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Press release 4 June 2021, Ljungaverk

## First day of trading in Permascand's shares on Nasdaq First North Premier Growth Market

Permascand Top Holding AB (publ) ("Permascand" or the "Company"), an independent technology-driven manufacturer of electrochemical solutions, today announces the outcome of the offering of the Company's shares (the "Offering") and the listing of the shares on Nasdaq First North Premier Growth Market (the "Listing"). The Offering attracted very strong interest from Swedish and international investors as well as the general public in Sweden and the Offering was heavily oversubscribed. Trading on Nasdaq First North Premier Growth Market commences today, 4 June 2021.

### The Offering in brief

- The price per share in the Offering was, as previously communicated, set to SEK 34, corresponding to a total value of approximately SEK 2,017 million for all outstanding shares in the Company following the completion of the Offering.
- The Offering comprised 14,860,627 shares, corresponding to approximately 25.1 percent of the total number of shares in the Company following the completion of the Offering, of which 8,823,529 shares were newly issued shares and 6,037,098 shares were existing shares sold by Norvestor VI, L.P. (the "**Main Shareholder**") and a few other shareholders (together the "**Selling Shareholders**").
- The newly issued shares provide the Company with proceeds of approximately SEK 300 million, before deduction of costs related to the Offering.
- In order to cover over-allotment in the Offering, the Main Shareholder has committed to sell up to 2,229,094 shares, corresponding to a maximum of 15 percent of the total number of shares in the Offering (the "**Over-Allotment Option**").
- Provided that the Over-Allotment Option is exercised in full, the Offering will compromise 17,089,721 shares, which represent approximately 28.8 percent of the total number of shares in the Company following the completion of the Offering.
- The total value of the Offering amounts to approximately SEK 505 million and approximately SEK 581 million if the Over-Allotment Option is exercised in full.
- Länsförsäkringar Fondförvaltning, RAM One AB on behalf of the investment funds RAM ONE and RAM Equity Long Short, and SEB Investment Management have, subject to certain conditions, undertaken to acquire shares in the Offering of up to SEK 275 million. The undertakings represent 13.6 percent of the total number of outstanding shares in the Company following the completion of the Offering.
- Members of the executive management and shareholding board members have entered into lock-up undertakings for a period of 360 days<sup>1</sup> after the first day of trading on Nasdaq First North Premier Growth Market. The Main Shareholder and other Selling Shareholders who are not members of the executive management team nor a shareholding board member have entered into lock-up undertakings for a period of 180 days from the same point in time.
- Trading on Nasdaq First North Premier Growth Market commences today under the ticker "PSCAND". Settlement will take place on 8 June 2021.

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<sup>1</sup> Peter Lundström, CEO of Permascand, has entered into a lock-up undertaking for a period of 540 days.

**Peter Lundström, CEO of Permascand**

*"We are happy to conclude that there has been a strong interest in Permascand throughout the listing process. As a listed company we strengthen our ability to continue meeting the rapidly growing demand in our markets driven by the global green technology transition. With a focus on profitable growth we look forward to the continued journey together with all our new shareholders."*

**Per Lindberg, Chairman of the Board of Directors of Permascand**

*"Permascand has experienced strong global growth in recent years and the company is now in a stronger position than ever. The great interest to participate in the listing shows the confidence that private as well as institutional investors have in the company and we are very pleased to welcome our new shareholders on the continued growth journey."*

**About Permascand**

Permascand is an independent technology-driven manufacturer of electrochemical solutions based on proprietary catalytic coatings for cleantech applications. With a customer-centric focus, Permascand has supplied electrodes, electrochemical cells, and aftermarket services to a variety of sectors for the past 50 years. In an electrochemical process, chemical reactions occur when electricity is applied to a solution via electrodes. The Company's catalytic coatings are applied to electrodes to optimise their conductivity, which means that less electricity is required for a desired chemical reaction to occur. As an example, Permascand's products are used in the purification of ballast water, where electrolysis is used to produce an active substance that disinfects the water. The catalytic coating wears down over time and eventually needs to be re-applied, which constitutes an aftermarket for the Company's products. In 2020, Permascand had net sales of SEK 415 million and achieved an adjusted operating profit of SEK 65 million.

Since its inception in 1971, the Company has continuously developed its core technology platform, know-how and production efficiency. The core technology is centred on being able to deliver the optimal catalytic coating for specific applications in a cost-effective way that is suitable for large-scale production. Permascand has successfully adapted its technology platform and product range from an initial focus on industrial solutions, primarily within the chlorate and chlorine alkali industry, to new applications within environmental technology that reduces the environmental impact of the industry.

The Company currently operates in three business segments: Industrial Solutions, Water Treatment and Electrification & Renewables

**Industrial Solutions:** The business segment primarily include production to customers within the chemical industry. The applications in the segment enables customers to reduce their energy consumption and include electrodes, chlorate and chloralkali process systems for greenfield and brownfield plants, and recoating of installed applications.

**Water Treatment:** The business segment includes a proprietary technology of electrochlorination cells primarily used to clean ship ballast water (BWTS) and other water purification applications.

**Electrification & Renewables:** The business segment includes electrodes and electrochemical cells adapted for specific applications, such as alkaline water electrolysis for the production of green hydrogen gas, extraction of lithium hydroxide, energy transmission and electrowinning.

**Stabilization measures**

In connection with the Offering, ABG Sundal Collier (the "**Stabilization Manager**") may, acting on behalf of the Joint Global Coordinators, over-allot shares to conduct transactions aimed to stabilize, 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 stabilization transactions may be conducted on Nasdaq First North Premier Growth Market, 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 First North Premier Growth Market and ending not later than 30 calendar days thereafter. The Stabilization Manager 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.

The stabilization Manager may utilize the Over-Allotment Option to over-allot shares in order to enable stabilization measures. The stabilization 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. The Stabilization Manager must, no later than by the end of the seventh daily market session after the stabilization 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 stabilization measures have been undertaken. Within one week after the end of the stabilization period, the Stabilization Manager will, through the agency of the Company, disclose whether or not stabilization measures were undertaken, the date on which stabilization started, the date on which stabilization was last carried out as well as the price range within which stabilization was carried out for each of the dates when stabilization measures were conducted.

## **Advisors**

ABG Sundal Collier AB (“**ABG Sundal Collier**”) and Carnegie Investment Bank AB (publ) (“**Carnegie**”) are Joint Global Coordinators and Joint Bookrunners. Baker & McKenzie Advokatbyrå KB is legal advisor to the Company. Advokatfirman Vinge KB is legal advisor to ABG Sundal Collier and Carnegie. Sundling Wörn Partners AB is independent financial advisor to the Company and the Main Shareholder.

## **For further information, please contact:**

Peter Lundström, CEO, Permascand

Phone: +46 730 28 14 76

Email: investor@permascand.com

*The information in this press release has been made public through the agency of the contact person set out above for publication at the time stated by the Company's news distributor MFN.*

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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 an offer or an invitation to subscribe for or acquire securities in the Company and is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Offering referred to in this press release may only be effected through a prospectus and a potential investors should not make an investment decision based on other information than as disclosed in such a prospectus. The press release has not been approved by any regulatory authority in any jurisdiction. A prospectus has been prepared in connection with the Offering and be scrutinized and approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) which is the national competent authority in Sweden with regard to the Prospectus Regulation.

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.

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 Joint Global Coordinators. The Joint Global Coordinators is 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 First North Premier Growth Market rule book for issuers.

### **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 Permascand 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 Permascand may decline and investors could lose all or part of their investment; the shares in Permascand offer no guaranteed income and no capital protection; and an investment in the shares in Permascand 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. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Global Coordinators 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 Permascand.

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