

# Enersize signs Letter of Intent regarding reverse takeover with TeraFactory

**The Board of Enersize Oyj ("Enersize" or the "Company") announces that it has signed a Letter of Intent ("the Lol") with Finnish Batteries Oy (to be renamed "TeraFactory") as a step towards streamlining the company structure. The Lol is regarding a contemplated transaction ("the Transaction") between Enersize and TeraFactory (jointly referred to as "the Parties") and includes a reverse takeover of Enersize, transfer of Enersize's business to Swedish subsidiary ("Enersize Sweden") and the subsequent distribution of Enersize shares to the shareholders. The Transaction further includes the re-listing of Enersize, then renamed TeraFactory Oyj, on Nasdaq First North Growth Market Stockholm, as well as the re-listing of Enersize Sweden. Provided that the Transaction is completed, Enersize shareholders will own 100% of Enersize Sweden and about 10% of TeraFactory.**

## **Background**

Enersize has during the previous year centralized its operation to Enersize Sweden. On September 6, 2021, Enersize announced that the Company intends to further centralize and streamline operations in Enersize in order to achieve a simplified company structure and administration, and to reduce overhead costs. The Company also informed that the Board has investigated various opportunities to achieve this, and that domicile change, merger and that reverse takeover were identified as possible alternatives. Since then, the Board has made progress, and a reverse takeover has developed to become the prime alternative.

## **The Transaction with TeraFactory is conditional on the successful outcome of the following main steps:**

- (i) Enersize transfers all assets and liabilities to Enersize Sweden.
- (ii) Enersize distributes 100 percent of the shares in Enersize Sweden to Enersize shareholders.
- (iii) Both companies after contemplated Transaction receive conditional approval for listing on Nasdaq First North Growth Market Stockholm.
- (iv) Enersize acquires 100 percent of TeraFactory through a non-cash consideration issue of shares to TeraFactory shareholders. After the share issue, TeraFactory's shareholders owns 90 percent of the shares (fully diluted), and Enersize's initial shareholders owns about 10 percent (the exact figure will be determined during negotiations) in Enersize that has changed name to TeraFactory.
- (v) The Transaction being approved by Extraordinary General Meetings' in both Parties.

The Parties have agreed to continue working and to use their best efforts towards reaching a final agreement and complete the Transaction in Q2, 2022. The result of the negotiations, the detailed Transaction financial structure and the time plan will be published at a later stage after due diligences have been done and provided the Share Purchase Agreement is finalized between the Parties.

*"We are excited to have reached a Letter of Intent that could have significant benefits for Enersize shareholders. The Board has looked at multiple ways to streamline our company structure and we have now agreed to do our best to complete a reverse merger with TeraFactory. It is a complex process, but I am hopeful for a successful outcome which would make Enersize domiciled in Sweden and with a significantly lower cost base. Enersize shareholders would also own shares in a new company, TeraFactory that has truly exciting possibilities",* says **Anders Lundström, Chairman of the Board of Enersize.**

### **About TeraFactory**

TeraFactory will deliver low-cost battery energy storage systems at scale with BaaS (Battery as a Service) business model. TeraFactory business model and its proprietary MCT cell technology has been developed for year's based on the founder Jukka "akkuJukka" Järvinen's decades of hands-on experiences in several li-ion battery companies and factories since late 1990's. Current deliveries are made with acquired systems until the new battery factory is ready and in production in Janakkala Finland. TeraFactory MCT cell technology has a huge volume and cost advantage over conventional technology achieved by using raw materials from organic sources and waste streams as well high speed and high-volume paper-making and coating processes. New cell technology deliveries are planned to 2023 after certification processes are finalized. TeraFactory press release is available here: <http://www.terafactory.fi/press>

### **For more information about Enersize, please contact:**

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*The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.*

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## About Enersize

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Enersize develops and delivers smart software, tools, and services to enable energy optimisation of industrial compressed air systems. The industry expertise of our people and solutions, together with a commitment to become the global leader in compressed air efficiency software, has made Enersize a recognised leader for customers around the world. Enersize is a merger of multiple Nordic companies with experience from more than 7,000 customer projects.

The company is listed on Nasdaq Stockholm First North Growth Market under the ticker: ENERS. For more information visit <https://enersize.com>

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*This information is information that Enersize is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-10-18 08:30 CEST.*

## Attachments

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[Enersize signs Letter of Intent regarding reverse takeover with TeraFactory](#)