

Press release Stockholm, 18 November 2020

## Gränges resolves on a fully guaranteed rights issue and announces terms

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The Board of Directors of Gränges AB (publ) ("Gränges" or "the Company"), (Nasdaq Stockholm: GRNG), has on 18 November 2020, with authorisation from the annual general meeting held on 25 June 2020, resolved on a fully guaranteed rights issue of approximately SEK 1.7 billion with preferential rights for existing shareholders in order to finance the acquisition of Aluminium Konin, which was completed on 6 November 2020, maintain Gränges' financial strength and to finance future growth investments in line with Gränges' strategy. Through this press release, Gränges' Board of Directors also announces the terms of the rights issue.

### The rights issue in brief

- The rights issue comprises a maximum of 28,348,964 shares. Shareholders in Gränges have preferential right to subscribe for 4 new shares per 11 existing shares.
- The subscription price has been set to SEK 60 per share, which will provide total proceeds of SEK 1,701 million before transaction costs.
- The purpose of the rights issue is to finance the acquisition of Aluminium Konin, maintain Gränges' financial strength and to finance future growth investments in line with Gränges' strategy.
- Gränges' shareholders the Fourth National Pension Fund, AFA Insurance, Boryszew S.A. and Unionen, which together hold 23.6 per cent of the total number of shares and votes in Gränges as of 18 November 2020, have, on customary conditions, committed to subscribe for new shares corresponding to their respective pro rata shares. Handelsbanken Fonder, Swedbank Robur Fonder, Lupus alpha and PriorNilsson Fonder have undertaken to subscribe for new shares corresponding to 16.4 per cent of the total number of shares and votes in Gränges prior to the rights issue. In addition to the commitment to subscribe for their respective pro rata shares, the Fourth National Pension Fund and Unionen have entered into a guarantee commitment to subscribe for an additional share, corresponding to 26.5 per cent of the rights issue. Together, the subscription and guarantee commitments provided by shareholders amount to 66.4 per cent of the rights issue.
- For the remaining amount, for which shareholders have not submitted subscription or guarantee commitments, Svenska Handelsbanken AB (publ), Danske Bank A/S, Denmark, Swedish branch and Nordea Bank Abp, Swedish branch ("Joint Global Coordinators" and "Joint Bookrunners") have entered into a guarantee commitment, subject to customary conditions. Thus, the rights issue is fully guaranteed.

## Background and rationale

On 6 November 2020, Gränges acquired all shares in Impexmetal S.A., whose only asset was Aluminium Konin's operations from Boryszew S.A. for SEK 2.2 billion on a cash and debt-free basis. In addition to the purchase price, Gränges paid approximately SEK 400 million for the part of an ongoing expansion programme which has been completed prior to completion of the transaction.

Aluminium Konin is a Polish manufacturer of flat rolled aluminium products with a wide assortment and a strong position within niche markets. The production takes place in a well-developed and cost efficient integrated rolling mill located in Konin, Poland. Gränges' Board of Directors deems the acquisition as a good strategic fit and the acquired business will contribute with new capabilities and new capacity, which enables a broader customer offering and new solutions for the automotive industry of the future, and other industries strengthens Gränges' presence in emerging markets and enables synergies. In connection with the completion of the acquisition, Aluminium Konin changed its name to Gränges Konin.

In conjunction with the announcement of the acquisition of Aluminium Konin on 28 November 2019, Gränges also communicated its intention to carry out a rights issue of approximately SEK 2,000 million with preferential rights for existing shareholders. The purpose of the rights issue is to finance the acquisition of Aluminium Konin, maintain Gränges' financial strength and to finance future growth investments in line with Gränges' strategy. On 7 October 2020, Gränges and Boryszew S.A, within the framework for the acquisition of Aluminium Konin, agreed on a new structure for the purchase price. In accordance with the new structure, the equivalent of SEK 203 million of the purchase price was paid through an issue in kind of shares in Gränges. The issue in kind, and Gränges' financial development, enable, according to the Board of Directors' assessment, a reduction of the rights issue with approximately SEK 300 million, while maintaining Gränges' financial strength.

## Terms of the rights issue

Gränges' existing shareholders have preferential right to subscribe for new shares in proportion to their existing shareholdings. Anyone who on the record date 25 November 2020 is registered as a shareholder in Gränges by Euroclear Sweden is entitled to one (1) subscription right for each existing share. Eleven (11) subscription rights entitle subscription of four (4) new shares.

In the event that not all shares are subscribed for by virtue of subscription rights, the Board of Directors shall, within the framework of the highest amount of the rights issue, decide on the allocation of shares which have not been subscribed for by virtue of subscription rights. In such case, shares shall firstly be allocated to those who also subscribed for shares by virtue of subscription rights, regardless if they were shareholders on the record date, 25 November 2020, or not, and in case of oversubscription, in proportion to the number of subscription rights each have exercised for subscription of shares or, to the extent this is not possible, by the drawing of lots. Secondly, allotment shall be made to others whom have subscribed for shares without virtue of subscription rights, and in case of oversubscription, in proportion to the number of shares specified in each subscription application or, to the extent this is not possible, by the drawing of lots. Thereafter, allotment shall be to the Fourth National Pension Fund, which has provided a guarantee commitment of up to SEK 350 million, and Unionen, which has provided a guarantee commitment of up to SEK 100 million. For Unionen's guarantee commitment, remuneration in line with market practice will be paid. Ultimately, allocation shall be made to the Joint Global Coordinators and Joint

Bookrunners in accordance with the guarantee commitment described below.

The rights issue will increase Gränges' share capital by a maximum of SEK 37,981,240, from the current SEK 104,448,413 to not more than SEK 142,429,652 through an issuance of not more than 28,348,964 shares. After the rights issue, the number of shares in Gränges will not amount to more than 106,308,618 shares.

The new shares are issued at a subscription price of SEK 60 per share. No commission will be charged. Thus, the rights issue will provide Gränges with proceeds of up to SEK 1,701 million before deduction of transaction costs.

The record date at Euroclear Sweden for determining who is entitled to receive subscription rights is 25 November 2020. This means that the share will be traded including the right to participate in the rights issue up to, and including, 23 November 2020.

Subscription of new shares shall take place from 27 November 2020 up to, and including, 11 December 2020, or until such later date resolved by the Board of Directors.

Trading with subscription rights takes place on Nasdaq Stockholm during the period from 27 November 2020 up to, and including, 9 December 2020.

For shareholders choosing not to participate in the rights issue, there will be a dilution effect of approximately 26.7 per cent. However, shareholders can gain economic compensation for this dilution by selling their subscription rights.

The Board of Directors' decision regarding the rights issue has been made within the framework of the authorisation given by the Annual General Meeting held on 25 June 2020. For more information, please refer to the separate press release from the Annual General Meeting which was published on 25 June 2020.

### **Subscription undertakings and guarantee commitments**

Gränges' shareholders, the Fourth National Pension Fund, AFA insurance, Boryszew S.A. and Unionen, which hold 9.3, 8.8, 3.1 and 2.4 per cent of the total number of shares and votes in Gränges as of 18 November 2020, have, on customary conditions, undertaken to subscribe for new shares corresponding to their respective pro rata shares. Handelsbanken Fonder, Swedbank Robur Fonder, Lupus alpha and PriorNilsson Fonder have undertaken to subscribe for new shares corresponding to 16.4 per cent of the total number of shares and votes in Gränges prior to the rights issue. In addition to the commitment to subscribe for their respective pro rata shares, the Fourth National Pension Fund and Unionen have entered into a guarantee commitment to subscribe for an additional share, corresponding to 26.5 per cent of the rights issue. Together, the subscription and guarantee commitments provided by shareholders amount to 66.4 per cent of the rights issue.

For the remaining amount, for which shareholders have not submitted subscription or guarantee commitments, the Joint Global Coordinators and Joint Bookrunners have entered into a guarantee commitment, subject to customary conditions. Thus, the rights issue is fully guaranteed.

### Indicative timetable for the rights issue

23 November 2020	Last day of trading in shares, including the right to receive subscription rights
24 November 2020	Estimated date for publication of the prospectus
24 November 2020	First day of trading in the share, excluding the right to receive subscription rights
25 November 2020	Record date for participation in the rights issue, i.e. shareholders who are registered in the share register as of this day will receive subscription rights
27 November 2020 – 9 December 2020	Trading in subscription rights
27 November 2020 – 11 December 2020	Subscription period
27 November 2020 – 16 December 2020	Trading in paid subscribed shares (“BTA”)
16 December 2020	Estimated date for publication of the outcome of the rights issue
Around 22 December 2020	First day of trading in shares subscribed for with the virtue of subscription rights
Around 4 January 2021	First day of trading in shares subscribed for without the virtue of subscription rights

### Financial and legal advisors

Handelsbanken Capital Markets, Danske Bank A/S, Denmark, Swedish branch and Nordea Bank Abp, Swedish branch are acting as Joint Global Coordinators and Joint Bookrunners. Advokatfirman Vinge KB is acting as legal advisor to the Company and Roschier Advokatbyrå AB is legal advisor to the Joint Global Coordinators and Joint Bookrunners in connection to the rights issue.

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*This information is information that Gränges AB (publ) 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 above, at 07:30 CET on 18 November 2020.*

### About Gränges

Gränges is a leading global supplier of rolled aluminium products for heat exchanger applications, speciality packaging and niche markets. In materials for brazed heat exchangers Gränges is the global leader with a market share of approximately 20 per cent. The company develops, produces and markets

advanced materials that enhance efficiency in the customers' manufacturing process and the performance of the final products. The company's geographical markets are Europe, Asia and the Americas with production facilities in all three regions and a total annual capacity of 560,000 metric tonnes. Gränges has 2,400 employees and net sales of SEK 13 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at [www.granges.com](http://www.granges.com).

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