

Enersize Oyj intends to propose to the Annual General Meeting to authorize the Board to decide on a fully guaranteed rights issue of approximately SEK 17.3 million

The Board of Directors of Enersize Oyj ("Enersize" or the "Company") intends to propose to the Annual General Meeting to authorize the Board of Directors to decide on a fully guaranteed rights issue of approximately SEK 17.3 million ("Rights issue"). The offering is expected to consist of a maximum of 101,641,252 shares. The rights issue will ensure an intensified investment in marketing and sales as well as establishment in Germany. Enersize's goal is to achieve positive cash flow during 2021.

The Annual General Meeting will take place in May 2020 and the notice will be published later through a separate press release.

The rights issue in summary

- The Board of Directors of Enersize proposes that the Annual General Meeting authorizes the Board of Directors to decide on the Rights Issue, which provides Enersize up to approximately SEK 17.3 million before issue costs.
- The rights issue is fully guaranteed through a bottom guarantee in the range of SEK 0 - 12 million and a top guarantee in the range SEK 12 - 17.3 million. Guarantee compensation is paid with 12% of guaranteed amount. In the bottom guarantee, the fee is paid in cash, in the top guarantee in the form of shares.
- The rights issue comprises a maximum of 101,641,252 new shares.
- The record date for the right to participate in the Rights Issue is June 1, 2020.
- Enersize will grant all shareholders registered in Enersize's share book kept by Euroclear Finland Oy or Euroclear Sweden AB one (1) subscription right for each share held on the record date on June 1, 2020. One (1) subscription right entitles the holder to subscribe for one (1) newly issued share.
- The subscription price is SEK 0.17 per share. The subscription price for subscription of shares based on subscription rights corresponds to 53.2% percent of the volume-weighted average payment price for the Company's shares on May 7, 2020.
- The Board further proposes that the authorization gives the Board a right to increase the Rights Issue by 20% (20,328,250 shares) in the event of over-subscribing, which gives Enersize an additional approximately SEK 3.5 million.

Background and motives for the Rights Issue

Enersize provides analysis tools and consulting services for energy savings in compressed air systems. This is a significant market that most people are unfamiliar with. The energy cost of operating compressed air systems globally amounts to over 500 MEUR. The manufacturing industry is completely dependent on compressed air because of its many unique properties and

the market for compressed air compressors is increasing by 5% per year. The maintenance of compressed air systems is substandard due to ignorance and that the suppliers of compressors, the giants in the industry, focus on selling more compressors. The savings potential based on Enersize's offer is 30-50% on average and the ROI is a few months. Enersize believes that maintenance of the compressed air systems is the least expensive way for companies to reduce their CO2 emissions in Sweden. In Germany, energy is twice as expensive and CO2 emissions are 35 times higher than Sweden.

In the long term, the Company's main competitors are suppliers of compressors. There are a few one-man companies and the like that are not considered to hinder Enersize's growth.

Enersize is now executing an expansion plan and has hired four salespeople in Sweden during March 2020 and is facing an expected sharp increase in sales as soon as the industry starts post the corona pandemic. The Company believes that the industry will become more cost-conscious in the wake of COVID-19, which will make the Company's offer even more attractive.

Enersize bases all sales on the LEAQS and Q + software and the customer benefit with the Company's products is proven. The products are also continuously being developed to improve performance with the goal of facilitating integration with third-party business and monitoring systems. The Company's strategy is to gradually increase the share of recurring software license revenues to create greater long-term financial stability and increase the margin.

The rights issue will secure working capital up to the expected positive cash flow during 2021. The issue proceeds will enable continued expansion in Swede through increased marketing and increasing the proportion of recurring revenue, and

- Increased sales work in collaboration with the Company's partners in Sweden.
- Establishment in Germany through own salespeople.
- Strategic business development work to maximize the Company's growth in the coming years.
- Further development of the SaaS products LEAQS and Q +, which have already demonstrated customer benefit and form the basis for all sales.

"It is a sign of strength by Enersize to be able to carry out a fully guaranteed rights issue in the current times. Our sales are growing sharply. Despite declining market due to COVID-19, sales in Q1 2020 were about three times as high as in Q1 2019. Sales in 2019 were more than twice as high as in 2018. Since two months, our sales force has grown by 300%. This is needed. In 2019, with our then limited resources, we were able to process only 50 customers globally. I estimate the number of potential customers only in Sweden to over 20,000. It is thus clear that the market is gigantic and our challenge is to reach out to potential customers and sharpen our offer to customers and partners. The rights issue gives us the financial muscle needed for this," **says Anders Sjögren, CEO of Enersize.**

Guarantee undertakings

The rights issue is fully guaranteed. The interval 0 - 12 MSEK is guaranteed by Qualcon AB, Anders Johansson, Palmstierna Invest AB, Ängby Sportklubb, Friends of the Swedish-Finnish Association, Lars Carnestedt, JJV Invest AB, Pronator AB, BGL Managementg AB, Dividend Sweden AB, Johan Salén, Proceda AB , Cayjay Holding AB, Kaiser Capital AB, Haav Invest AB and Cibet AB. The

interval 12 - 17.28 MSEK is guaranteed by Blasieholmen Investment Group Equity AB. No cash or other assets have been pledged and no other collateral has been provided to secure the commitments.

For the guarantee in the range of SEK 0-12 M, cash fees of 12 percent of the guaranteed amount are paid. For the guarantee in the range of SEK 12 - 17.28, fees are paid with 12 percent of the guaranteed amount (SEK 5.28) in the form of 3,727,059 newly issued shares at the same price as in the Rights Issue.

Indicative schedule

All dates refer to 2020. The schedule may be subject to minor adjustments.

May month	Annual General Meeting.
May month	The Board's decision on the Rights Issue.
May 29	Last day of trading including the right to subscribe in the Rights issue.
June 1	Last day of trading excluding the right to subscribe in the Rights issue.
June 1	The record date. Shareholders who are registered in the Euroclear Sweden AB or Euroclear Finland Oy first share register as of this day will receive subscription rights, which entitle the holder to participate in the Rights Issue.
June 5 - 22	Trading in subscription rights.
June 5 - 22	The subscription period for the offering in Sweden.
June 5 - 24	The subscription period for the offering in Finland.
June 5 - 26	Trade in BTA, preliminary period. The period may be extended or shortened, depending on the situation.
June 26	The announcement of the outcome of the offering is expected to be published.

Number of shares and dilution effects

Prior to the Rights Issue, the Company holds 101,641,252 outstanding shares.

A maximum of 101,641,252 shares are issued in the Rights Issue. If the Rights Issue is oversubscribed, the Board of Directors may decide to use the over-allotment option and issue up to an additional 20,328,250 shares. The portion of the compensation for issue guarantees paid in the form of shares amounts to 3,727,059 shares.

Thus, upon full exercise of the over-allotment option, the Company will issue a total of 125,697,561 shares. The number of outstanding shares in the Company will then amount to 227,338,813, of which the shares issued in connection with the Rights Issue in the above manner constitute approximately 55.3 percent.

Information to holders of warrants of series TO1 and TO2

Holders of warrants of series TO1 and TO2 who wish to participate with preferential rights in the Rights Issue must by 15 May 2020 exercise the warrants to subscribe for new shares. However, it should be noted that the exercise price for TO1 and TO2 significantly exceeds the current market price.

A customary recalculation of the option terms for TO1 and TO2 will take place in connection with the rights issue.

Information to Finnish shareholders

In order to trade with subscription rights and BTA on the Nasdaq First North Growth Market, shareholders with their shares in Euroclear Finland must transfer their shares to Euroclear Sweden well in advance of the record date for the Rights Issue. Such a transfer is associated with costs for the shareholder.

In order to trade shares on Nasdaq First North Growth Market, a Finnish shareholder will need to transfer their shares to Euroclear Sweden AB's securities system. If a Finnish investor acquires shares through trading on the Nasdaq First North Growth Market, such shareholders will need to transfer their shares to Euroclear Finland's system in order to be registered as the owner of the share register administered by Euroclear Finland. Such cross-border settlement is associated with additional costs and lead times. The Accounting Institute will be charged a transfer fee by Euroclear Sweden and Euroclear Finland and the fee and other costs charged by the involved banks will probably be levied on the shareholder.

Shareholders who have their shares in Euroclear Finland will be able to subscribe to the Rights Issue in Euro.

Legal counsel

Eversheds Sutherland in Sweden and Finland are legal advisers to Enersize regarding the Rights Issue.

Important information

This press release is not an offer to subscribe for shares in Enersize and investors should not subscribe or acquire any securities. Invitation to concerned persons to subscribe for shares in Enersize will only be made through the prospectus that Enersize is expected to publish on May 29, 2020.

This press release shall not, directly or indirectly, be released, published or distributed in or to the United States, Australia Japan, Canada, New Zealand, Hong Kong, South Africa or other country where such action as a whole or in part is subject to legal restrictions.

Neither subscription rights, paid subscribed shares ("BTA"), or newly issued shares have been recommended or approved by any US federal or state securities authority or regulatory authority. No subscription rights, BTA or newly issued shares have been registered or will be registered under the United States Securities Act of 1933, as applicable, or in accordance with applicable laws in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa or in any other country where the Rights Issue or distribution of the press release is in violation of applicable laws or regulations or presupposes that a prospectus is established, registered or that any other measure is undertaken beyond that required by Swedish law.

There is no intention to register any portion of the offer in the United States and the securities issued in the Rights Issue will not be offered to the public in the United States.

This press release may contain certain forward-looking information that reflects Enersize's current views on future events as well as financial and operational development. Words that are "intended", "come", "judged", "expected", "can", "plan", "appreciate" and other expressions that imply indications or predictions about future developments or trends, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it depends on future events and circumstances. Forward-looking information does not constitute a guarantee of future performance or development and actual outcomes may differ substantially from what is stated in forward-looking information. This information, the opinions and the forward-looking statements contained in this press release are valid only on this date and may be amended without notice. Enviro makes no representations about publishing updates or revisions of forward-looking information, future events or similar circumstances other than the applicable law.

For more information about Enersize, please contact:

Anders Sjögren, CEO
Phone: +46 730 76 35 30
E-mail: anders.sjogren@enersize.com

About Enersize

With its proprietary patent-pending automated software, **Enersize Q+** for leakage management, data collection and analysis, Enersize can provide 10-50% energy savings in industrial compressed air systems. With **Enersize Enterprise**, the customers can measure and monitor several factories centrally. Through the recently acquired **Enersize LEAQS** system, the company has access to more than 9000 leakage management projects, and the associated more than 4000 customers worldwide. The combination of the company's software services can increase the customer's savings in running projects, while generating direct license and project revenue. 90% of the

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manufacturing industry uses compressed air, which constitutes about 2% of the world's total electricity consumption. Among Enersize's existing customers are one of the world's largest manufacturers of flat screens and well-known car manufacturers and steel mills. The company is headquartered in Helsinki, have a sales offices in Gothenburg and Shanghai and a development office in Lund.

The company is listed on Nasdaq Stockholm First North Growth Market under the ticker: ENERS.
www.enersize.com

Certified Adviser
Mangold Fondkommission AB
E-mail: ca@mangold.se
Phone: +46 8 503 01 550

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 2020-05-08 08:30 CEST.

Attachments

[Enersize Oyj intends to propose to the Annual General Meeting to authorize the Board to decide on a fully guaranteed rights issue of approximately SEK 17.3 million](#)