

# Sitowise announces the subscription price for its planned IPO; the Finnish Financial Supervisory Authority has approved Sitowise's Finnish language prospectus

**Press Release 12 March 2021, at 5:35 p.m. EET.**

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Following its announcement on 3 March 2021 that it is planning an initial public offering and listing of its shares (the "**Listing**") on the official list of Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**"), Sitowise Group Plc ("**Sitowise**" or the "**Company**") announces the subscription price for the share issue and share sale in connection with its planned initial public offering (the "**Offering**"). The Finnish Financial Supervisory Authority has today 12 March 2021 approved Sitowise's Finnish language prospectus related to the Offering. The subscription period for the Offering will commence on 15 March 2021 at 10:00 a.m. EET.

## **The Offering in brief:**

- The subscription price of the Offering is EUR 8.20 per share (the "**Subscription Price**").
- Market capitalization of the Company based on the Subscription Price would be approximately EUR 288 million assuming that the Company raises gross proceeds of approximately EUR 75 million in the Offering.
- The Offering consists of (i) a public offering to private individuals and entities in Finland (the "**Public Offering**"), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally outside the United States (the "**Institutional Offering**") and (iii) personnel offering to the Company's and its subsidiaries' employees as well as the members of the Board of Directors and management team of the Company (the "**Personnel Offering**"). Only New Shares will be offered in the Personnel Offering at a discount applicable in the Personnel Offering.
- Funds managed and advised by Capital World Investors, Didner & Gerge Fonder, Evli Fund Management Company Ltd, Ilmarinen Mutual Pension Insurance Company, Lannebo Fonder AB and Paradigm Capital Value Fund have, each individually, committed to subscribe for shares at the Subscription Price in the Offering, subject to certain conditions being fulfilled.

## **The Offering:**

- The Company aims to raise gross proceeds of approximately EUR 75 million by offering new shares in the Company (the "**New Shares**") for subscription (the "**Share Issue**").
- In addition, Intera Fund III Ky ("**Intera**") (a fund administered by Intera Equity Partners III Oy) and certain other existing shareholders of the Company (the "**Other Sellers**", and together with Intera, the "**Sellers**") will offer for purchase initially a maximum of 7,881,994

existing shares of the Company (the “**Sale Shares**”, and together with the New Shares and the Additional Shares (as defined below), the “**Offer Shares**”)

- Intera is expected to grant Carnegie Investment Bank AB (publ), Finland Branch (“**Carnegie**”) and Danske Bank A/S, Finland Branch (“**Danske**”) an option, exercisable within 30 days from commencement of trading in the Shares on Nasdaq Helsinki, to purchase a maximum of 2,558,750 additional shares (the “**Additional Shares**”) solely to cover over-allotments in connection with the Offering (the “**Over-allotment Option**”).
- The size of the Offering based on the Subscription Price is approximately EUR 161 million assuming that the Company raises gross proceeds of approximately EUR 75 million in the Offering, the Sellers sell the maximum amount of Sale Shares at such Subscription Price, and that the Over-Allotment Option is exercised in full.
- The Offer Shares represent a maximum of approximately 48.6 percent of all the shares in the Company (the “**Shares**”) and votes vested by the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (approximately 55.8 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 9,176,341 New Shares (the number of New Shares has been calculated assuming that a total of 300,000 New Shares would be subscribed for in the Personnel Offering at the discount applicable to such New Shares).
- The subscription period for the Public Offering will commence on 15 March 2021 at 10:00 a.m. (EET) and end on or about 23 March 2021 at 4:00 p.m. (EET).
- The subscription period for the Institutional Offering will commence on 15 March 2021 at 10:00 a.m. (EET) and end on or about 25 March 2021 at 12:00 noon (EET).
- The subscription period for the Personnel Offering will commence on 15 March 2021 at 10:00 a.m. (EET) and end on or about 23 March 2021 at 4:00 p.m. (EET).
- In the event of an oversubscription, the Offering may be ended at the earliest on 22 March 2021, at 4:00 p.m. (EET).
- Trading of the Shares on the prelist of Nasdaq Helsinki is expected to commence on or about 26 March 2021 and on the official list of Nasdaq Helsinki on or about 30 March 2021 with the trading code “SITOWS”.
- The Company’s shareholders resolved unanimously on 3 March 2021 that the class A1 and A2 shares in the Company will be combined into one share class, and that class P1 and P2 shares will be redeemed, subject to the completion of the Listing. After the combination of the share classes and the redemption and cancellation of class P1 and P2 shares, each Share shall entitle its holder to one vote at the General Meeting of Shareholders of the Company and carry equal rights to dividends and other distributions by the Company.

**Pekka Eloholma, CEO of Sitowise:**

*“We are very happy and proud to be able to offer a domestic and responsible investment opportunity for investors. We believe that planning sustainable and smart living environments is a*

*growing industry with future potential, and we are a leading player in this market. We have a clear strategy and several strengths that help us to pursue growth also in the future, both organically and through M&A. We are particularly glad that our employees also have the chance to become shareholders in Sitowise through the personnel offering. It is now time to together take the next step in developing Sitowise."*

**Eero Heliövaara, Chairman of the Board of Directors of Sitowise:**

*"We are very pleased to have this opportunity to take the next step in Sitowise's journey. The objective of the initial public offering is to support the implementation of Sitowise's growth strategy and, among other things, to enable the company to access the capital markets and use shares more effectively as a means of consideration in potential acquisitions and in incentive programs for personnel. We are especially delighted to have secured the support of several Finnish and international institutional cornerstone investors."*

**The background and reasons for the Listing**

Sitowise is a Nordic expert in the built environment that offers design and consulting services for projects of all sizes to enable more responsible and smarter urban development as well as smooth transportation. Sitowise offers its services in the following business areas: Buildings, Infrastructure and Digital Solutions. In addition, Sitowise's operations in Sweden are organized under business area Sweden. Sitowise's operations are primarily in Finland and Sweden, and it also has competence centers in Estonia and Latvia, which primarily service Sitowise's projects in Finland and Sweden. Sitowise employs over 1,900 experts. For the financial year ended 31 December 2020, 86 percent of Sitowise's net sales was derived from Finland, 13 percent from Sweden and 1 percent from other countries.

The objective of the Offering is to enable Sitowise to implement its growth strategy and increase strategic flexibility by strengthening Sitowise's balance sheet. Furthermore, the Offering is expected to benefit Sitowise by strengthening Sitowise's recognition and brand awareness among customers, potential new employees, investors and in the technical consulting sector in general, and thus enhance Sitowise's competitiveness and support its growth strategy. The Listing would also enable the Company to obtain access to capital markets to raise new capital to support its growth strategy and broaden the Company's ownership base with domestic and foreign investors, which would increase the liquidity of the Shares. The Listing and increased liquidity would also make it possible to use the Shares more effectively as a means of consideration in potential acquisitions and in incentive programs for personnel.

**Details of the Offering and publication of the Finnish Prospectus**

Preliminarily a maximum of 18,317,085 Offer Shares are being offered in the Institutional Offering to institutional investors through private placements in Finland and, in accordance with applicable laws, internationally, and preliminarily a maximum of 1,000,000 Offer Shares are offered in the Public Offering to private individuals and entities in Finland. Preliminarily a maximum of 300,000 New Shares and, in the event of an oversubscription, a maximum of 700,000 additional New Shares are being offered for subscription in the Personnel Offering to employees of the Company and its subsidiaries as of 15 March 2021, as well as to the members of the Board of Directors, management team and Chief Executive Officer of the Company. However, the minimum number of Offer Shares to be offered in the Public Offering will be 1,000,000 Offer Shares or, if the aggregate number of

Offer Shares covered by the Commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by the Commitments.

The Subscription Price of the Offering is EUR 8.20 per Offer Share. The subscription price in the Personnel Offering is 10 percent lower, i.e. EUR 7.38 per Offer Share.

In the Offering, Sitowise aims to raise gross proceeds of approximately EUR 75 million by offering New Shares for subscription. The Company will issue a total of 9,176,341 New Shares (assuming that 300,000 New Shares will be subscribed for in the Personnel Offering with a lower subscription price applied to such New Shares).

The Sellers will offer for purchase initially a maximum of 7,881,994 Sale Shares in the Share Sale. The Sale Shares represent approximately 22.4 percent of the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (and together with the Additional Shares, approximately 29.7 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 9,176,341 New Shares.

In connection with the Offering, Intera is expected to grant the the Joint Global Coordinators (as defined below) an over-allotment option, exercisable by Danske on behalf of the Joint Global Coordinators, an Over-allotment Option to purchase a maximum of 2,558,750 Additional Shares for the Subscription Price solely to cover over-allotments in connection with the Offering. The Over-Allotment Option is exercisable within 30 days from the commencement of trading of the Shares on the prelist of Nasdaq Helsinki (i.e. on or about the period between 26 March 2021 and 25 April 2021). The Additional Shares represent approximately 9.9 percent of the Shares and votes prior to the Offering and approximately 7.3 percent after the Offering assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 9,176,341 New Shares (the number of New Shares has been calculated assuming that a total of 300,000 New Shares would be subscribed for in the Personnel Offering at the discount applicable to such New Shares). However, the number of Additional Shares will not in any case represent more than 15 percent of the aggregate number of New Shares and Sale Shares.

In connection with the Listing, the Company and Intera are expected to enter into lock-up agreements of 180 days. The Other Sellers and certain other shareholders have agreed to a lock-up agreement with similar terms to that of the Company and Intera that will end on the date that falls either 180 or 360 days from the Listing. The Joint Global Coordinators have agreed to waive the Company's lock-up in connection with M&A transactions entered into prior to the end of the lock-up period, provided that the aggregate number of new shares issued by the Company shall not exceed 5 percent of the Shares (calculated based on the number of Shares outstanding following the Offering), and that the remaining lock-up period will apply to such new Shares. The Board of Directors of the Company and the management team are expected to enter into lock-up agreements of 360 days.

Funds managed and advised by Capital World Investors, Didner & Gerge Fonder, Evli Fund Management Company Ltd, Ilmarinen Mutual Pension Insurance Company, Lannebo Fonder AB and Paradigm Capital Value Fund (the "**Cornerstone Investors**"), have each individually in March 2021 given subscription undertakings in relation to the Offering, under which the Cornerstone Investors have, each individually, committed to subscribe for Offer Shares at the Subscription Price, subject to certain conditions being fulfilled. According to the terms and conditions of the subscription undertakings, the Cornerstone Investors will be guaranteed the number of Offer Shares covered by

the subscription undertaking. The Cornerstone Investors will not be compensated for their subscription undertakings.

The Cornerstone Investors have given subscription undertakings as follows:

- The commitment of the funds' managed and advised by Capital World Investors undertaking amounts to USD 15 million.
- The commitment of Didner & Gerge Fonder's undertaking amounts to EUR 12 million.
- The commitment of Evli Fund Management Company Ltd's undertaking amounts to EUR 12 million.
- The commitment of Ilmarinen Mutual Pension Insurance Company's undertaking amounts to EUR 14 million.
- The commitment of Lannebo Fonder AB's undertaking amounts to EUR 15 million.
- The commitment of Paradigm Capital Value Fund's undertaking amounts to EUR 10 million.

Before the execution of the Offering, the Shares of the Company have not been subject to trading on any regulated market or multilateral trading facility. The Company will apply for the listing of the Shares on the official list of Nasdaq Helsinki. Trading in the Shares is expected to commence on the prelist of Nasdaq Helsinki on or about 26 March 2021 and on the official list of Nasdaq Helsinki on or about 30 March 2021.

The Finnish Financial Supervisory Authority has today on 12 March 2021 approved the Finnish language prospectus of Sitowise. The Finnish language prospectus will be available at the latest on 15 March 2021 prior to the commencement of the subscription period on the Company's website at [www.sitowise.com/ipo](http://www.sitowise.com/ipo). In addition, the Finnish language prospectus will be available on or about 15 March 2021 at the registered office of the Company at Linnoitustie 6 D, FI-02600 Espoo, Finland, at Carnegie's branch office at Eteläesplanadi 22 A, 5th floor, FI-00130 Helsinki, Finland, on the website of Danske at [www.danskebank.fi/sitowise](http://www.danskebank.fi/sitowise) and on the website of Nordnet at [www.nordnet.fi/fi/sitowise](http://www.nordnet.fi/fi/sitowise) as well as at Nasdaq Helsinki at Fabianinkatu 14, FI-00100 Helsinki. The English language Offering Circular will be available at the latest on 15 March 2021 on the Company's website at [www.sitowise.com/ipo](http://www.sitowise.com/ipo) and on the website of Danske at [www.danskebank.fi/sitowise-en](http://www.danskebank.fi/sitowise-en).

Carnegie Investment Bank AB (publ), Finland Branch and Danske Bank A/S, Finland Branch have been appointed to act as joint global coordinators and joint bookrunners for the contemplated IPO (jointly referred to as the "**Joint Global Coordinators**"). In addition, the Company has appointed Nordnet Bank AB ("**Nordnet**") as the subscription place in the Public Offering. Roschier, Attorneys Ltd is acting as legal adviser to the Company. White & Case LLP is acting as legal adviser to the Joint Global Coordinators. Milton is acting as communications adviser to the Company.

More information on the Offering and the subscription places are found on [www.sitowise.com/ipo](http://www.sitowise.com/ipo) and [www.danskebank.fi/sitowise](http://www.danskebank.fi/sitowise).

Important Dates

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| Finnish Prospectus approved:  | 12 March 2021                                |
| Finnish Prospectus will be published (latest):  | 15 March 2021                                |
| Subscription periods for the Public Offering, the Personnel Offering and the Institutional Offering commence  | 15 March 2021 at 10:00 a.m. (EET)            |
| The Offering may be ended at the earliest   | 22 March 2021 at 4:00 p.m. (EET)             |
| Subscription period for the Public Offering and the Personnel Offering ends   | 23 March 2021 at 4:00 p.m. (EET) (estimate)  |
| Subscription period for the Institutional Offering ends   | 25 March 2021 at 12:00 noon (EET) (estimate) |
| Results of the Offering   | 25 March 2021 (estimate)                     |
| The Shares subscribed for in the Public Offering will be recorded in the book-entry accounts of investors   | 26 March 2021 (estimate)                     |
| Trading in the Shares on the prelist of the Nasdaq Helsinki is expected to commence (excluding the Shares subscribed for in the Personnel Offering)       | 26 March 2021 (estimate)                     |
| The Shares subscribed for in the Institutional Offering are ready to be delivered against payment through Euroclear Finland Oy                            | 30 March 2021 (estimate)                     |
| Trading in the Shares on the official list of the Nasdaq Helsinki is expected to commence (excluding the Shares subscribed for in the Personnel Offering) | 30 March 2021 (estimate)                     |
| The Shares subscribed for in the Personnel Offering will be recorded in the book-entry accounts of subscribers'   | 15 April 2021 (estimate)                     |
| Trading in the Shares subscribed for in the Personnel Offering on the official list of the Nasdaq Helsinki is expected to commence                        | 15 April 2021 (estimate)                     |

### **Information about Sitowise**

Sitowise is a Nordic expert in the built environment that offers sustainable design and consulting services. Sitowise operates in various size projects to enable more responsible and smarter urban development as well as smooth transportation. Sitowise offers its services in the following areas:

Buildings, Infrastructure and Digital Solutions. Sitowise's operations are primarily in Finland and Sweden, and it also has competence centers in Estonia and Latvia mainly serving Sitowise's projects in Finland and Sweden. The Company's net sales was approximately EUR 160 million in 2020 and the company employs over 1,900 experts.

### **Further enquiries**

Minttu Vilander, Chief Communications and Corporate Responsibility Officer, Sitowise Group Plc, tel. +358 40 575 6660

### **IMPORTANT INFORMATION**

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change. This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by Sitowise Group Plc (the "Company") in any jurisdiction where such offer or sale would be unlawful. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In any EEA Member State, other than Finland, this announcement is only addressed to and is only directed at qualified investors in that Member State within the meaning of Regulation (EU) 2017/1129 ("Prospectus Regulation"). Any potential offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus as set out in the Prospectus Regulation. Investors should not subscribe for or purchase any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

This announcement and the information contained herein are not for distribution in or into the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States.

In the United Kingdom, this announcement and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this announcement relates is available only to, and will be engaged in only with, "qualified investors" (as defined in section 86(7) of the Financial Services and Markets Act 2000) and 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 announcement and should not act or rely on it. This announcement is for information purposes only and under no circumstances shall constitute an offer or invitation, or form the basis for a decision, to invest in any securities of the Company. Each of Carnegie Investment Bank AB

(publ), Finland Branch, and Danske Bank A/S, Finland Branch (the "Joint Global Coordinators") is acting exclusively for the Company and the selling shareholders and no-one else in connection with the IPO. They will not regard any other person as their respective clients in relation to the IPO and will not be responsible to anyone other than the Company and the selling shareholders for providing the protections afforded to their respective clients, nor for providing advice in relation to the IPO, the contents of this announcement or any transaction, arrangement or other matter referred to herein. The contents of this announcement have been prepared by, and are the sole responsibility of, the Company. None of the Joint Global Coordinators or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

#### 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", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this announcement by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this announcement are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this announcement or any obligation to update or revise the statements in this announcement to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this announcement. The information, opinions and forwardlooking statements contained in this announcement speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

#### Information to Distributors

For the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) Chapter 5 of the Finnish Financial Supervisory Authority's regulations regarding investment services and activities, FFFS 2017:2, (together the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect



thereto, the shares have been subject to a product approval process, where the target market for shares in the Company are: (i) retail investors and (ii) investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the “target market”). Notwithstanding the assessment of the target market, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares is compatible only with investors who do not need a guaranteed income 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 be able to bear any losses that may result therefrom. The target market assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the IPO. 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 (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 shares in the Company. Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.