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Tamturbo Plc announces a fixed subscription price for its initial public offering and further information about the listing of its shares; publishes Finnish language prospectus

Tamturbo Plc (“Tamturbo” or the “Company”) announces the terms and conditions of its contemplated initial public offering (the “IPO”). The Company announced on 11 May 2020 that it is planning the IPO and the listing of its shares (the “Offer Shares”) on Nasdaq Helsinki Oy’s First North Growth Market Finland marketplace (“First North”).

The Finnish Financial Supervisory Authority has today approved Tamturbo’s Finnish language prospectus that will be published on 15 May 2020. The subscription period for the IPO commences on 18 May 2020 at 10:00 (Finnish time).

The IPO in brief

- The subscription price for the IPO is EUR 3.00 per share (the “Subscription Price”).
- The Company aims to raise gross proceeds of EUR 6.0 million by offering a maximum of 2,000,000 new shares in the Company (the “Offer Shares”) for subscription in the IPO.
- If the IPO is oversubscribed, the Board of Directors of the Company may increase the number of Offer Shares by an additional share allotment of up to 500,000 additional new shares in the Company (“Additional Share Allotment”).
- Certain funds managed by OP Fund Management Company LTD, the current shareholders EAKR-Aloitusrahassto Oy, KWH-koncernen AB, Nurmiraanta Holdings Oy as well as other investors (the “Cornerstone Investors”) have given their pre-commitments to subscribe for Offer Shares in the IPO. The total pre-commitments from the Cornerstone Investors are EUR 3.0 million, corresponding to 50.00 per cent of the IPO. The Cornerstone Investors’ pre-commitments are conditional on, among other things, the Company’s commitment to allocate 100 per cent of the respective subscribed amount to each of the Cornerstone Investors.

- The pre-money market capitalisation of the Company based on the Subscription Price is approximately EUR 19.2 million.
- The market capitalisation (excluding the 500,000 Additional Share Allotment) of the Company is approximately EUR 25.2 million assuming that a maximum number of Offer Shares are offered and subscribed for in the IPO.
- As a result of the IPO, the number of shares in the Company may increase from 6,416,480 to a maximum of 8,416,480 shares. If the Additional Share Allotment is used in full, the number of shares may increase further to 8,916,480 shares.
- In case the IPO is fully subscribed, the Offer Shares will correspond to approximately 23.76 per cent of the shares and votes in the Company after the IPO. If also the Additional Share Allotment is exercised in full the Offer Shares will correspond to approximately 28.04 per cent of the shares and votes in the Company after the IPO.
- In connection with the IPO, the Company's nine largest shareholders and members of the management team, have entered into 12-month lock-up agreements commencing on the first day of trading, meaning approximately 52.6 per cent of the Company's current shares are under lock-up.
- The IPO consists of (i) a public offering to private individuals and entities in Finland and Sweden (the "Public Offering"), and (ii) private placements to institutional investors in Finland, Sweden and internationally (the "Institutional Offering").
- In the Public Offering, preliminarily a maximum of 666,667 Offer Shares would be offered and in the Institutional Offering, preliminarily a maximum of 1,333,333 Offer Shares would be offered (excluding the Additional Share Allotment option of 500,000 shares).
- In case of an oversubscription the Board of Directors of Tamturbo will decide on the allocation of the Offer Shares so that Offer Shares are first allocated to the cornerstone investors. Secondly, the Company aims to approve subscriptions in full up to 300 Offer Shares and, for subscriptions exceeding this amount, allocate the Offer Shares in proportion to the amount of subscriptions unmet. The Company can, however, prioritise existing shareholders and new investors deemed strategic by the Board of Directors of the Company when allocating Offer Shares in the IPO.
- The subscription period for the Public Offering commences on 18 May 2020 at 10:00 (Finnish time) and ends on 28 May 2020 at 16:00 (Finnish time).
- The subscription period for the Institutional Offering commences on 18 May 2020 at 10:00 (Finnish time) and ends on 29 May 2020 at 12:00 (Finnish time).
- The IPO can be suspended at the earliest on 26 May 2020 at 16:00 (Finnish time).
- Trading in the Company's shares is expected to begin on First North on or about 9 June 2020. The trading symbol of the shares is "TURBO".

The terms and conditions of the IPO are attached to this announcement.

Background and reasons for the IPO

Tamturbo experienced strong sales growth in 2019. The Company's first air compressors were sold in 2017, and by the end of 2019, the Company had sold 18 units to eleven different customers globally. The Company estimates that its current customers have a total of more than 1,500 compressors from various manufacturers in use in hundreds of different factories, and the Company is in negotiations with tens of similar potential customers. In 2019, the Company's net sales were approximately EUR 2.1 million, an increase of

approximately 285 percent compared to 2018. The Company is well positioned and needs additional capital due to new orders and for generally growing global demand, which is why the Company is arranging the IPO and intends to apply for its shares to be traded on First North (the "FN Listing").

The Company aims to raise approximately EUR 6.0 million in the IPO. If the IPO is fully subscribed, the Company expects to receive net proceeds of approximately EUR 5.4 million from the IPO after deducting the estimated costs of the IPO to be paid by the Company, which will total approximately EUR 0.6 million. From this amount, proceeds have not been reduced by subscriptions paid by certain Cornerstone Investors by offsetting the convertible bond granted to the Company and the interest accrued on it, the amount of which is approximately EUR 0.2 million. This means that if all the abovementioned receivables are set off, the net proceeds in the IPO after the set-off will be approximately EUR 5.2 million.

The Company plans to use the net proceeds of the IPO for the following purposes:

- To increase the sales, marketing and customer service organisation in order to enhance the global "go-to-market" strategy (approximately EUR 3.3 million).
- To create growth in inventories and financing capital tied up to accounts receivables (approximately EUR 1.4 million).
- Expansion of other operations to meet growth targets (approximately EUR 0.3 million).
- The necessary capital expenditures as the sales volume increases, the most significant of which is the planned expansion of the test laboratory (approximately EUR 0.3 million).

The Board of Directors has decided on an Additional Share Allotment to be executed in the event of an oversubscription of the IPO. If the Additional Share Allotment is subscribed in full, the Company's gross proceeds from the IPO will increase by approximately EUR 1.5 million, before the estimated costs, and the net proceeds by an estimated EUR 1.4 million. Any net proceeds from the Additional Share Allotment will be used for the abovementioned purposes, except for capital expenditures.

The FN Listing gives access to the capital markets for the Company and strengthens its awareness and credibility among customers, suppliers and potential new employees. The FN Listing will also enable more liquidity in the Company's shares. The Company also wants to offer investors the opportunity to be part of building a Finnish industrial growth story.

The publication of the Finnish language prospectus and contemplated the FN Listing

The Finnish Financial Supervisory Authority has today approved Tamturbo's prospectus in Finnish that will be published on 15 May 2020. The Finnish language prospectus is available as of 15 May 2020 on the website of the Company (www.tamturbo.com/ipo), on the website of Augment Partners AB (<http://offers.augment.se/>) and on the website of Nordnet Bank AB (www.nordnet.fi/fi/tamturbo).

The English language prospectus translation and the Swedish language summary will be available on or about 15 May 2020 on the Company's website (www.tamturbo.com/en/ipo), on the website of Augment Partners AB (<http://offers.augment.se/>) and on the website of Nordnet Bank AB (www.nordnet.se/se/tamturbo).

Further information on the IPO and places of subscription is available at www.tamturbo.com/en/ipo, <http://offers.augment.se/> and www.nordnet.fi/fi/tamturbo.

The shares of the Company have not been subject to public trading prior to the contemplated IPO and FN Listing. The Company will submit a listing application to Nasdaq Helsinki Oy to list the Company's shares on First North. Trading in the Company's shares is expected to commence on First North on or about 9 June 2020.

Important dates

- The prospectus will be published on 15 May 2020
- The subscription period of the IPO commences on 18 May 2020 at 10:00 (Finnish time)
- The IPO can be suspended at the earliest on 26 May 2020 at 16:00 (Finnish time)
- The subscription period in the Public Offering ends on or about 28 May 2020 at 16:00 (Finnish time)
- The subscription period in the Institutional Offering ends on or about 29 May 2020 at 12:00 (Finnish time)
- The outcome of the IPO is announced on or about 1 June 2020
- The Offer Shares are registered with the Finnish Trader Register on or about 8 June 2020
- The Offer Shares are delivered to the book-entry accounts of subscribers on or about 8 June 2020
- Trading in the Company's shares is expected to commence on 9 June 2020

Advisers

Augment Partners AB is acting as the Company's financial adviser in the IPO and as its Certified Adviser. Smartius Oy is acting as the legal advisor to the Company. Nordnet Bank AB is acting as subscription venue in the IPO in Finland and Sweden.

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Tamturbo in brief

Tamturbo is a Finnish industrial growth company in the cleantech sector that enables cleaner and more energy-efficient industrial compressed air production with a new generation of Touch-Free™ compressor technology and service models that add value to customers. Tamturbo develops and manufactures air compressors, which offer a more environmentally friendly solution that is completely oil-free, energy-efficient and a long-

lasting option which is significantly cheaper for the customer than traditional technology in terms of total cost of ownership. It is possible to implement the solution as an Air-as-a-Service business model, in which case the customer only pays for the compressed air they use. Tamturbo operates in a fast-growing market and its growth is supported by global megatrends. The Company aims to continue its strong growth in the medium and long term.

www.tamturbo.com

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The information contained in this release do not constitute an offer of, or invitation to purchase any Tamturbo securities in any area, where offering, procurement of or selling such securities would be unlawful prior to registration or exemption from registration or any other approval required by the securities regulation in such area. This release is not an offer for sale of securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended, and the rules and regulations issued by virtue of it. Tamturbo has not registered, and does not intend to register, any offering of securities in the United States. No actions have been taken to register the shares or the offering anywhere else than in Finland and Sweden.

This release is not a prospectus and does not constitute any offer, invitation or investment advice to subscribe for or purchase Tamturbo's securities. Investors should not subscribe for or purchase any securities or make any investment decisions referred to herein except on the basis of information contained in the prospectus issued by Tamturbo in connection with the IPO.

ATTACHMENTS

[Tamturbo Plc announces a fixed subscription price for its initial public offering and further information about the listing of its shares; publishes Finnish language prospectus](#)
[Tamturbo Plc Terms And Conditions Of The Offering](#)