

# Netel announces outcome of the offering ahead of first day of trading in the Company's shares on Nasdaq Stockholm

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Netel Holding AB (publ) ("Netel" or the "Company"), a full-service specialist within Infranet services in Sweden, Norway, Finland and Germany, today announces the outcome of the Offering of the Company's shares (the "Offering") prior to the listing of the Company's shares on Nasdaq Stockholm (the "Listing"). The Offering attracted strong interest from Swedish and international institutional investors as well as the general public in Sweden, Norway and Finland and was significantly oversubscribed. Trading on Nasdaq Stockholm commences today, 15 October 2021.

## The Offering in Brief

- The price per share in the Offering was SEK 48, corresponding to a total value of all the outstanding shares in Netel of approximately SEK 2,242 million after the completion of the Offering
- The Offering consisted 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 offered by the Principal Owner also included 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 a total of 15 per cent of the number of shares in the Offering (the "**Over-Allotment Option**")
- The newly issued shares in the Offering provides the Company with proceeds of approximately SEK 200 million, before deduction of costs related to the Offering
- The total value of the Offering will amount to approximately SEK 834 million provided that the Over-Allotment Option is exercised in full
- 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 undertook, under certain conditions and at the same offering price as

other investors, to subscribe for shares in the Offering 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)

- Trading on Nasdaq Stockholm commences today, 15 October 2021 under the ticker "NETEL". Settlement will take place on 19 October 2021

**Ove Bergkvist, CEO, comments:**

*"We have experienced a large interest among investors for Netel and see the Listing as a confirmation that many believe in our strategy and our ability to follow through. It is with great enthusiasm we now take the next step as a listed company and together with our existing and new shareholders continue our growth journey."*

**Hans Petersson, Chairman of the Board of Directors, comments:**

*"It is with a great degree of reassurance we now take the step on to Nasdaq Stockholm, especially considering the positive feedback we have received from investors during recent weeks. We are proud to have secured strong names as anchor investors, in addition to other institutional investors and the general public in Sweden, Norway and Finland."*

**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 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

## 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 155 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](http://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.

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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.

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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.

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### **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**

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[Netel announces outcome of the offering ahead of first day of trading in the Company's shares on Nasdaq Stockholm](#)