

Netel announces offering of shares and publishes prospectus in connection with the listing on Nasdaq Stockholm

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, FULLY OR PARTLY, DIRECTLY OR INDIRECTLY, WITHIN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, SINGAPORE, SOUTH AFRICA, SWITZERLAND OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, DISTRIBUTION OR PUBLICATION WOULD BE UNLAWFUL OR REQUIRE ADDITIONAL REGISTRATION OR ANY OTHER MEASURE THAN WHAT IS REQUIRED UNDER APPLICABLE LAW.

Netel Holding AB (publ) ("Netel" or the "Company"), a full-service specialist within Infranet services in Sweden, Norway, Finland and Germany, today publishes the Company's prospectus and announces the price for the offering of shares to the general public in Sweden, Norway and Finland and to institutional investors in Sweden and abroad (the "Offering") and the listing of the Company's shares on Nasdaq Stockholm (the "Listing"). The prospectus has been approved by the Swedish Financial Supervisory Authority ("SFSA") and has today been published on the Company's web page. The first day of trading on Nasdaq Stockholm is expected to commence on 15 October 2021.

The Offering in Brief

- The price per share in the Offering is SEK 48, corresponding to a total value of all the outstanding shares in Netel of approximately SEK 2,042 million prior to the Offering
- The Offering consists of 4,166,667 newly issued shares in the Company and 10,935,852 existing shares offered by Cinnamon International S.à r.l. (the "**Principal Owner**"). The existing shares that are offered by the Principal Owner also include a minor sale of existing shares on behalf of other shareholders in the Company
- In order to cover any over-allotment in connection with the Offering, the Principal Owner has committed to sell up to 2,265,378 additional shares, corresponding to up to 15 per cent of the total number of shares in the Offering (the "**Over-Allotment Option**")
- The newly issued shares in the Offering will provide the Company with proceeds of approximately SEK 200 million, before deduction of costs related to the Offering
- The proceeds raised from the Offering will mainly be used to support Netel's M&A agenda and for repayment of vendor promissory notes and a part of the Company's bank debt
- A mutual fund managed by the Asset Management of German bank Joh. Berenberg, Gossler & Co. KG (Berenberg), Carnegie Fonder, Norron Asset Management and Strand Kapitalförvaltning have undertaken, under certain conditions and at the same offering price as other investors, to subscribe for shares corresponding to a total value of SEK 300 million. The undertakings represent, in aggregate, approximately 41 per cent of the number of shares in the Offering (approximately 36 per cent assuming the Over-Allotment option is exercised in full)

- The shares will be offered to the general public in Sweden, Norway and Finland and to institutional investors in Sweden and abroad in accordance with applicable laws and exemptions
- The application period for the general public in Sweden, Norway and Finland and institutional investors in Sweden and abroad will take place between 7 October and 14 October 2021
- Trading on Nasdaq Stockholm is expected to commence on 15 October 2021 under the ticker "NETEL". Settlement is expected to take place on 19 October 2021
- A prospectus (in Swedish with a full English translation and a translation of the summary in Norwegian), containing the Offering's complete terms and conditions, has today been published on Netel's website (www.netelgroup.com), Nordnet's websites (www.nordnet.se, www.nordnet.no and www.nordnet.fi) and DNB's website (www.dnb.se)

The Offering to institutional investors will only be made to certain institutional investors outside the United States, pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**").

Background and reasons for the Offering

Netel is an established actor in the Nordic market, and it is increasing its presence in Germany. The Company has developed its business by being a trusted partner providing services across the entire Infranet value chain within its business areas Mobile, Fixed Networks and Power. Going forward, Netel has the ambition to continue to grow and further diversify its operations through organic initiatives and acquisitions.

The Offering and the listing will expand the shareholder base and enable Netel to access the Swedish and international capital markets, which will support the Company's continued growth and development. Netel's board of directors and senior management, supported by the Principal Owner, consider the Offering and listing of the Company's shares to be a logical and important step in Netel's development, which will also increase the awareness of Netel and its operations amongst current and potential customers and suppliers. For these reasons, the board of directors has applied for listing on Nasdaq Stockholm.

About Netel

Netel is a full-service Infranet services provider active in Sweden, Norway, Finland and Germany. The Company offers Infranet services through an efficient and decentralised organisation and experiences strong positive market drivers within its business areas.

Netel's customers include telecom operators, network owners, system suppliers, property owners, construction companies, housing companies and cooperative housing associations. The Company operates through three key business areas: *Mobile*, *Fixed Networks* and *Power*:

- **Mobile:** Netel is a player with a wide service offering across the complete value chain within Mobile. The offering spans planning, permit management, roll-out, commissioning and integration

- **Fixed Networks:** Within Fixed Networks, Netel offers solutions mainly for fibre networks and coaxial networks, spanning preparations, planning, maintenance, upgrades and roll-out
- **Power:** Netel's Power offering entails the preparation, planning, maintenance and roll-out of power networks, including stations

As part of Netel's overall offering, the Company also provides service and maintenance under each respective business area, both constructed by the Company and by others. Netel's broad offering within Mobile, Fixed Networks and Power allows the Company to cover several types of projects within the same relationships and customers and act as a full-service provider to its customers across the Infranet value chain. Netel is an actor in the Nordic Infranet market who can compete for large scale projects as well as smaller regional projects, with varying complexity, at national and local levels.

Prospectus and application

A prospectus (in Swedish with a full English translation and a translation of the summary in Norwegian), containing the Offering's complete terms and conditions, has today been published on Netel's website (www.netelgroup.com), Nordnet's websites (www.nordnet.se, www.nordnet.no and www.nordnet.fi) and DNB's website (www.dnb.se).

The prospectus has been prepared in accordance with the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The prospectus has been approved by the SFSA, which is the Swedish competent authority in accordance with the Prospectus Regulation, in accordance with article 20 in the Prospectus Regulation. The SFSA only approves the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The approval should not be considered as an endorsement of Netel or as an endorsement of the quality of the shares that are the subject of the prospectus and does not indicate that the SFSA guarantees that the facts in the prospectus are correct or complete. Investors should make their own assessment as to the suitability of investing in the Company's shares.

Preliminary Timetable

Application period for the general public in Sweden, Norway and Finland and for institutional investors in Sweden and abroad	7 October – 14 October 2021
First day of trading of Netel's shares on Nasdaq Stockholm	15 October 2021
Settlement date	19 October 2021

Stabilisation Measures

In connection with the Offering, DNB Markets as the stabilisation manager, may over-allot shares to conduct transactions aimed to stabilise, maintain or in other ways support the market price of the Company's shares at a higher level than the one that might otherwise have prevailed in the open market. Such stabilisation transactions may be conducted on Nasdaq Stockholm, over-the-counter market or any other way and may be executed any time during the period that starts from

the first day of trading in the Company's shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. DNB Markets is, however, not required to conduct such transactions and there is no assurance that such measures will be undertaken. Under no circumstances will transactions be carried out at a higher price than that the price in the Offering.

DNB Markets may utilise the Over-allotment Option to over-allot shares in order to enable stabilisation measures. The stabilisation measures, if conducted, may be discontinued at any time without prior notice but must be discontinued no later than within the aforementioned 30-day period. DNB Markets must, no later than by the end of the seventh daily market session after the stabilisation measures have been undertaken, in accordance with article 5(4) of the Market Abuse Regulation (EU) 596/2014 and the Commission Delegated Regulation (EU) 2016/1052, disclose that stabilisation measures have been undertaken. Within one week after the end of the stabilisation period, DNB Markets will, through the agency of the Company, disclose whether or not stabilisation measures were undertaken, the date on which stabilisation started, the date on which stabilisation was last carried out as well as the price range within which stabilisation was carried out for each of the dates when stabilisation measures were conducted.

About IK Partners

IK Partners ("**IK**", formerly IK Investment Partners) is a European private equity firm focused on investments in the Benelux, DACH, France, Nordics and the UK. Since 1989, IK has raised more than €14 billion of capital and invested in over 150 European companies. IK supports companies with strong underlying potential, partnering with management teams and investors to create robust, well-positioned businesses with excellent long-term prospects. For more information, visit www.ikpartners.com

Advisors

DNB Markets, part of DNB Bank ASA, Sweden branch and Nordea Bank Abp, filial i Sverige act as Joint Global Coordinators and Joint Bookrunners in the initial public offering (together the "**Joint Global Coordinators**").

Swedbank AB (publ) acts as Joint Bookrunner (together with the Joint Global Coordinators, the "**Managers**"). Linklaters Advokatbyrå AB & Linklaters LLP are legal advisors to the Company and to the Principal Owner. Baker McKenzie are legal advisors to the Managers.

For more information, please contact:

Ove Bergkvist, CEO
Mobile: +46 733 37 09 37
ove.bergkvist@netel.se

Peter Andersson, CFO
Mobile: +46 738 42 36 90
peter.andersson@netel.se

Johan Hähnel, IR
Mobile: +46 706 05 63 34
johan.hahnel@comir.se

Important Information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Netel in any jurisdiction, neither from Netel nor from someone else.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, or sold, resold, pledged, delivered, distributed or transferred, directly or indirectly, within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). A prospectus has been prepared and published by the Company on the Company website. Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to

which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision to acquire or subscribe for shares in connection with the Offering must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Managers. The Managers are acting for the Company in connection with the Offering and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

The information in this press release may not be forwarded or distributed to any other person and may not be reproduced at all. Any forwarding, distribution, reproduction or disclosure of this information in its entirety or in any part is prohibited. Failure to follow these instructions may result in a breach of the Securities Act or applicable laws in other jurisdictions.

This press release does not constitute an invitation to warrant, subscribe, or otherwise acquire or transfer any securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Offering. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

Forward-looking Statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. 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 Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq Nordic Main Market Rulebook for Issuers of Shares.

Information to Distributors

Solely 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) local 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 shares in Netel have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Netel may decline and investors could lose all or part of their investment; the shares in Netel offer no guaranteed income and no capital protection; and an investment in the shares in Netel 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 advisor) 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. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Netel.

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

Attachments

[Netel announces offering of shares and publishes prospectus in connection with the listing on Nasdaq Stockholm](#)