

Permascand Top Holding AB
Press Release
December 19, 2023 08:15:00 CET

Statement from the Board of Directors of Permascand Top Holding AB in relation to Altor PC AB[1]’s public offer

The Board of Directors of Permascand Top Holding AB (“Permascand” or the “Company”) has unanimously resolved to recommend the shareholders of Permascand to accept Altor PC AB’s public offer.

This statement is made by the Board of Directors[2] of Permascand pursuant to section 11.19 of the Takeover rules for certain trading platforms (the “**Takeover rules**”).

Background

Altor PC AB (“**Altor PC**”), a company controlled by Altor Fund VI (No. 1) AB and Altor Fund VI (No. 2) AB (“**Altor Fund VI**”)[3], has today, on 19 December 2023, announced a public cash offer to the shareholders of Permascand to tender all their shares in the Company to Altor PC (the “**Offer**”). Altor PC offers a cash consideration of SEK 17 per share in Permascand, corresponding to a value of all shares in the Company of SEK 1,008 million[4].

The Offer represents a premium of:

- 58 percent compared to the closing price of SEK 10.75 on Nasdaq First North Premier Growth Market on 18 December 2023, which was the last trading day prior to the announcement of the Offer.
- 94 percent compared to the volume-weighted average price of SEK 8.78 on Nasdaq First North Premier Growth Market during the last 90 trading days prior to the announcement of the Offer.

The acceptance period for the Offer is expected to commence on or around 19 December 2023 and end on or around 19 January 2024, subject to any extensions. Completion of the Offer is subject to customary conditions, inter alia, that Altor PC becomes the owner of more than 90 percent of the total number of shares in the Company. Altor PC reserves the right to waive, in whole or in part, these and other conditions for completion.

The Board of Directors has, upon written request from Altor PC, allowed Altor to, on behalf of Altor PC, conduct a limited confirmatory due diligence review of the Company in connection with the preparations for the Offer and Altor has in connection therewith also met with the Company’s management. Altor has not received any inside information from Permascand in connection with its due diligence review.

A number of shareholders in the Company[5], including the Board member Ingar Jensen through Ulven Invest AB, with a total holding of approximately 68 percent of the shares and votes in the Company, have entered into irrevocable undertakings to accept the Offer. Given that Ingar Jensen has undertaken to accept the Offer, he has not participated, and will not participate, in the Board of Directors’ handling of or resolutions regarding matters related to the Offer.

Permascand Top Holding AB

Press Release

December 19, 2023 08:15:00 CET

For further information regarding the Offer, please refer to the press release published by Altor PC today and the offer document regarding the Offer that will be published prior to the commencement of the acceptance period.

The Board of Directors has retained Carnegie Investment Bank AB (publ) as financial advisor and Törngren Magnell & Partners Advokatfirma KB as legal advisor in connection with the Offer.

As part of the Board of Directors' evaluation of the Offer, the Board of Directors has also retained Grant Thornton Sweden AB ("**Grant Thornton**") to issue a fairness opinion regarding the Offer. The fairness opinion issued by Grant Thornton, which is attached to this press release, states that Grant Thornton considers the Offer to be fair from a financial point of view, based on the assumptions and considerations set forth in the opinion. For the fairness opinion, Grant Thornton will receive a fixed fee irrespective of the size of the offer consideration, the acceptance level of the Offer, and whether or not the Offer is completed.

The Board of Directors' evaluation of the Offer

The Board of Directors' opinion of the Offer is based on a number of factors that the Board of Directors has considered relevant in relation to the evaluation of the Offer. These factors include, but are not limited to, the Company's current financial position, prevailing market conditions, the expected future development of the Company and related opportunities and risks.

Further, the Board of Directors has evaluated the Offer using methods generally used when evaluating public offers for listed companies, including Permascand's valuation relative to comparable listed companies and comparable transactions, offer premiums in previous public offers, equity analysts' and the stock market's expectations regarding the development of Permascand's share price as well as Permascand's long-term value based on expected future cash flows. In evaluating the Offer, the Board of Directors has considered the fairness opinion issued by Grant Thornton, according to which the Offer is fair to Permascand's shareholders from a financial point of view, based on the assumptions and considerations set forth in the opinion.

In view of the above, the Board of Directors considers the Offer to be attractive to the shareholders. Against this background, the Board of Directors unanimously recommends the shareholders of Permascand to accept the Offer.

Impact on Permascand and its organisation

Pursuant to the Takeover rules, the Board of Directors shall, based on the content of Altor PC's announcement of the Offer, present its opinion regarding the impact that the implementation of the Offer may have on the Company, particularly in terms of employment, and its opinion regarding Altor PC's strategic plans for Permascand and the effects it is anticipated that such plans will have on employment and on the locations where the Company conducts its operations. In the announcement of the Offer, Altor PC states the following:

Altor has followed Permascand closely over the last year and is highly impressed by the development of Permascand, and the work done by the management team and employees so far. Altor see Permascand as a true pioneer within electrochemistry and believe the Company's long-term track record, research and development capabilities and experience within electrode manufacturing is unique.

Permascand Top Holding AB

Press Release

December 19, 2023 08:15:00 CET

Given the significant capex investments required to increase manufacturing capacity, particularly in relation to the renewables end-market, Altor strongly believes that the Company should be operated in a private setting. Altor shares the Company's and management's vision in developing Permascand to become a global leader in electrode manufacturing and supply within the fast-growing green hydrogen industry, and identify potential in several areas, including:

- further strengthening Permascand's position in Europe and globally as a leading electrode manufacturer;
- leveraging Permascand's advantageous market position to capture a significant market share in green hydrogen as a supplier of high efficiency electrodes within the Alkaline Water Electrolysis segment;
- expanding the existing capacity footprint to increase Permascand's global market share within several end-markets;
- reinforcing the research and development department to sustain and bolster Permascand's long-term competitive edge; and
- allocating investments towards employer branding initiatives and expand talent pool sourcing to attract top talent on a global scale.

Based on these intentions and Altor's characteristics as an investor, Altor PC believe that Altor would be a suitable partner for Permascand for the next phase of growth.

Altor places great value on Permascand's organisation and expects that the Offer will support growth and create long-term positive effects for employees, customers and other stakeholders impacted by the operations of Permascand. Altor PC has not made any resolutions that are expected to cause the Offer to have an impact on Permascand's organisation, management teams or employees, including their terms of employment, or on the locations of Permascand's operations.

The Board of Directors assumes that this is a correct description and has no reason to take a different view in relevant aspects.

This statement shall in all respects be governed by and construed in accordance with substantive Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts.

Ljungaverk, 19 December 2023

Permascand Top Holding AB

The Board of Directors

Permascand Top Holding AB

Press Release

December 19, 2023 08:15:00 CET

[1] Under name change from Goldcup 34285 AB.

[2] The Board member Ingar Jensen has, through Ulven Invest AB, undertaken towards Altor PC to accept the Offer. Taking into account the contractual relationship between Altor PC and Ulven Invest AB and the Takeover rules, Ingar Jensen has not participated, and will not participate, in the Board of Directors' handling of or resolutions regarding matters related to the Offer.

[3] Managed by Altor Fund Manager AB (together with Altor Fund VI, "Altor").

[4] Based on a total number of shares of 59,313,529.

[5] Shareholders in the Company refer to Norvestor VI L.P., Ingar Jensen through Ulven Invest AB, Fredrik Herlitz through 5J Holding AB, and Peter Lundström.

For more information, please contact:

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About Permascand Top Holding AB

Permascand is an independent technology-driven manufacturer of electrochemical solutions based on proprietary catalytic coatings for clean tech applications. With a customer-centric focus, the company has supplied electrodes, electrochemical cells and aftermarket services to a variety of sectors for more than 50 years. Permascand is headquartered in Ljungaverk, Sweden, with operations including R&D, Technology Development and Production and with sales organizations in, Sweden, Germany and North America. For more information visit: www.permascand.com. Certified Adviser is FNCA Sweden AB

This information is information that Permascand Top Holding AB 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 2023-12-19 08:15 CET.

Attachments

[Statement from the Board of Directors of Permascand Top Holding AB in relation to Altor PC AB\[\]'s public offer](#)

[Permascand Fairness Opinion Final Version \(english\)](#)