

# The initial public offering of Koskisen Corporation has been oversubscribed and the listing of Koskisen Corporation will be completed as planned

**Koskisen Corporation stock exchange release, November 30, 2022, at 12:50 p.m. EET**

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The Board of Directors of Koskisen Corporation ("**Koskisen**" or the "**Company**") has today, on November 30, 2022, decided on the completion of the Offering (as defined below) (the "**Completion Decision**"). The subscription price for the Offer Shares (as defined below) was EUR 6.14 per share in the Public Offering and the Institutional Offering (as defined below), and EUR 5.53 per share in the Personnel Offering (as defined below), which in total corresponds to a market capitalization of the Company of approximately EUR 141.5 million immediately following the Offering, assuming that the Over-allotment Option (as defined below) will be exercised in full. Demand in the Offering was strong from investors and the Offering was oversubscribed. In the Public Offering, subscriptions were received from approximately 4,000 investors. The number of shareholders in Koskisen will increase to over 4,000 shareholders after the Offering. Trading of the shares in the Company (the "**Shares**") is expected to commence on the Official List of Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") on or about December 1, 2022.

As part of the Offering, the Company will issue 5,258,881 new shares in the Company (the "**New Shares**") (the "**Offering**"), corresponding to approximately 22.8 percent of the total number of the Company's outstanding Shares after the Offering, assuming that the Over-allotment Option will be exercised in full. Unless the context indicates otherwise, the New Shares and the Additional Shares (as defined below) are together referred to herein as the "**Offer Shares**."

In the Offering, 499,593 Offer Shares will be allocated to private individuals and entities in Finland (the "**Public Offering**") and 4,692,767 Offer Shares will be allocated to institutional investors in Finland and, in accordance with applicable laws, internationally (the "**Institutional Offering**"), assuming that the Over-allotment Option will be exercised in full. In addition, 66,521 Offer Shares will be allocated to employees who were in a full or part-time permanent employment relationship with the Company or its subsidiaries in Finland at the start of the subscription period on November 21, 2022, as well as to the members of the Board of Directors and the executive board of the Company (the "**Personnel Offering**"). The commitments given in the Public Offering will be accepted in full for up to 80 Offer Shares per subscriber. The commitments given in the Personnel Offering will be accepted in full.

The Company will receive gross proceeds of approximately EUR 32.2 million from the Offering assuming that the Over-allotment Option will be exercised in full. The total number of issued and outstanding Shares in the Company will increase to 23,038,487 Shares after the New Shares offered in the Offering are registered in the Trade Register maintained by the Patent and Registration Office on or about November 30, 2022.

**Juha Vanhainen, Chairman of the Board of Directors, comments:**

*"On behalf of Koskisen, I would like to thank all of our new owners who participated in the offering! We are particularly satisfied with the outcome of the offering, as the timing has not been easy and the stock market is currently facing uncertainties in matters beyond our control. Koskisen has been built for over a hundred years and thanks to long-term operations, our position is now stronger than ever before. We are now also confidently looking forward and making investments to ensure our competitiveness far into the future and to achieve the strategic objectives set for 2027, together with our new shareholders."*

**Jukka Pahta, CEO of Koskisen, comments:**

*"I would like to welcome our new shareholders to build an even more competitive Koskisen with us!"*

*The year 2022 has been good for us. There has been a lot of demand for our high-quality wood processing products in Finland and internationally in several different industries. Our new integrated wood processing unit will further increase our competitiveness and the offering enables new future investments. The quality of our products and what we do, our skilled personnel and the diversity of our customer base will remain our strengths also in the future, even if market prices continue to see fluctuation.*

*I want to thank the Koskisen personnel and our partners for the successful implementation of the offering!"*

The Offer Shares allocated in the Public Offering and the Personnel Offering are recorded in the book-entry accounts of investors who have made an approved commitment on or about the first banking day after the Completion Decision of the Offering, on or about December 1, 2022. The Offer Shares allocated in the Institutional Offering are expected to be ready to be delivered against payment through Euroclear Finland Ltd on or about December 5, 2022.

Confirmations regarding the approval of the commitments and the allocation of Offer Shares will be sent to the investors who have submitted their commitments in the Public Offering on or about December 8, 2022, at the latest. Nordnet Bank AB's ("**Nordnet**") own customers who have made their commitments via Nordnet will see their commitments as well as the Offer Shares allocated to them on the transaction page of Nordnet's online service. Any possible excess amounts paid in connection with the commitments will be refunded to the party that made the commitment to the Finnish bank account identified in the commitment on or about the fifth banking day after the Completion Decision (*i.e.*, on or about December 8, 2022). If an investor's bank account is in a

different bank than the place of subscription, the refund will be paid to a bank account in accordance with the payment schedule of the financial institutions, approximately no later than two banking days thereafter. To Nordnet's own customers who have given their commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts.

Trading of the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about December 1, 2022. The ISIN code of the Shares is FI4000533005 and the share trading code is KOSKI.

The Company has granted to the Global Coordinator (as defined below) an over#allotment option, which entitles Nordea Bank Abp ("**Nordea**") acting as stabilizing manager (the "**Stabilizing Manager**") (the "**Global Coordinator**") to subscribe for a maximum of 478,080 additional new Shares (the "**Optional Shares**") at the Subscription Price solely to cover any over#allotments in connection with the Offering (the "**Over#allotment Option**"). The Over#allotment Option is exercisable within 30 days from the commencement of trading in the Shares on Nasdaq Helsinki (*i.e.*, on or about the period between December 1, 2022, and December 30, 2022) (the "**Stabilization Period**"). The Stabilizing Manager and the Company are expected to agree on a Share issue and Share return arrangement related to stabilization in connection with the Offering. Pursuant to such arrangement, the Stabilizing Manager may subscribe for a number of new Shares (the "**Additional Shares**") equal to the maximum number of Optional Shares to cover any possible over-allotments in connection with the Offering. The Optional Shares represent approximately 2.7 percent of the Shares and votes vested by the Shares prior to the Offering and approximately 2.1 percent after the Offering.

The Stabilizing Manager, may, but is not obligated to, engage in measures during the Stabilization Period that stabilize, maintain or otherwise affect the price of the Shares. Any stabilization measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (the "**Market Abuse Regulation**") and the Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy back programs and stabilization measures.

In connection with the Offering, the Company and the largest shareholders of the Company before the Offering have committed to lock-up arrangements of 180 days. The members of the Board of Directors of the Company and the management team of the Company as well as personnel participating in the Personnel Offering have committed to lock-up arrangements of 360 days. The members of Koskisen's personnel who subscribed for the Shares in a directed share issue resolved by the Board of Directors of the Company on August 25, 2022 ("**Pre-IPO Personnel Offering**") have committed to a lock-up arrangement in relation to the Shares subscribed for in the Pre-IPO Personnel Offering. The lock-up period will end by a separate decision of the Board of Directors of the Company when two years have passed since the Board of Directors of the Company approved the subscriptions of the Shares in the Pre-IPO Personnel Offering. The subscriptions were approved by the Board of Directors of the Company on September 29, 2022.

### **Advisors in the Offering**

Nordea Bank Abp is acting as the Global Coordinator. White & Case LLP is acting as legal adviser to the Company in connection with the Offering. Roschier, Attorneys Ltd. is acting as legal adviser to the Global Coordinator in connection with the Offering. Miltton Ltd is acting as communications adviser to the Company.

### **Further Enquiries**

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### **Media Requests**

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### **Koskisen in Brief**

Koskisen is a Finnish, family-owned wood-processing company with more than hundred years of history operating on the wood products markets. Wood products are a good alternative for materials in multiple applications due to their positive carbon sink (*i.e.*, they absorb more carbon dioxide than is released during their production), durability, and renewable nature. Koskisen's carbon handprint exceeds its carbon footprint multiple times and its products tie carbon for decades to come.

Koskisen's production facilities are located in Järvelä and Hirvensalmi, Finland, and Toporów, Poland. Koskisen's key market segments include sawn softwood, birch plywood and chipboard. In the year ended December 31, 2021, Koskisen generated sales from approximately 70 countries.

Koskisen has two business segments: Sawn Timber Industry (representing 60.4 percent of external revenue for the year ended December 31, 2021) and Panel Industry (representing 39.6 percent of external revenue for the year ended December 31, 2021). The Sawn Timber Industry business segment produces sawn and further processed timber and the Panel Industry business segment produces plywood, thin plywood, veneers, chipboards and interior solutions for light and heavy commercial vehicles under the Kore brand.

The Company's Wood Procurement function, which is part of the Sawn Timber Industry business segment, is responsible for procuring wood for Koskisen's own production facilities. In addition, the Wood Procurement function delivers side products from Koskisen's own production for bioenergy production to power plants located at Koskisen's production facilities owned and operated by a third party and to several other nearby power plants as well as supplies raw materials (chips and fiber wood) to paper and pulp manufacturers.

Koskisen complies with the requirements of the Programme for the Endorsement of Forest Certification ("PEFC") chain of custody certificate and the Forest Stewardship Council A. C. ("FSC") chain of custody certificate in all of its wood procurement. Koskisen tracks the origin of the wood it procures and uses a wood origin chain of custody system to ensure that all wood material is acquired legally and ethically from trustworthy sources. Currently, Koskisen purchases most of its wood in Finland from thousands of private forest owners, whose forests are mainly located in southern and eastern Finland.

Koskisen offers a variety of services to Finnish forest owners, aligning long term interests of the forest owners and Koskisen by optimizing the value of the forest. In its forest management practices, Koskisen's concrete actions include industry best practices, such as favoring mixed forests over single species forests, regeneration felling, leaving high stumps, protecting swamp border areas, and sparing of spinnery, rotten wood and low yield areas.

Koskisen focuses on material efficiency, recycling and usage of fossil free materials in its production. For example, 98 percent of the heat energy used by Koskisen was produced with biofuels in 2021, with a short term target being close to 100 percent. Focusing on long term biodiversity and sustainable practices, Koskisen aims to ensure the availability of high quality, certified Finnish wood also in the future.

### **Important Information**

This announcement is not being made in and copies of it may not be distributed or sent into the United States, the United Kingdom, Canada, Australia or Japan.

This document is not a prospectus for the purposes of the Prospectus Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and underlying legislation. A prospectus prepared pursuant to the Prospectus Regulation and approved by the Finnish Financial Supervisory Authority has been published, and can be obtained from Koskisen Corporation (the "**Company**") and other places indicated in the prospectus. Investors should not subscribe for or purchase any securities referred to in this announcement except on the basis of information contained in the prospectus.

This announcement does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. The Company does not intend to register any of the securities in the United States or to conduct a public offering of the securities in the United States.

In any member state of the European Economic Area other than Finland (each a "**Relevant State**"), this information and this offering are only addressed to and directed at persons who are "Qualified Investors" within the meaning of Article 2(e) of the Prospectus Regulation. The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Qualified Investors. This information should not be acted upon or relied upon in any Relevant State by persons who are not Qualified Investors.

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### **Forward-looking Statements**

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 Koskisen Corporation 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.

### **Attachments**

[The initial public offering of Koskisen Corporation has been oversubscribed and the listing of Koskisen Corporation will be completed as planned](#)