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Haypp Group AB (publ) publishes prospectus and announces the price for its initial public offering on Nasdaq First North Growth Market

On 28 September 2021, Haypp Group AB (publ) ("Haypp", "Haypp Group" or the "Company"), one of the leading online retailers of tobacco-free nicotine pouches and snus, announced its intention to launch an initial public offering of the Company's shares on Nasdaq First North Growth Market (the "Listing", or the "Offering"). Haypp Group hereby publishes its prospectus in relation to the offering and listing of its shares on Nasdaq First North Growth Market. The Offering will be conducted at a fixed price of SEK 66 per share. The first day of trading is expected to be 13 October 2021.

The Offering in brief

- The Offering will be conducted at a fixed price of SEK 66 per share, corresponding to a market value of the Company's outstanding shares of SEK 1,921 million upon completion of the Offering.
- The Offering comprises 5,632,404 existing shares in Haypp Group offered by the Major Shareholders^[1] (as defined below) and 2,272,727 newly issued shares offered by the Company. In total, the Offering comprises 7,905,131 shares, corresponding to 27.2 percent of the total number of shares and votes in the Company after the completion of the Offering, provided that the Offering is fully subscribed.
- To cover any over-allotments in the Offering, the Major Shareholders have committed to sell, upon request by the Joint Global Coordinators, a maximum of 1,185,764 existing shares, corresponding to maximum 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 9,090,895 shares, which represent approximately 31.2 percent of the total number of shares in the Company after the Offering.
- SEK 150 million will be provided to the Company through the new share issue in the Offering, before transaction costs.
- The total value of the Offering amounts to approximately SEK 522 million, based on the assumption that the Offering is fully subscribed, and approximately SEK 600 million if the Over-Allotment Option is exercised in full.
- Erik Selin^[2] has, subject to certain conditions, undertaken to acquire shares in the Offering for an amount of SEK 66 million. In addition, a strong group of anchor investors, including reputable international institutional investors and current shareholders, have also committed to, subject to certain conditions, subscribe for shares in the Offering.

- Shareholders together controlling 61.5 percent of the total number of shares after the Offering (provided that the Over-Allotment Option is exercised in full) will be subject to a lock-up, corresponding to 92.1 percent of the total number of shares prior to the Offering. The lock-up period for some of the Major Shareholders and shareholding employees within the Group will be 180 days, and the lock-up period for the shareholding members of the board of directors (including related companies, some of which are included in the Major Shareholders) and executive management, will be 360 days.
- The Offering consists of an offer to the general public in Sweden and Norway and institutional investors in Sweden and abroad.
- Application period for the general public is expected to be: 5-12 October 2021.
- Application period for institutional investors is expected to be: 5-12 October 2021.
- The first day of trading on Nasdaq First North Growth Market is expected to be 13 October 2021 and the shares will trade under the ticker HAYPP.

Background and reasons for the Offering

The board of directors of Haypp Group, supported by the Major Shareholders, consider the Offering and Listing of the Company's shares to be a logical and important step to strengthen Haypp Group's global e-commerce store brands and presence. The board of directors of Haypp Group assesses that a listing on Nasdaq First North Growth Market will increase the awareness of the Company and its products, strengthen Haypp Group's profile vis-à-vis customers and suppliers and strengthen its ability to attract and retain key personnel and other qualified employees. Further, the Listing will support the Company's continued growth and provide Haypp Group with access to the capital markets, as well as a diversified base of Swedish and international investors. For these reasons, the board of directors of Haypp Group has applied for listing on Nasdaq First North Growth Market.

Haypp in brief

The Haypp Group is spearheading the global transformation from smoking to risk-reduced alternatives. With origins in Scandinavia, the company has leveraged its leading position, along with its category and e-commerce experience, to widen its positive impact to the USA and a range of European markets. With ten e-commerce store brands, the Haypp Group is present in nine countries where we served more than 500,000 consumers during 2020.

Prospectus and application

A prospectus, containing the Offering's complete terms and conditions, will be published today on Haypp Group's website (www.hayppgroup.com), SEB's website (www.seb.se), Carnegie's website (www.carnegie.se), Nordnet's website (www.nordnet.se) and Avanza's website (www.avanza.se).

Preliminary timetable

Application period for the general public 5–12 October 2021

Application period for institutional investors 5–12 October 2021

First day of trading on Nasdaq First North Growth Market 13 October 2021

Settlement date 15 October 2021

Stabilization

In connection with the Offering, the Joint Global Coordinators may effect transactions aimed at supporting the market price of the shares at levels above those which might otherwise prevail in the open market. Such stabilization transactions may be effected on Nasdaq First North Growth Market, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq First North Growth Market and ending not later than 30 calendar days thereafter. The Joint Global Coordinators are, however, not required to undertake any stabilization and there is no assurance that stabilization will be undertaken.

Stabilization, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price in the Offering. No later than by the end of the seventh trading day after stabilization transactions have been undertaken, the Joint Global Coordinators shall disclose that stabilization transactions have been undertaken in accordance with article 5(4) in the Market Abuse Regulation 596/2014. Within one week of the end of the stabilization period, the Joint Global Coordinators will make public whether or not stabilization was undertaken, the date at which stabilization started, the date at which stabilization last occurred and the price range within which stabilization was carried out, for each of the dates during which stabilization transactions were carried out.

Advisors

Skandinaviska Enskilda Banken AB (publ) ("SEB") and Carnegie Investment Bank AB (publ) ("Carnegie") are Joint Global Coordinators and Joint Bookrunners. Advokatfirman Vinge is legal advisor to the Company. Advokatfirman Hammarskiöld & Co is legal advisor to SEB and Carnegie. Nordnet and Avanza are retail distributors.

For more information and contact

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This information was submitted for publication, through the agency of the contact person set out above, at 17:00 CEST on 4 October 2021.

IMPORTANT INFORMATION

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by Haypp Group AB (the "Company") in any jurisdiction where such offer or sale would be unlawful. The distribution of this announcement and other information relating to the Offering may be restricted by law in certain jurisdictions. Persons into whose possession this announcement or such other information should come are required to inform themselves about and to observe any such restrictions.

In any EEA Member State, other than Sweden and Norway, that has implemented the (EU) Regulation 2017/1129 (the "Prospectus Regulation") and in the United Kingdom, this communication is only addressed to and is only directed at qualified investors in that Member State and in the United Kingdom within the meaning of the Prospectus Regulation and the Prospectus Regulation as it forms part of UK domestic law by virtue of the UK European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time) (the "UK Prospectus Regulation"), respectively.

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In the United Kingdom, this document and any other materials in relation to the securities described herein are only being distributed to, and are only directed at, and any investment or investment activity to which this document or such other materials relate is available only to, and will be engaged in only with, "qualified investors" (as defined in section 2(e) of the UK Prospectus Regulation) 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"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

This advertisement may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

[1] GR8 Ventures AB, Eastcoast Capital AB, Northerner Holding AB, e-Business Partner Norden AB, Gavin O'Dowd, and Kbay Capital AB.

[2] Through Förvaltnings AB Färgax.

About Us

The Haypp Group is spearheading the global transformation from smoking to healthier product alternatives. With origins in Scandinavia our extensive experience from pioneering markets in smoke free alternatives, as well as being a leader in the e-commerce sector, we now fully take our vision to a global scale. With ten e-commerce brands, the Haypp group is present in 9 countries where we serve more than 300 000 active and loyal consumers.

Attachments

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