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Offering price in Karnell's listing set at SEK 30 per share – trading on Nasdaq Stockholm commences tomorrow

Karnell Group AB (publ) ("Karnell", the "Company" or the "Group") today announces the outcome of the offering of shares of class B in the Company (the "Offering") in connection with the listing of the Company's shares of class B on Nasdaq Stockholm, Main Market (the "Listing"). The Offering attracted very strong interest from Swedish and international institutional investors as well as the general public in Sweden, and the Offering was heavily oversubscribed. Trading in the Company's shares of class B on Nasdaq Stockholm commences tomorrow, 22 March 2024.

The Offering in brief

- The price in the Offering has been set to SEK 30 per share of class B (the "**Offering Price**"), corresponding to a pre-money equity valuation of all shares of approximately SEK 1,278 million.
- The Offering comprised 8,333,333 newly issued shares of class B in the Company (excluding the Overallotment Option), corresponding to approximately 16.4 per cent of the shares and 7.8 per cent of the votes in Karnell after the completion of the Offering.[1] The newly issued shares of class B will provide the Company with approximately SEK 250 million before deduction of costs related to the Offering and the Listing.
- To cover any overallotment in the Offering, the Company have undertaken, at the request of SEB, to offer up to 1,249,999 additional newly issued shares of class B, corresponding to a maximum of 15 per cent of the total number of shares in the Offering, at a price per share corresponding to the Offering Price (the "**Overallotment Option**"). Assuming that the Overallotment Option is exercised in full, the total value of the Offering amounts to approximately SEK 287 million.
- Karnell intends to use the net proceeds, including any proceeds from exercise of the Overallotment Option, to finance future acquisitions, either in the form of acquisitions of new businesses or add-on acquisitions to existing group companies.
- In connection with the Offering, Karnell welcomes more than 25,000 new shareholders in the Company.

- Funds managed by Berenberg Asset Management, Sp-Fund Management Company (Säästöpankki), Handelsbanken Fonder, Swedbank Robur and Östersjöstiftelsen are cornerstone investors and have subscribed for shares in the Offering for a total amount of SEK 142 million at a price per share corresponding to the Offering Price.
- All members of the Company's board of directors and group management have undertaken towards SEB not to transfer or dispose of their respective direct and indirect shareholdings in the Company (so-called *lock-up undertakings*) for a period of 360 days following the commencement of trading in Karnell's shares of class B on Nasdaq Stockholm. In addition, all other existing shareholders, excluding Handelsbanken Fonder and Swedbank Robur, have made corresponding undertakings towards SEB for a period of 180 days following the commencement of trading in Karnell's shares of class B on Nasdaq Stockholm.
- Trading in the Company's shares of class B on Nasdaq Stockholm commences tomorrow, 22 March 2024, under the trading symbol (ticker) "KARNEL B".
- Settlement is expected to take place on 26 March 2024.
- In connection with the Listing, the conditional repurchase and set-off offer to certain holders of warrants in Karnell, resolved upon at an extraordinary general meeting in the Company held on 13 February 2024, has been declared unconditional by the board of directors of Karnell. As a result, in addition to certain cash payments to cover tax effects, an aggregate number of 723,826 shares of class B in Karnell will be issued as consideration.

Petter Moldenius, CEO of Karnell, comments:

"The listing on Nasdaq Stockholm is a significant and exciting milestone in Karnell's history that gives us even better opportunities to capitalize on future acquisition opportunities and establish our position as a leading industrial technology group. I am very proud of the journey Karnell has taken to get us to where we are today, and we will now continue to utilize our successful acquisition and governance model to find more interesting industrial technology companies both within and outside the Nordic region. The great interest we have seen among both institutions and private investors has exceeded our expectations and I am grateful and humbled by the great confidence we have received from new and existing owners."

Stabilisation

Skandinaviska Enskilda Banken ("**SEB**") may, in connection with the Offering, to the extent permitted by Swedish law, act as stabilisation manager and thereby engage in transactions for the purpose of stabilising, maintaining or otherwise support the market value of the Company's shares of class B (including at a higher level than the one that would otherwise prevail in the open market) for up to 30 days from the first day of trading in the Company's shares of class B on Nasdaq Stockholm. Such stabilisation transactions may be carried out on Nasdaq Stockholm, in the OTC-market or otherwise. SEB is, however, not required to carry out any stabilisation measures and there is no assurance that such activities will be undertaken. In no event will transactions be executed at levels above the price in the Offering.

SEB may use the Overallotment Option to over-allot shares in order to facilitate any stabilisation measures. The stabilisation measures, if implemented, may be discontinued at any time without notice but must be discontinued at the latest within the aforementioned 30-day period. In accordance with Article 5(4) of the EU Market Abuse Regulation 596/2014 ("**MAR**") and Commission Delegated Regulation (EU) 2016/1052, SEB must, no later than the end of the seventh trading day following the completion of stabilisation transactions, announce that stabilisation measures have been carried out. Within one week after the end of the stabilisation period, SEB, through the Company, will announce whether stabilisation measures were carried out, the date on which stabilisation commenced, the date on which stabilisation was last carried out and the price range within which stabilisation was carried out for each date on which stabilisation measures were carried out.

Advisors

Skandinaviska Enskilda Banken is Sole Global Coordinator and Bookrunner in connection with the Offering. Advokatfirman Cederquist is acting as legal advisor to Karnell and Roschier Advokatbyrå is acting as legal advisor to SEB. In connection with the Offering, SEB and Avanza Bank are acting as Retail Distributors.

For more information, please contact:

Petter Moldenius
CEO at Karnell Group AB (publ), +46 8 545 891 00

This information is such that Karnell is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was provided, through the agency of the above contact person, for publication on 21 March 2024 at 14:50 CET.

Important information

This announcement is not and does not form a part of any offer for sale of securities.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, South Africa, South Korea, Singapore or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (together with any related implementing and delegated regulations, the "**Prospectus Regulation**"). A prospectus has been prepared in

connection with the Offering, and has been reviewed and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) as the competent authority in Sweden in accordance with the Prospectus Regulation. Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In any EEA Member State other than Sweden, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State.

This communication 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, persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**Relevant Persons**”). This communication must not be acted on or relied on by persons who are not Relevant Persons. 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.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue”, “should” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. 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 information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice.

The timing of the Listing may be influenced by a variety of factors which include market conditions. Karnell may decide not to go ahead with the Offering and there is therefore no guarantee that the Listing will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.

Persons considering making investments should consult an authorised person specialising in advising on such investments. This announcement does not form part of or constitute a recommendation concerning any offer. The value of securities can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

Skandinaviska Enskilda Banken AB (the "**Manager**") is acting exclusively for the Company and no one else in connection with any offering of securities referred to herein. The Manager will not regard any other persons as its clients in relation to any offering of securities referred to herein and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in relation to such offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

Neither the Manager nor any of its affiliates, or any of their directors, officers, employees, advisors or agents, accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, in relation to the truth, the accuracy or completeness of the information, statements or opinions, whichever their source, contained in this announcement (or whether any information has been omitted from the announcement) or any oral information provided in connection herewith, or any data it generates and accepts no responsibility, obligation or liability (whether direct or indirect, in contract or otherwise) in relation to any of such information.

In connection with the offer or sale of securities referred to herein, the Manager may over-allot securities/conduct stabilization or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. Any stabilization action or over-allotment will be conducted by the Manager in accordance with all applicable laws and rules.

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 2**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID 2; and (c) local implementing measures (together, the "**MiFID 2 Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the shares 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 2; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID 2 (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares 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 Manager 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 2; 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. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.

[1] Including all shares of class A and class B.

This information is information that Karnell Group 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 2024-03-21 14:50 CET.

Attachments

[Offering price in Karnell's listing set at SEK 30 per share – trading on Nasdaq Stockholm commences tomorrow](#)