

QleanAir publishes prospectus in connection with an offering of shares and announces its intention to list its shares on Nasdaq First North Premier Growth Market

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QleanAir Holding AB (publ) ("QleanAir" or the "Company"), a leading niche supplier at the global market for premium solutions for air filtering of indoor environments, has together with the Company's majority shareholder^[1] decided to broaden the shareholder base through a sale of existing shares in the Company (the "Offering") and applied for listing of the Company's shares on Nasdaq First North Premier Growth Market. Nasdaq Stockholm AB has assessed that the Company fulfills the applicable listing requirements provided that customary conditions, including the distribution requirement for the Company's shares, are fulfilled on the first day of trading at the latest. As a result of the Offering, the Company has prepared a prospectus that has been approved and registered by the Swedish Financial Supervisory Authority and made public on the Company's website www.qleanair.com. The first day of trading is expected to be 12 December 2019.

The Offering in brief:

- The Offering is directed to the general public in Sweden and to institutional investors in Sweden and abroad.
- The Offering consists of up to between 6,250,000 and 7,500,000 existing shares offered for sale by the current majority shareholder Qevirp 41 Limited (the "**Majority Shareholder**").
- The Offering will be made at a fixed price of SEK 40 per share (the "**Offering Price**").
- No new shares will be issued by the Company as part of the Offering. However, in conjunction with the completion of the Offering, 1,575,000 new shares will be issued by the Company and subscribed by the Majority Shareholder against payment for such new shares through set-off of part of the existing shareholder loan at a subscription price equal to the Offering Price. After the set-off issue, the number of shares in the Company will be 14,859,200, corresponding to a total market value of the Company's shares of approximately SEK 594 million.
- In order to cover potential over-allotment in connection with the Offering, the selling Majority Shareholder has undertaken, upon request by Pareto Securities, to sell up to maximum 1,125,000 additional shares, corresponding to a maximum of 15 percent of the Offering (the "**Over-Allotment Option**").
- The total value of the Offering amounts to between SEK 250 million and SEK 300 million.
- Provided that the Offering amounts to SEK 300 million, and that the Over-Allotment Option is fully exercised, the Offering will amount to SEK 345 million.
- Prior to the Offering, a group of investors have, subject to certain conditions, without being guaranteed allocation in the Offering, and to the same price as other investors, placed orders to acquire shares in the Offering to a total value of approximately SEK 200 million, corresponding to approximately 67 percent of the Offering, provided that the Offering amounts to SEK 300 million and that the Over-Allotment Option is not exercised (the "**Anchor Investors**"). In addition, the Company's CEO, Andreas Göth, has committed to acquire shares from the Majority Shareholder in

the Offering for SEK 2 million. Furthermore, the Company's CFO, Henrik Resmark, has committed to acquire shares from the Majority Shareholder in the Offering for SEK 1 million. Moreover, the chairman of the board of directors of the Company, Rolf Classon, has committed to acquire shares from the Majority Shareholder in the Offering for SEK 1 million.

- The application period for the Offering is expected to run from 3 December 2019 to 10 December 2019 for the general public in Sweden. The application period for the Offering is expected to run from 3 December 2019 to 11 December 2019 for institutional investors.
- The expected first day of trading in QleanAir's shares on Nasdaq First North Premier Growth Market is 12 December 2019 under the ticker "QAIR" and the expected settlement date is 16 December 2019.
- Full information on the terms and conditions of the Offering can be found in the prospectus which the Company has prepared in connection with the Offering. The prospectus has been approved and registered by the Swedish Financial Supervisory Authority and made public on QleanAir's website (www.qleanair.com). The prospectus will also be made available on Pareto Securities' website, Aktieinvest's website and Avanza's website and, within a few days, also on the Swedish Financial Supervisory Authority's website.
- Pareto Securities has been engaged as Sole Global Coordinator and Sole Bookrunner in connection with the Offering.

Andreas Göth, CEO, comments:

"From a market perspective, we are in an exciting phase, where good air quality is a future topic, and we have found our niche in the indoor environment. We are proud of our more than 2,500 customers and approximately 8,100 module based units located in EMEA, Americas and APAC. A listing gives us the opportunity to continue our growth on our own merits. The combination of growth opportunities within Facility Solutions and Room Solutions together with the stable development and cash flow from Cabin Solutions gives us a strong platform for the next phase of our development. I have all reason to be optimistic about the future of QleanAir."

Rolf Classon, Chairman of the Board, comments:

"QleanAir has a strong growth track record and a clear strategy to continue to deliver profitable growth in current geographies and markets. The company has a stable business model based on long-term rental contracts, which makes the stock exchange a natural next step. I look forward to QleanAir's next phase as a listed company, with a focus on delivering shareholder value and all the benefits associated with being a listed company."

Mats Hjerpe, Partner, Priveq Advisory, comments:

"Since Priveq Investment IV entered as a majority owner of QleanAir in 2012, the company has had a fantastic journey by broadening its service offering as well as geographical exposure in order to attain an attractive product mix and geographic reach. During the seven years that the fund has been the majority owner of QleanAir, sales have doubled while the company also has improved its operational efficiency. The company is well-equipped to continue its journey, now as a listed company."

About QleanAir Holding AB (publ)

QleanAir is a niche supplier of premium solutions at the global market for air filtering of indoor environments. The Company has more than 25 years of experience in the field and offers solutions based on filtering technology that captures, filtrates and recycles indoor air. The Company's business model is based on leasing module based solutions to customers that are offered together with a full-service offering. QleanAir has approx. 8,100 installed units distributed across more than 2,500 customers in EMEA, Americas and APAC.

QleanAir's net sales in 2018 were SEK 401 millions and the adjusted EBIT margin was 18.3 percent. The Company's compounded annual growth rate in net sales amounted to 13.5 percent between 2013 and 2018. The Company's operations are split into three product areas: Facility Solutions ("FS"), Room Solutions ("RS") and Cabin Solutions ("CS"). CS is focused on cabin solutions that limits the exposure to harmful tobacco smoke by filtering the air from particles and is typically placed in offices, industry buildings and public locations. QleanAir has broadened the product offering in the past couple of years by introducing

free-standing air filtering units for, among other areas, industrial premises (FS), and clean rooms for healthcare environments (RS). A large part of the Company's growth stems from the entry and growth in the FS and RS product areas.

Financial development

TSEK	Jan-Sep		Full year		
	2019	2018	2018	2017	2016
Net sales	333,146	297,863	400,813	336,329	318,877
<i>Net sales growth (%)</i>	12	22	19	6	11
Adjusted EBIT	64,441	57,466	73,075	39,603	36,325
<i>Adjusted EBIT margin (%)</i>	19	19	18	12	11
<i>Adjusted return on average working capital (%)</i>	23	18	21	11	10

Financial targets

QleanAir has set the following medium term financial targets:

- Growth: Organic sales CAGR of approx. 10 percent
- Profitability: EBIT margin of 15-20 percent
- Dividend policy: 30-50 percent of the net income of the year to be paid out as dividend

Important strengths and competitive advantages

- Full-service offering of premium air filtering solutions with first class functionality over time
- Long customer contracts and diversified customer base across different industries and geographies
- High barriers of entry thanks to advanced air filtering technology and an in-house developed IT platform
- Growth and profitability opportunities due to a business model with low capital requirements

About Qiverp and background to the Offering

Qevirp 41 Limited, which is owned by Priveq Investment Fund (IV) L.P. och Calandrella Ltd., has been the Majority Shareholder of QleanAir since 2012 and owns about 90 percent of the Company. Since the investment, Priveq Investment has actively worked to develop the Company's operations and establish structures for continued profitable growth. Priveq Investment currently manages more than SEK 5 billion and has for over 35 years successfully created value through long-term investments and active ownership in unlisted growth companies. As part of Priveq Investment's strategy, acquired companies are eventually divested once established targets have been met. Against this background, Priveq Investment together with the Company's Board of directors believe that this is the right time to widen the Company's shareholder base and pursue a listing to the Nasdaq First North Premier Growth Market.

QleanAir's Board of directors and management believe that the Offering together with a distribution of ownership will further support the Company's continued growth and development, especially to broaden the Company's financing options and provide access to the Swedish and international capital markets. The distribution of the Company's shares is expected to increase QleanAir's credibility and public awareness, while at the same time providing the Company with a quality stamp, contributing to assurance to all customers and suppliers as well as to attract and maintain personnel.

About Priveq Investment

Priveq Investment has for 35 years invested in profitable growth companies. Its business model rests on value-creation through long-term investments and active ownership of unlisted growth companies. Priveq Investment has been active owners in more than 125 companies, 26 of which have been listed. Existing and previous Swedish investments include Mentice, Byggpartner i Dalarna, 4C Strategies, Office Management, and ILT Inläsningstjänst. Priveq Advisory AB is advisor to Priveq Investment Fund IV. For more information, (www.priveq.se).

Prospectus and application forms

Full information on the terms and conditions of the Offering is to be found in the prospectus prepared by the Company in connection with the Offering. The prospectus has been approved and registered by the Swedish Financial Supervisory Authority in accordance with the rules of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") and published on the Company's website (www.qleanair.com). The prospectus will also be made available at Pareto Securities' website (www.paretosec.com), Aktieinvest's website (www.aktieinvest.se) and Avanza's website (www.avanza.se) and, within a few days, on the Swedish Financial Supervisory Authority's prospectus register, <https://fi.se/sv/vara-register/prospektregistret/>. The approval of the prospectus should not be understood as an endorsement of the offered shares. In order to fully understand the potential risks and rewards associated with the decision to invest in the Offering, potential investors should read the prospectus before making an investment decision.

Application for the general public in Sweden will be available through Pareto Securities', Aktieinvest's and Avanza's online service.

Preliminary schedule

- Publication of the prospectus: 2 December 2019
- Application period for the general public in Sweden: 3 December – 10 December 2019
- Application period for institutional investors: 3 December – 11 December 2019
- First day of trading at Nasdaq First North Premier Growth Market: 12 December 2019
- Settlement date: 16 December 2019

Advisors

Pareto Securities is the Global Coordinator and Sole Bookrunner. Setterwalls Advokatbyrå is the legal advisor to the Company and the Majority Shareholder. Baker McKenzie is the legal advisor to Pareto Securities.

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A prospectus regarding the Offering described in this release has been published by the Company, and approved and registered by the Swedish Financial Supervisory Authority. This release is however not a prospectus in accordance with the definition in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation"). Complete information regarding the Offering can only be obtained through the prospectus. Pursuant to article 2 k of the Prospectus Regulation, this press release constitutes an advertisement.

This information is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). This information must not be acted on or relied upon by persons who are not Relevant Persons. An investment or an investment activity referred to in this release is only available in the United Kingdom for Relevant Persons and will only be conducted with Relevant Persons.

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In connection with the Offering or sale of the securities referred to herein, Pareto Securities may over-allot securities/conduct stabilization or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. Any stabilization action or over-allotment will be conducted by Pareto Securities in accordance with all applicable laws and rules.

Information to distributors

For the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) national implementing measures, (together the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the offered shares have been subject to a product approval process, who have established that these shares are: (i) suitable for a target market consisting of non-professional investors and investors who fulfil the criteria for professional clients and eligible counterparties, each as defined in MiFID II, and (ii) suitable for distribution through all distribution channels that has been approved in MiFID II ("**Target Market Assessment**"). Irrespective of the Target Market Assessment, distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the Company's shares offer no guaranteed income and

no capital protection; and an investment in the Company's shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The target market assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

The target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, purchase, or take any other action whatsoever with respect to the Company's shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Company's shares and determining appropriate distribution channels.

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[1] Qevirp 41 Limited is the majority shareholder and has an ownership stake of 90.2 percent of the total number of shares and votes in the Company. Qevirp is owned by Priveq Investment Fund (IV) L.P. (84.6 percent) and Calandrella Ltd. (15.4 percent).

Attachments

[QleanAir publishes prospectus in connection with an offering of shares and announces its intention to list its shares on Nasdaq First North Premier Growth Market](#)