the rights issue as well as other circumstances that must be considered upon subscription for shares in the Offering.

- *The Offering:* The Offering comprises at least 150,000,000 new shares and up to 294,941,676 new shares with a nominal value of DKK 0.10 each with pre-emptive rights for the Company's existing shareholders.
- *Subscription price:* The new shares are offered at a subscription price of DKK 0.40 per new share. The subscription price reflects a customary market discount to the theoretical ex-rights price based on the share price on Friday the 29 November 2024

- *Ratio*: Each existing shareholder of the Company registered as such with Euronext Securities Copenhagen, legal name VP Securities A/S ("**Euronext Securities**"), or in the Company's register of non-registered shareholders (this only applies to shareholders whose shares are not registered in book-entry form) on 5 December 2024 at 5:59 p.m. CET will be allocated three (3) pre-emptive rights per one (1) share held. For every one (1) pre-emptive right, the holder will be entitled to subscribe for one (1) new share with a nominal value of DKK 0.10 each.
- *Trading in pre-emptive rights*: The pre-emptive rights can be traded on Nasdaq Copenhagen A/S under the temporary ISIN code DK0060477263 during the period from 4 December 2024 at 9:00 CET to 17 December 2024 at 5:00 p.m. CET.
- *Subscription period*: The subscription period for the new shares commences on 6 December 2024 at 9:00 a.m. CET and closes on 19 December 2024 at 5:00 p.m. CET. Any pre-emptive rights that are not exercised during this subscription period will lapse with no value, and the holder of such pre-emptive rights will not be entitled to any compensation.
- *Payment and delivery*: Upon exercise of the pre-emptive right, the holder must pay DKK 0.40 per new share subscribed for. Payment of the new shares shall be made in Danish kroner (DKK) on the date of subscription, however, no later than 19 December 2024 at 23:59 p.m. CET.
- *Remaining shares*: New shares not subscribed for by exercise of a pre-emptive right may be subscribed for by existing shareholders, potential investors residing in Denmark or Norway, or investors satisfying applicable exemptions in Article 1(4) of Regulation (EU) 2017/1129 of 14 June 2017, as amended (the "**Prospectus Regulation**"), such as Qualified Investors (as defined in the Prospectus Regulation), who before the expiry of the subscription period have made binding undertakings to subscribe for the remaining shares according to a separate application form contained in the prospectus. In case of oversubscription of remaining shares, such remaining shares will be allocated according to appointment keys set out in the prospectus. The Offering is not underwritten by the Global Coordinator.

Trading and official listing of new shares: After payment of the subscription price, the new shares will be issued in the temporary ISIN code DK0063407176. The new shares will not be admitted to trading and official listing on Nasdaq Copenhagen A/S under the temporary ISIN code. The temporary ISIN code is registered in Euronext Securities solely for the subscription of the new shares; however, this does not apply to existing shareholders whose shares are not registered their shares in book-entry form with Euronext Securities and the exercise of pre-emptive rights based on such shares, please instead see below under "*Shareholders not registered with Euronext Securities*".

The new shares will be registered with the Danish Business Authority after the completion of the Offering, expectedly on 3 January 2025. The new shares are expected to be admitted to trading and official listing on Nasdaq Copenhagen A/S under the permanent ISIN code for the Company's existing shares DK0060477263 on 6 January 2025. The temporary ISIN code will be merged with the permanent ISIN code of the existing shares no later than 7 January 2025 after 5:59 p.m. (CET).

- *Shareholders not registered with Euronext Securities*: Existing Shareholders whose Asetek shares are not registered with Euronext Securities in book-entry form will also be allocated pre-emptive rights and can subscribe for new shares in the Offering by use of a form attached to the prospectus. Such existing shareholders will not be able to trade their pre-emptive rights on Nasdaq Copenhagen A/S, unless they register their shares with Euronext Securities. The procedures on this registration and exercise of pre-emptive rights for such shareholders are further detailed in section 18.1.13 of the prospectus.

- *Withdrawal of the Offering:* The Offering may be withdrawn by the Company, subject to certain conditions, before registration of the capital increase relating to the new shares with the Danish Business Authority.

The Company will withdraw the Offering before completion if the result of the Offering shows that the minimum number of new shares of 150,000,000 are not subscribed for, corresponding to gross proceeds of DKK 60 million and net proceeds of approximately DKK 48 million.

If the Offering is withdrawn, any exercise of pre-emptive rights that has already taken place will be cancelled automatically. The subscription amount for the new shares will be refunded (less any transaction costs) to the investors. All pre-emptive rights will lapse, and no new shares will be issued.

Trades of pre-emptive rights executed during the rights trading period will, however, not be affected. Consequently, investors who have acquired pre-emptive rights will incur a loss corresponding to the purchase price of the pre-emptive rights and any transaction costs.

Investors who have subscribed for and paid the subscription amount for new shares, will receive a refund of the subscription amount paid for the new shares (less any transaction costs). Consequently, such subscribers of new shares may incur a loss corresponding to the purchase price of any pre-emptive rights used and any transaction costs incurred.

The Global Coordinator (as defined below) is entitled to terminate the rights issue agreement upon the occurrence of certain exceptional events and/or unpredictable circumstances. The rights issue agreement also contains conditions for completion, which the Company believes to be customary for offerings such as the Offering, and the completion of the Offering pursuant to the rights issue agreement is subject to compliance with all such conditions in the rights issue agreement. If one or more conditions for completion are not met, the Global Coordinator may, at its discretion, terminate the rights issue agreement which may thereby require that the Company withdraws the Offering.

The Company is not liable for any losses that investors may suffer as a result of withdrawal of the Offering including but not limited to, any transaction costs or lost interest.

Any such withdrawal will be notified via Nasdaq Copenhagen A/S.

- *Lock-ups:* Following the Offering, the Company and members of the Board of Directors and executive management will be subject to a 180-day lock-up, subject to certain exceptions.
- Investors are advised to carefully read and consider the information included in the Prospectus, including section 1 "Risk Factors", section 12.1 "Background for the Offering and use of proceeds" and section 12.2 "working capital statement". The Prospectus including the risk factors set out therein are considered to contain important information regarding the risks associated with an investment in the Company.

Expected timetable for the Offering

The expected timetable for main events relating to the rights issue is as follows:

Event Date

Publication

of 2 December

prospectus.....	2024
Last trading day in existing shares including pre-emptive rights.....	3 December 2024 at 5:00 p.m. (CET)
First day of trading in existing shares excluding pre-emptive rights.....	4 December 2024
Rights trading period commences.....	4 December 2024 at 9:00 a.m. (CET)
Allocation time of pre-emptive rights ("Allocation Time").....	5 December 2024 at 5:59 p.m. (CET)
Subscription period for new shares commences.....	6 December 2024 at 9.00 a.m. (CET)
Rights trading period closes.....	17 December 2024 at 5:00 p.m. (CET)
Subscription period for the new shares closes.....	19 December 2024 at 5:00 p.m. (CET)
Expected publication of result of the Offering.....	23 December 2024
Expected allocation of new shares not subscribed for by exercise of pre-emptive rights (remaining shares).....	23 December 2024
Expected completion of the Offering, including settlement of the new shares.....	3 January 2025
Expected registration of the share capital increase regarding the new shares with the Danish Business Authority.....	3 January 2025
Expected first day of trading and official listing of the new shares on Nasdaq Copenhagen A/S in the existing ISIN code.....	6 January 2025
	7 January 2025 after 5:59 p.m. (CET)
Expected merger of temporary and permanent ISIN codes	

The above timetable is subject to change.

Teleconference

The Company will host a webcast for eligible investors and financial analysts on Wednesday 4 December 2024, at 11 .a.m. (CET). The presentation is expected to last up to one hour, including Q&A. Details for registering and participating in the webcast will be distributed via a separate press release.

For further information about the Company, please contact:

Snr. Director, Head of Investor Relations Per Anders Nyman, phone: +45 2566 6869, email: investor.relations@asetek.com

Global Coordinator and legal advisors

ABG Sundal Collier, Sundal Collier Denmark, Filial af ABG Sundal Collier ASA, Norge, acts as Global Coordinator in the Offering.

Kromann Reumert and Advokatfirmaet Wiersholm AS act as Danish and Norwegian legal advisors, respectively, to the Company in connection with the Offering. Gorrissen Federspiel

Advokatpartnerselskab act as Danish legal advisor to the Global Coordinator in the Offering.

Prospectus

Following publication, the prospectus containing detailed information on the Company and the Offering will, subject to certain restrictions, be available on the Company's website <http://ir.asetek.com/share-info/prospectus/default.aspx>. Apart from information that is incorporated into the prospectus by reference, the contents of the website of the Company does not form part of the prospectus.

About Asetek

Asetek (ASTK), a global leader in mechatronic innovation, is a Danish garage-to-stock-exchange success story. Founded in 2000, Asetek established its innovative position as the leading OEM developer and producer of the all-in-one liquid cooler for all major PC & Enthusiast gaming brands. In 2021, Asetek introduced its line of products for next level immersive SimSports gaming experiences. Asetek is headquartered in Denmark and has operations in China, Taiwan and the United States.

IMPORTANT INFORMATION

This company announcement contains forward-looking statements. These statements are not guarantees of future performance and involve certain risks and uncertainties, in particular this announcement should not be construed as a confirmation neither that an offering will complete, nor of the deal size or the price. Therefore, actual future results may differ materially from what is forecasted herein due to a variety of factors.

This announcement is intended for the sole purpose of providing information. Persons needing advice should consult an independent financial adviser. This announcement does not constitute an investment recommendation.

This announcement is not a prospectus and investors should not purchase any securities referred to in this announcement on the basis of this announcement. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change. No obligation is undertaken to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company to proceed with any transaction or arrangement referred to herein. This announcement has not been approved by any competent regulatory authority.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever. Any offering of the securities referred to in this announcement will be made by means of a prospectus approved by the Danish Financial Supervisory Authority and published by the Company as further described above. Investors should not purchase or subscribe for any securities referred to in this announcement except on the basis of information contained in the prospectus.

The transactions described in this announcement and the distribution of this announcement and other information in connection with the transactions in certain jurisdictions may be restricted by law and persons into whose possession this announcement, any document or other information referred to herein comes should inform themselves about, and observe, any such restrictions.

None of the Company or any of its respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any

responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In particular, this announcement does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in the United States (including its territories and possessions, any state of the United States and the District of Columbia, the "United States"), Australia, Canada, Japan or South Africa, or in any jurisdiction to whom or in which such offer or solicitation is unlawful ("Excluded Territories"). Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The securities referred to in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 as amended (the "U.S. Securities Act") or under the securities laws of any state of the United States, and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Subject to certain limited exceptions, the securities referred to in this announcement would only be offered or sold outside the United States. The securities referred to in this announcement have not been and will not be registered under any applicable securities laws of any state, province, territory, county or jurisdiction of the Excluded Territories. Accordingly, such securities may not be offered, sold, resold, taken up, exercised, renounced, transferred, delivered or distributed, directly or indirectly, in or into the Excluded Territories or any other jurisdiction if to do so would constitute a violation of the relevant laws of, or require registration of such securities in, the relevant jurisdiction. There will be no public offer of securities in the United States or elsewhere.

This announcement has been prepared on the basis that any offers of securities referred to herein in any Member State of the European Economic Area ("EEA"), other than Denmark and Norway, which has implemented Regulation (EU) 2017/1129 of 14 June 2017, as amended (the "Prospectus Regulation"), (each a "Relevant Member State") or the United Kingdom, will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of securities. Accordingly, any person making or intending to make any offer in a Relevant Member State of securities which are subject of the offering contemplated in this announcement, may only do so in circumstances in which no obligation arises for the Company or the Global Coordinator to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Company nor the Global Coordinator have authorised, nor do they authorise, the making of any offer of the securities through any financial intermediary. Neither the Company nor the Global Coordinator have authorised, nor do they authorise, the making of any offer of securities in circumstances in which an obligation arises for the Company or the Global Coordinator to publish or supplement a prospectus for such offer. The information set forth in this announcement is only being distributed to, and directed at, persons in Relevant Member States or the United Kingdom who are qualified investors (Qualified Investors) within the meaning of Article 2(1)(e) of the Prospectus Regulation.

In addition, in the United Kingdom, this announcement is only being communicated to, is directed only at Qualified Investors (i) who are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) high net worth entities falling within Article 49(2)(a)-(d) of the Order or (iii) persons to whom it may otherwise lawfully be communicated, all such persons together being referred to as "Relevant Persons".

In relation to Russia and Belarus, no securities have been offered or will be offered to any Russian or Belarusian national, any natural person residing in Russia or Belarus (except for EU, EEA or Swiss nationals and persons holding an EU, EEA or Swiss residence permit, subject to available prospectus exemptions), any legal person, entity, or body established in Russia or Belarus (including EU branches of such legal persons, but excluding subsidiaries of

Russian or Belarus legal entities organised or incorporated within the EU, subject to available prospectus exemptions, or any natural or legal person where the issuance of securities to such person would result in a breach of applicable sanctions.

None of the Company, any managers appointed by the Company for purpose of an offering or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.