



Nordic Lights Group Corporation announces the final results of its initial public offering, and the listing will be completed as planned

4.7.2022 12:30:00 EEST | Nordic Lights Group Oyj | Company Announcement

Nordic Lights Group Corporation Company release 4 July 2022 at 12:30 p.m. EEST

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Nordic Lights Group Corporation announces the final results of its initial public offering, and the listing will be completed as planned

The Board of Directors of Nordic Lights Group Corporation ("Nordic Lights" or the "Company") has today, on 4 July 2022, decided on the completion of the Offering (as defined below). The subscription price for the Offer Shares (as defined below) was EUR 5.02 per share in the Public Offering and the Institutional Offering (as defined below), and EUR 4.52 per share in the Personnel Offering (as defined below), which in total corresponds to a market capitalization of the Company of approximately EUR 105.2 million immediately following the Offering. Demand in the Offering was strong from Finnish and international investors and the Offering was oversubscribed. The number of shareholders in Nordic Lights will increase to approximately 950 shareholders after the Offering. Trading of the shares in the Company (the "Shares") is expected to commence on the Nasdaq First North Growth Market Finland (the "First North") maintained by Nasdaq Helsinki Ltd ("Nasdaq Helsinki") on or about 5 July 2022.

Thomas Sandvall, Chairman of the Board of Directors, comments:

"This is a great day for us. We are extremely pleased to see how renowned international and domestic investors have decided to support the company's growth strategy, even under these uncertain stock market conditions. The new broader shareholder base supports the future development of the company."

Tom Nordström, CEO of Nordic Lights, comments:

"We are very pleased with the positive interest our initial public offering received among investors. I'm especially happy about the success of our employee offering, as a committed and satisfied workforce is very important for us. I would like to welcome our over 900 new shareholders to light the way for the builders of our future."

The Offering in brief

As part of the Offering, the Company will issue 3,017,532 new shares in the Company (the "New Shares") (the "Share Issue"), corresponding to approximately 14 percent of the total number of the Company's outstanding Shares after the Offering. In addition, Sponsor Fund IV Ky (the "Principal Shareholder"), Elo Mutual Pension Insurance Company ("Elo") and certain other existing shareholders of the Company (together, the "Sellers"), will sell 3,885,123 existing Shares in the Company in aggregate (the "Sale Shares") (together with the Share Issue, the "Offering"), assuming that the Over-allotment Option (as defined below) will be exercised in full. Unless the context indicates otherwise, the New Shares, the Sale Shares and the Additional Shares (as defined below) are together referred to herein as the "Offer Shares".

In the Offering, 199,360 Offer Shares will be allocated to private individuals and entities in Finland (the "Public Offering") and 6,633,970 Offer Shares will be allocated to institutional investors in Finland and, in accordance with applicable laws, internationally outside of the United States (the "Institutional Offering"), assuming that the Over-allotment Option (as defined below) will be exercised in full. In addition, 69,325 Offer Shares will be allocated 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"). Due to oversubscription, the Board of Directors of the Company has decided to increase the number of New Shares to be offered in the Personnel Offering from the preliminary maximum of 44,248 New Shares to 69,325 New Shares. The commitments given in the Public Offering will be accepted in full for up to 150 Offer Shares and approximately 27 percent of the commitments exceeding this amount. The commitments given in the Personnel Offering will be accepted in full.

The Company will receive gross proceeds of approximately EUR 15.1 million from the Offering and the Sellers will receive gross proceeds of approximately EUR 19.5 million in aggregate assuming that the Over-allotment Option will be exercised in full. The total number of issued and outstanding Shares in the Company will increase to 20,957,962 Shares after the New

Shares offered in the Share Issue are registered in the Trade Register maintained by the Patent and Registration Office on or about 4 July 2022.

The Offer Shares allocated in the Public Offering and Personnel Offering are recorded in the book-entry accounts of investors who have made an approved commitment on or about 5 July 2022. In the Institutional Offering, the allocated Offer Shares will be ready to be delivered against payment on or about 7 July 2022 through Euroclear Finland Oy.

Confirmations regarding the approval of the commitments and the allocation of Offer Shares will be sent to the investors who have submitted their commitments in the Public Offering as soon as possible and at the latest on or about 8 July 2022. Nordnet Bank AB's ("Nordnet") own customers who have made their commitments via Nordnet will see the Offer Shares allocated to them on the transaction page of Nordnet's online service. Any possible excess amounts paid in connection with the commitments will be refunded to the party that made the commitment to the Finnish bank account identified in the commitment on or about the fifth banking day after the completion decision, i.e. on or about 11 July 2022. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to a bank account in accordance with the payment schedule of the financial institutions, approximately no later than two banking days thereafter. To Nordnet's own customers who have given their commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts.

Trading in Nordic Lights' shares is expected to commence on the First North on or about 5 July 2022 under the trading code NORDLIG.

The Principal Shareholder and Elo have granted to the Managers (as defined below) an over-allotment option, exercisable by Skandinaviska Enskilda Banken AB (publ) Helsinki Branch ("SEB") on behalf of the Managers as stabilizing manager, exercisable within 30 days from commencement of trading in the Shares on the First North to purchase a maximum of 897,075 additional Shares (the "Additional Shares") solely to cover any over-allotments in connection with the Offering (the "Over-allotment Option").

The stabilizing manager, may, but is not obligated to, engage in measures during the Stabilization Period that stabilize, maintain or otherwise affect the price of the Shares. Any stabilization measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (the "Market Abuse Regulation") and the Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy back programs and stabilization measures.

In connection with the Offering, the Company and the Sellers have committed to lock-up arrangements of 180 days. The members of the Board of Directors of the Company and the management team of the Company as well as personnel participating in the Personnel Offering have committed to lock-up arrangements of 360 days.

Advisers

Skandinaviska Enskilda Banken AB (publ) Helsinki Branch ("SEB" or the "Global Coordinator") is acting as sole global coordinator and joint bookrunner for the Offering. Carnegie Investment Bank AB, Finland Branch is acting as joint bookrunner for the Offering (together with the Global Coordinator, the "Managers"). Roschier, Attorneys Ltd. is acting as legal adviser to Nordic Lights in connection with the Offering. White & Case LLP is acting as legal adviser to the Managers in connection with the Offering. Milton is acting as communication adviser to Nordic Lights. Oaklins Merasco Ltd is acting as Company's Certified Adviser referred to in the Nasdaq First North Growth Market Rulebook.

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About Nordic Lights

Nordic Lights, based in Pietarsaari, Finland, has paved its way as a global premium supplier of high-quality lighting solutions for heavy-duty equipment in several demanding industrial sectors. Nordic Lights' mission is to enable the safe and efficient use of equipment. With three decades of experience Nordic Lights works with the most demanding manufacturers of machinery from design to production and aftermarket support.

Important information

This announcement is not being made in and copies of it may not be distributed or sent into the United States, Australia, Canada, Japan, Hong Kong, New Zealand, Singapore, South Africa or any other jurisdiction in which the distribution or release would be unlawful.

The issue, exercise or sale of securities in the offering are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

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In any Member State of the European Economic Area (the "EEA") other than Finland, where Regulation (EU) 2017/1129, as amended (the "Prospectus Regulation") is applicable, this announcement is only addressed to and is only directed at qualified investors within the meaning of article 2(e) of the Prospectus Regulation.

This announcement does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities referred to herein. This information is only being distributed to and is only directed at persons who are outside the United Kingdom, or are "qualified investors" within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this document relates will be only available to, and will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

The information contained in this announcement is for background purposes only and does not purport to be 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.

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 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. The Managers are acting exclusively for the Company and the selling shareholders and no one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering 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 Offering, 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 Managers 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”, “continue”, “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 forward-looking statements contained in this announcement speak only as at its date and are subject to change.

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 4 of the Finnish Financial Supervisory Authority’s regulations and guidelines 7/2018 on the organization and code of conduct of investment services, as well as other local implementing measures, (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 Offering. 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.

Attachments

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