

KB Components AB publishes prospectus and announces the price for its listing on Nasdaq First North Premier Growth Market

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2 December 2024

On 20 November 2024, KB Components AB (the "Company" or "KB Components"), a manufacturer of polymer components with a core business in injection moulding, announced its intention to list the Company's shares on Nasdaq First North Premier Growth Market (the "Listing"). Today, KB Components publishes the prospectus and the price for the offering (the "Offering"). The first day of trading is expected to be on 11 December 2024.

KB Components was founded in 1947 and has since developed into a global player in advanced polymer component manufacturing with production facilities in Europe, North America (including Mexico) and Asia. With deep expertise in injection moulding, a global presence, and well-invested machinery with a high degree of automation, the Company can deliver complex and customised solutions to more than 1,000 customers in sectors such as heavy and light vehicles, medical technology and general industry. The Company has grown organically through long-term customer relationships and through successful acquisitions. The management team now sees significant opportunities to continue its growth journey in both existing and new markets. The Company's revenue amounted to SEK 2.5 billion with an adjusted EBIT margin of 10.3 per cent during the twelve-month period ending 30 September 2024.

The Offering in Brief

- The final price in the Offering is set to SEK 38 (the "**Offering Price**"), corresponding to a total value for all shares in the Company of approximately SEK 2,128 million. The final outcome of the Offering will be announced through a press release that will be available on the Company's website (www.kbcomponents.com) on or around 11 December 2024.
- The Offering includes up to 14,608,696 existing shares (excluding the Overallotment Option), representing approximately 26 per cent of the total number of shares in the Company, offered by BrA Invest CKS AB (the "**Principal Shareholder**"), Lars Holtskog AB, and Deebrade AB (together the "**Selling Shareholders**").

- To cover any overallotment in connection with the Offering, the Principal Shareholder will grant an option to the Sole Global Coordinator to sell up to an additional 2,191,304 shares, corresponding to up to 15 per cent of the total number of shares in the Offering (the "**Overallotment Option**"). Assuming the Overallotment Option is exercised in full, the Offering will comprise up to 16,800,000 shares in the Company, representing 30 per cent of the shares and votes in the Company.
- The total value of the Offering amounts to approximately SEK 555 million, assuming full subscription. If the Overallotment Option is exercised in full, the total value of the Offering will amount to approximately SEK 638 million.
- The shares will be offered to the general public in Sweden and to institutional investors in Sweden and certain other jurisdictions in accordance with applicable regulations and exemptions.
- The Principal Shareholder has undertaken, with certain customary exceptions, not to sell or undertake certain other dispositions regarding its holdings of shares in the Company (*so-called lock-up undertaking*), and, if applicable, other securities, for a period of 360 days from the first day of trading of the Company's shares.
- The application period for the general public in Sweden and for institutional investors is expected to be 3 December – 10 December 2024.
- The first day of trading on Nasdaq First North Premier Growth Market is expected to be on 11 December 2024 and the shares will be traded under the ticker "KBC".
- A prospectus containing the full terms and conditions for the Offering will be published today on the Company's website (www.kbcomponents.com).

Stefan Andersson, CEO of KB Components, comments:

"A listing on Nasdaq First North Premier is a natural next step for KB Components on its journey from a family-owned, Nordic-oriented injection moulding company to a globally oriented partner to major OEMs with operations spanning multiple continents. With this listing, we showcase the company in a way that will benefit the journey towards greater scale, more automation, innovation, growth, and increasing profitability, which otherwise in an unlisted environment becomes more difficult to achieve."

Background to the Listing and the Offering

The Company's Board of Directors and the Principal Shareholder, with the support of the management team, have made the assessment that the Listing and the Offering is a natural next step in the Company's development. The Listing will increase the awareness of KB Components operations and strengthen KB Components' profile and brand towards investors, partners and customers. The Listing will also give the Company access to the Swedish and international capital markets and expand the shareholder base. The Board of Directors aim to, depending on market conditions, list the Company's shares on Nasdaq Stockholm's main list within 12 months after the Listing on Nasdaq First North Premier is completed.

About KB Components

KB Components was founded in 1947 and has since developed into a global player in advanced polymer component manufacturing with production facilities in Europe, North America (including Mexico) and Asia. Through a global presence, deep expertise in injection moulding technology, and well-invested machinery with a high degree of automation, the Company delivers polymer components to more than 1,000 customers across a wide range of application areas, including heavy and light vehicles, medical technology, and general industry. The Company is headquartered in Örkelljunga and had approximately 1,500 employees as of 30 September 2024.

The Company has grown organically through long-term customer relationships and through successful acquisitions. The management team now sees significant opportunities to continue its growth journey in both existing and new markets. The Company's revenue amounted to SEK 2.5 billion with an adjusted EBIT margin of 10.3 per cent during the twelve-month period ending 30 September 2024.

KB Components' strategy and business model revolve around three main themes: global presence, technological leadership, and operational excellence

Prospectus and application

A prospectus containing the complete terms and conditions for the Offering has today been approved and registered by the Swedish Financial Supervisory Authority and will today be published on the Company's website (www.kbcomponents.com).

Applications from the general public can be made to Handelsbanken, Carnegie, and Nordnet in accordance with the terms of the prospectus. Applications from institutional investors should be submitted to Handelsbanken and Carnegie in accordance with specific instructions.

Expected timetable

Application period for the general public in Sweden	3 December – 10 December 2024
Application period for institutional investors	3 December – 10 December 2024
First day of trading	11 December 2024
Settlement date	13 December 2024

Selected financial information*

The table below shows selected key figures for KB Components for the fiscal years 2022 and 2023, as well as for the three quarters for 2023 and 2024.

Million SEK (unless otherwise stated)	Fiscal Year 2022	Fiscal Year 2023	Jan-Sep 2023	Jan-Sep 2024
	1 Jan 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Jan 2023 – 30 Sep 2023	1 Jan 2024 – 30 Sep 2024
Net revenue	1,839	2,333	1,706	1,903
Net revenue growth	55.4%	26.9%	30.5%	11.6%
Adjusted EBITDA margin	14.7%	16.3%	16.5%	16.5%
Adjusted EBIT margin	8.6%	10.6%	10.8%	10.3%
Reported EBITDA margin	13.8%	14.1%	16.9%	15.4%
Reported EBIT margin	7.2%	8.3%	11.2%	9.2%
Net debt	680	718	697	761

*Note that the information has been corrected in relation to what was stated on 20 November 2024, when KB Components, in a press release, announced its intention to list the Company's shares on Nasdaq First North Premier Growth Market.

Stabilisation

In connection with the Offering, Handelsbanken, acting as stabilisation agent, may engage in transactions for the purpose of stabilising, maintaining or otherwise influence the price of the Company's shares for up to 30 days after the first day of trading in the Company's shares on Nasdaq First North Premier Growth Market. Handelsbanken may over allot shares or conduct transactions with the aim of maintaining the market price of the shares at a higher level than would otherwise prevail in the market. However, Handelsbanken has no obligation to conduct stabilisation measures, and there is no guarantee that stabilisation measures will be carried out. Such transactions may be conducted on all types of stock markets, the OTC market or otherwise. If transactions are carried out, they may be discontinued at any time without prior notice but must be concluded no later than at the end of the aforementioned 30-day period. By the end of the seventh trading day following the completion of stabilisation measures, it must be publicly disclosed that stabilisation measures have been carried out, in accordance with Article 5(4) of the EU Market Abuse Regulation 596/2014 (MAR) and Commission Delegated Regulation (EU) 2016/1052. The Company will disclose within one week of the end of the stabilisation period whether stabilisation measures have been 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 and, where applicable, the trading venue or venues on which the stabilisation measures were carried out.

Advisors

Svenska Handelsbanken AB (publ) is Sole Global Coordinator and Joint Bookrunner. Carnegie Investment Bank AB (publ) is Joint Bookrunner. Öhrlings PricewaterhouseCoopers AB is legal advisor to the Company. Roschier Advokatbyrå AB is legal advisor to the Sole Global Coordinator and Joint Bookrunners. Svensk Kapitalmarknadsgranskning AB is the Certified Adviser.

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This press release does not constitute a prospectus within the meaning 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 associated delegated regulations and implementing regulations, the "**Prospectus Regulation**"). Any potential offering of the securities mentioned in this press release will be made through a prospectus (the "**Prospectus**"). Before making an investment in the securities in the Offering, individuals who access this press release should ensure that they fully understand and accept the risks outlined in the Prospectus.

In the EEA member states, other than Sweden, this press release is only intended for and directed to "qualified investors" as defined in the Prospectus Regulation.

In the United Kingdom, this document and any other materials relating to the securities described herein are being distributed and directed only to, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (as defined in the UK version of Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018) 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)-(d) of the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action based on this press release and should not act or rely on it.

This press release does not identify or purport to identify the risks (direct or indirect) that may be associated with an investment in the securities. Any investment decision to acquire or subscribe for securities in the Offering must be made solely on the basis of publicly available information about the Company or the Company's securities, which has not been independently verified by Svenska Handelsbanken AB (publ) and Carnegie Investment Bank AB (publ) ("**Managers**"). The Managers are acting on behalf of the Company in connection with the Offering and not on behalf of anyone else.

The Managers are not responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the Offering or any other matter referred to herein.

This press release does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or transfer securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Offering. Each investor or potential investor should conduct their own investigation, analysis, and evaluation of the business and the information described in this press release and all publicly available information. The price and value of securities can decrease as well as increase. Past performance is not indicative of future results. Neither the content of the Company's website nor any other website accessible through hyperlinks on the Company's website is incorporated into or forms part of this press release.

Forward-looking statements

This press release contains forward-looking statements regarding the Company's intentions, assessments, or expectations concerning the Company's future results, financial position, liquidity, development, prospects, expected growth, strategies, and opportunities, as well as the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by the use of terms such as "believes," "expects," "anticipates," "intends," "estimates," "will," "may," "assumes," "should," "could," and, in each case, their negatives, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, it cannot be guaranteed that they will occur or that they are correct. As these assumptions are based on estimates or assumptions and are subject to risks and uncertainties, the actual result or outcome may differ materially from what is stated in the forward-looking statements for many different reasons. Such risks, uncertainties, contingencies, and other important factors could cause the actual development of events to differ materially from the expectations expressed or implied in this press release by the forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are correct, and each reader of the press release should not unduly rely on the forward-looking statements in this press release. The information, opinions, and forward-looking statements expressly or implicitly contained herein are provided only as of the date of this press release and may be subject to change. Neither the Company nor anyone else undertakes to review, update, confirm, or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise concerning the content of this press release, unless required by law or the Nasdaq First North Growth Market Rulebook (Premier segment).

Information to distributors

To comply with the product governance requirements contained in: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) national implementing measures (together, the "**MiFID II Product Governance Requirements**") and to disclaim all and any tortious, contractual, or other liability to any "manufacturer" (within the meaning of the MiFID II Product Governance Requirements) that might otherwise be asserted with respect thereto, the securities subject to the offering have been subject to a product approval process, which has determined that such securities are: (i) suitable for a target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II;

and (ii) suitable for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). In order to comply with the product approval process of each manufacturer in the United Kingdom, the target market assessment for the Company's securities has led to the conclusion that: (i) the target market for such securities is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) 600/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such securities to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the value of the Company's securities may decline and investors could lose all or part of their investment; the Company's securities offer no guaranteed return or capital protection; and an investment in the Company's securities is only suitable for investors who do not need a guaranteed return 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 bear any losses that may result from such an investment. The Target Market Assessment does not affect any other requirements of contractual, legal, or regulatory sales restrictions in relation to the Offering and Listing.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; 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 Company's securities.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Company's securities and determining appropriate distribution channels.

About KB Components

KB Components supplies products for light vehicles, heavy vehicles, medical, industrial, furniture, lightning, chrome plating and industrial windows. We specialize in providing high-quality polymer components across all areas, as supported by the corresponding certifications we hold. We proudly supply some of the world's leading OEMs with innovative plastic and composite solutions, including polymer components, in all business areas. The company has announced an ITF on Nasdaq First North Premier Growth Market.

Attachments

[KB Components AB publishes prospectus and announces the price for its listing on Nasdaq First North Premier Growth Market](#)