

**Inside information: Matrix42, a portfolio company of Corten Capital, acting through European 24 Bidco Oy, announces a voluntary recommended public cash tender offer for all the outstanding shares and stock options in Efecte Plc**

European 24 Bidco Oy / Efecte Plc   INSIDE INFORMATION   January 18, 2024 at 8:30 a.m. EET

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**Inside information: Matrix42, a portfolio company of Corten Capital, acting through European 24 Bidco Oy, announces a voluntary recommended public cash tender offer for all the outstanding shares and stock options in Efecte Plc**

European 24 Bidco Oy (the “**Offeror**”), a private limited liability company incorporated and existing under the laws of Finland, that is directly wholly owned by Matrix42 Holding GmbH (“**Matrix42**”), a corporation incorporated and existing under the laws of Germany, hereby announces a voluntary recommended public cash tender offer for all the issued and outstanding shares in Efecte Plc (“**Efecte**” or the “**Company**”) that are not held by Efecte or its subsidiaries (the “**Shares**” or, individually, a “**Share**”) and for all the issued and outstanding stock options in Efecte that are not held by Efecte or its subsidiaries (the “**Stock Options**” or, individually, a “**Stock Option**”) (the “**Tender Offer**”). The shareholders of Efecte (other than Efecte or its subsidiaries) will be offered a cash consideration of EUR 15.00 for each Share validly tendered in the Tender Offer (the “**Share Offer Price**”). The holders of the Stock Options will be offered a cash consideration for each Stock Option validly tendered as described in the section “The Tender Offer in Brief” below. The Board of Directors of Efecte has unanimously decided to recommend that the shareholders of Efecte and the holders of the Stock Options accept the Tender Offer. The shares in Efecte are admitted to trading on First North Growth Market Finland maintained by Nasdaq Helsinki Ltd (“**Nasdaq First North**”).

Matrix42 is the holding entity of the Matrix42 Group headquartered in Frankfurt, which provides innovative software solutions for digital workspace management. Matrix42 is owned by funds advised by Corten Advisors UK LLP (“**Corten Capital**”), a private equity firm, incorporated and existing under the laws of the United Kingdom. Corten Capital partners with entrepreneurial management teams to build market leading B2B software, services and information companies across Europe and North America.

**KEY HIGHLIGHTS AND SUMMARY OF THE TENDER OFFER**

- On January 18, 2024, the Offeror and Efecte entered into a combination agreement (the “**Combination Agreement**”) pursuant to which the Offeror will make the Tender Offer for all of the Shares and Stock Options.
- The Share Offer Price under the Tender Offer is EUR 15.00 in cash for each Share validly tendered in the Tender Offer, subject to any adjustments as set out in the section “The Tender Offer in Brief” below.
- The holders of Stock Options will be offered a cash consideration for each Stock Option validly tendered as described in the section “The Tender Offer in Brief” below.
- The Share Offer Price represents a premium of approximately 90.8 percent compared to the closing price (EUR 7.86) of the Share on Nasdaq First North on January 17, 2024, the last trading day immediately preceding the announcement of the Tender Offer, and a premium of approximately 96.3 percent compared to the three-month volume-weighted average trading price (EUR 7.64) of the Share on Nasdaq First North immediately preceding the announcement of the Tender Offer.
- The Tender Offer values Efecte’s total equity at approximately EUR 100 million (disregarding the 5,882 shares held in treasury by Efecte).

- The Board of Directors of Efecte has unanimously decided to recommend that the shareholders of Efecte and the holders of the Stock Options accept the Tender Offer.
- First Fellow Oy, Oy Fincorp Ab, Markku Montonen, Chair of Efecte’s Board of Directors Pertti Ervi, member of Efecte’s Board of Directors Turkka Keskinen and all members of the Leadership Team of Efecte, including CEO Niilo Fredrikson, together representing approximately 26.4 percent of all Shares and votes in Efecte and 63.9 percent of the Stock Options, have irrevocably undertaken to accept the Tender Offer and these irrevocable undertakings will remain in force regardless of any superior competing offers, subject to conditions described under section “*Support by certain shareholders of Efecte*” below. In addition, Aktia Nordic Micro Cap Fund, Ilmarinen Mutual Pension Insurance Company and Alcur Fonder AB, together representing approximately 15.8 percent of all Shares and votes in Efecte, have irrevocably undertaken to accept the Tender Offer. These irrevocable undertakings will terminate in case the Offeror announces that it will not pursue or complete (or will cancel) the Tender Offer, or in the event that a competing tender offer is announced by a third party with a consideration of at least 10 percent higher than the Share Offer Price and the Offeror does not within seven business days match or exceed the consideration offered in such competing tender offer. All irrevocable undertakings represent in aggregate approximately 44.1 percent of the Shares on a fully diluted basis (assuming full conversion of the Stock Options into shares in Efecte).
- The Offeror has secured the required equity and debt financing to finance the Tender Offer at completion in accordance with its terms, and subsequent compulsory redemption proceedings, if any, in accordance with the Finnish Companies Act (624/2006, as amended, the “**Finnish Companies Act**”), and the possible payment of a termination fee by the Offeror.
- The Offeror expects to publish a tender offer document (the “**Tender Offer Document**”) with detailed information on the Tender Offer on or about January 29, 2024. The offer period under the Tender Offer is expected to commence on or about January 30, 2024, and to expire on or about March 5, 2024, unless the Offeror extends the offer period in order to satisfy the conditions to completion of the Tender Offer, including, among others, the receipt of all necessary regulatory approvals (or expiry of regulatory waiting periods, as the case may be). The Tender Offer is currently expected to be completed at the end of the first quarter or at the beginning of the second quarter of 2024.
- The completion of the Tender Offer is subject to the satisfaction or waiver by the Offeror of certain customary conditions on or prior to the Offeror’s announcement of the final results of the Tender Offer including, among others, that approvals by all necessary regulatory authorities have been received (or, where applicable, the waiting periods have expired) and the Offeror having gained control to more than 90 percent of the Shares and votes in Efecte on a fully diluted basis calculated in accordance with Chapter 18, Section 1 of the Finnish Companies Act.

**Commenting on the Tender Offer, Al Monserrat, Chairman of the Supervisory Board of Matrix42:**

*“Efecte is a highly complementary acquisition for Matrix42. Organizations are under continuous pressure to deliver a great employee experience by rapidly identifying, responding to, and resolving employee requests and issues across all areas. Both companies share the same mission of achieving this through digitization and automation. We look forward to working with Niilo Fredrikson and his talented team at Efecte to create the leading European provider of service management software.”*

**Commenting on the Tender Offer, Thomas Fetten, CEO of Matrix42**

*“The combination of Matrix42 and Efecte creates a leading pan-European provider of service management software of scale with more than 4,750 customers. These customers will benefit significantly from access to enhanced resources for technology and product innovation. We look forward to working with Niilo and the Efecte team to deliver on our shared vision.”*

**Commenting on the Tender Offer, Joseph Schull, Managing Partner of Corten Capital:**

*“We are delighted to support Matrix42 in its tender offer for Efecte. We have great respect for Efecte, which has a well-deserved reputation for the quality of its product offerings, its strong customer focus and its growth ambition. The combination of Efecte with Matrix42 will significantly accelerate the ambition of both companies to build a European service management champion.”*

### **Commenting on the Tender Offer, Pertti Ervi, Chairman of the Board of Directors of Efecte:**

*“Efecte’s Board of Directors has constantly evaluated the company’s future options from the point of view of our shareholders, employees and customers. Until now, our primary option has been to continue the independent development of the company to become a leading European player in our market. However, with Matrix42 and Corten, we saw an opportunity to accelerate the achievement of this goal significantly. The combined entity would help us build a stronger and broader offer for our customers. Matrix42 and Corten have the financial muscle and highly skilled team to make the combination a real success. For our employees, this means more opportunities and a good and immediate return on their investment for our shareholders.”*

### **Commenting on the Tender Offer, Niilo Fredrikson, Chief Executive Officer of Efecte:**

*“At Efecte, we help people to digitalize and automate their work and are on a journey to build the European leader in service management software. Customers across Europe appreciate our flexible platform that is a joy to use, fits your budget, features industry-leading AI and meets the European customers’ needs for privacy and security. Our unique people and culture have enabled consistent growth over the years. Partnering with Matrix42 is a very exciting opportunity to accelerate our joint ambition to build the European leader in our space. I look forward to making it happen and realizing all the benefits for our customers, partners and employees.”*

### **ABOUT EUROPEAN 24 BIDCO OY, MATRIX42 AND CORTEN CAPITAL**

**European 24 Bidco Oy** is a private limited liability company incorporated and existing under the laws of Finland that is directly wholly owned by Matrix42 Holding GmbH. European 24 Bidco Oy has not previously conducted, and currently does not conduct, any business. European 24 Bidco Oy was formed to make the Tender Offer and its sole business purpose is to make the Tender Offer and to operate as the parent company of Efecte.

**Matrix42**, a corporation incorporated and existing under the laws of Germany, is the holding entity of the Matrix42 Group headquartered in Frankfurt, which provides innovative software solutions for digital workspace experience management, unified endpoint management, and enterprise service management. The company’s products and services empower organizations to improve IT efficiency, enhance end-user productivity, and enable digital transformation. With over 25 years of experience and a customer base spanning across various industries and regions, Matrix42 is trusted by enterprises worldwide for its reliable and comprehensive solutions. Matrix42 is a portfolio company of and is controlled by funds advised by Corten Capital. For further information, please visit [www.matrix42.com](http://www.matrix42.com).

**Corten Capital** is a specialist investment firm that partners with entrepreneurial management teams to build market leading, B2B software, services and information companies across Europe and North America. Corten Capital is backed by an exceptional group of university endowments, charitable foundations and family offices from North America, Europe, and Asia, who share its philosophy of investing for long term value creation through growth and innovation. Corten Advisors UK LLP is authorised and regulated by the Financial Conduct Authority in the UK. For further information, please visit [www.cortencapital.com](http://www.cortencapital.com).

### **ABOUT EFECTE**

Efecte is a public limited liability company incorporated under the laws of Finland with its shares admitted to trading on Nasdaq First North. Efecte helps people digitalize and automate their work. Customers across Europe leverage Efecte’s cloud service to operate with greater agility, to improve the experience of end-users, and to save costs. The use cases for Efecte’s solutions range from IT service management and ticketing to improving employee experiences, business workflows, and customer service. Efecte is the European alternative to the global goliaths in Efecte’s space. Efecte’s headquarters is located in Finland and Efecte has regional hubs in Germany, Poland, Spain and Sweden.

### **BACKGROUND AND STRATEGIC RATIONALE**

Corten Capital acquired Matrix42 in July 2021 as a leading DACH-focused provider of a service management software suite, with the ambition to build a European service management champion with a broad set of

solutions to automate and streamline complex workflows for customers within and beyond the IT function. With Corten Capital's support, since 2021 Matrix42 has continued its strong organic growth across Germany, Austria and Switzerland as well as in France, Italy and other EMEA markets. Service management is a large, high-growth and fragmented market and Matrix42 is well positioned to continue to grow both organically and through strategic acquisitions.

Matrix42 views Efecte as a highly complementary acquisition due to its strong reputation, its leading position in the Nordic markets, its world-class team of service management professionals and its shared vision to build a European service management champion. Efecte has built a market-leading position in Finland since its foundation in 1998, and in recent years it has developed a growing commercial footprint in Sweden, Germany and Poland. Together, Matrix42 and Efecte will constitute a scaled European player in the service management market, with 550 employees serving over 4,750 customers across 30 countries.

Both Matrix42 and Efecte serve midmarket and enterprise customers requiring service management solutions with rich and extensive functionality adapted to their organizational needs. The two firms have an aligned strategy and complementary products and customers, and their combination will provide an enlarged market presence and enhanced resources for technology and product innovation. Matrix42 and Efecte will both continue to deliver their existing solutions to their respective customers, and both remain committed to their innovation roadmaps for their respective product offerings. The combination will enable Matrix42 and Efecte and their respective customers to benefit from complementary product capabilities over time. Together, Matrix42 and Efecte will have increased scale, talent and capital to pursue and accelerate their growth ambition.

Matrix42 seeks to acquire all Shares and Stock Options in Efecte and is making a highly compelling offer to Efecte's shareholders and holders of Stock Options. The Tender Offer enables the Company's shareholders and holders of Stock Options to realize their held securities in Efecte at an attractive premium of 90.8% compared to the closing price (EUR 7.86) of the Share on Nasdaq First North on January 17, 2024, the last trading day immediately preceding the announcement of the Tender Offer.

The completion of the Tender Offer is not expected to have any immediate material effects on the operations, the assets, the position of the management or employees, or the location of the offices of Efecte. However, as is customary, the Offeror intends to change the composition of the Board of Directors of Efecte after the completion of the Tender Offer.

## **THE TENDER OFFER IN BRIEF**

The Offeror and Efecte have on January 18, 2024, entered into the Combination Agreement pursuant to which the Offeror will make the Tender Offer. A summary of the Combination Agreement is provided below under section "The Combination Agreement".

The Offeror and Efecte have undertaken to comply with the Helsinki Takeover Code issued by the Finnish Securities Market Association (the "**Helsinki Takeover Code**").

As at the date of this announcement, Efecte has 6,452,424 issued shares, of which 6,446,542 are outstanding Shares and 5,882 of which are held in treasury, and a total of 610,720 outstanding Stock Options, comprising of 77,825 Stock Options 2018B, 103,750 Stock Options 2018C, 118,650 Stock Options 2021A, 24,000 Stock Options 2021A1, 128,145 Stock Options 2021B, 19,500 Stock Options 2021B1 and 138,850 Stock Options 2021C. As at the date of this announcement, neither the Offeror nor Matrix42 nor Corten Capital hold any Shares nor Stock Options.

The Offeror, Matrix42 and Corten Capital, each respectively, reserve the right to acquire, or enter into arrangements to acquire, Shares and Stock Options before, during and/or after the offer period (including any extension thereof and any subsequent offer period) outside the Tender Offer in public trading on Nasdaq First North or otherwise.

## **The Share Offer Price and the Option Offer Price**

The Share Offer Price is EUR 15.00 in cash for each Share validly tendered in the Tender Offer, subject to any adjustments as set out below.

The Share Offer Price represents a premium of approximately:

- 90.8 percent compared to EUR 7.86, *i.e.* the closing price of the Efecte share on Nasdaq First North on January 17, 2024, the last trading day immediately preceding the announcement of the Tender Offer;
- 96.3 percent compared to EUR 7.64, *i.e.* the three-month volume-weighted average trading price of the Efecte share on Nasdaq First North immediately preceding the announcement of the Tender Offer; and
- 83.4 percent compared to EUR 8.18, *i.e.* the six-month volume-weighted average trading price of the Efecte share on Nasdaq First North immediately preceding the announcement of the Tender Offer.

The price offered for each Stock Option validly tendered in the Tender Offer is EUR 10.00 in cash for each outstanding Stock Option 2018B (the “**Option 2018B Offer Price**”), EUR 10.61 in cash for each outstanding Stock Option 2018C (the “**Option 2018C Offer Price**”), EUR 0.01 in cash for each outstanding Stock Option 2021A (the “**Option 2021A Offer Price**”), EUR 0.01 in cash for each outstanding Stock Option 2021A1 (the “**Option 2021A1 Offer Price**”), EUR 3.77 in cash for each outstanding Stock Option 2021B (the “**Option 2021B Offer Price**”), EUR 3.77 in cash for each outstanding Stock Option 2021B1 (the “**Option 2021B1 Offer Price**”) and EUR 4.69 in cash for each outstanding Stock Option 2021C (the “**Option 2021C Offer Price**”), and together with the Option 2018B Offer Price, Option 2018C Offer Price, Option 2021A Offer Price, Option 2021A1 Offer Price, Option 2021B Offer Price and Option 2021B1 Offer Price, the “**Option Offer Price**”), subject to any adjustments as set out below.

The Share Offer Price has been determined based on 6,446,542 issued and outstanding Shares. The Option 2018B Offer Price has been determined based on 77,825 Stock Options 2018B issued and outstanding, the Option 2018C Offer Price has been determined based on 103,750 Stock Options 2018C issued and outstanding, the Option 2021A Offer Price has been determined based on 118,650 Stock Options 2021A issued and outstanding, the Option 2021A1 Offer Price has been determined based on 24,000 Stock Options 2021A1 issued and outstanding, the Option 2021B Offer Price has been determined based on 128,145 Stock Options 2021B issued and outstanding, the Option 2021B1 Offer Price has been determined based on 19,500 Stock Options 2021B1 issued and outstanding and the Option 2021C Offer Price has been determined based on 138,850 Stock Options 2021C issued and outstanding.

Should the Company change the number of the Shares that are issued and outstanding on the date of the Combination Agreement as a result of a new share issue, reclassification, stock split (including a reverse split) or any other similar transaction with dilutive effect other than as agreed to be permitted in relation to the Company’s existing share-based incentive schemes, or should the Company distribute a dividend or otherwise distribute funds or any other assets to its shareholders, or if a record date with respect to any of the foregoing occurs prior to any of the settlements of the completion trades (whether after the expiry of the offer period or any subsequent offer period) the Share Offer Price and the Option Offer Price payable by the Offeror will be reduced accordingly on a euro-for-euro basis.

### **The Offer Period**

The offer period under the Tender Offer is expected to commence on or about January 30, 2024, and to expire on or about March 5, 2024. The Offeror reserves the right to extend the offer period from time to time in accordance with, and subject to, the terms and conditions of the Tender Offer and applicable laws and regulations, in order to satisfy the conditions to completion of the Tender Offer, including, among others, the receipt of all necessary regulatory approvals, permits, clearances and consents, including without limitation approvals required under applicable foreign direct investment laws (or, where applicable, the expiry of relevant waiting periods) required under applicable regulatory laws in any jurisdiction for the completion of the Tender Offer. The Tender Offer is currently expected to be completed at the end of the first quarter or at the beginning of the second quarter of 2024.

The detailed terms and conditions of the Tender Offer as well as instructions on how to accept the Tender Offer will be included in the Tender Offer Document, which the Offeror expects to publish on or about January 29, 2024.

## **Recommendation by the Board of Directors of Efecte**

The Board of Directors of Efecte has unanimously decided to recommend that the shareholders of Efecte and the holders of Stock Options accept the Tender Offer. The Board of Directors will issue its statement on the Tender Offer before the commencement of the offer period, and it will be appended to the Tender Offer Document. The Board of Directors of Efecte received an opinion (the “**Opinion**”), dated January 18, 2024, of Efecte’s financial adviser, Carnegie Investment Bank AB, Finland Branch, to the effect that, as of the date of the Opinion, the Share Offer Price to be paid to the holders of Shares pursuant to the Tender Offer was fair from a financial point of view to such holders of Shares, which opinion was based upon and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described in such opinion. The Opinion was provided for the use and benefit of the Board of Directors of Efecte and does not constitute a recommendation as to how any holders of Shares should act in connection with the Tender Offer or any related matter. The complete Opinion will be attached to the statement of the Board of Directors of Efecte.

## **Support by certain shareholders of Efecte**

First Fellow Oy, Oy Fincorp Ab, Markku Montonen, Chair of Efecte’s Board of Directors Pertti Ervi, member of Efecte’s Board of Directors Turkka Keskinen and all members of the Leadership Team of Efecte, including CEO Niilo Fredrikson, together representing approximately 26.4 percent of all Shares and votes in Efecte and 63.9 percent of the Stock Options, have irrevocably undertaken to accept the Tender Offer. These irrevocable undertakings will remain in force regardless of any superior competing offers and will terminate in case the Offeror announces that it will not pursue or complete (or will cancel) the Tender Offer or if the Offeror announces that it will waive the acceptance threshold of more than 90 percent of the Shares in such a manner that the Tender Offer could be completed at an acceptance threshold of less than two thirds of the Shares or that it will lower the acceptance threshold of the Tender Offer to less than two thirds of the Shares.

In addition, Aktia Nordic Micro Cap Fund, Ilmarinen Mutual Pension Insurance Company and Alcur Fonder AB, together representing approximately 15.8 percent of all Shares and votes in Efecte, have irrevocably undertaken to accept the Tender Offer. These irrevocable undertakings will terminate in case the Offeror announces that it will not pursue or complete (or will cancel) the Tender Offer, or in the event that a competing tender offer is announced by a third party with a consideration of at least 10 percent higher than the Share Offer Price and the Offeror does not within seven business days match or exceed the consideration offered in such competing tender offer.

All irrevocable undertakings represent in aggregate approximately 44.1 percent of the Shares on a fully diluted basis (assuming full conversion of the Stock Options into shares in Efecte).

## **Conditions to Completion of the Tender Offer**

The obligation of the Offeror to accept for payment the validly tendered Shares and Stock Options, which have not been withdrawn in accordance with the terms and conditions of the Tender Offer, and to complete the Tender Offer shall be subject to the fulfilment or, to the extent permitted by applicable law, waiver by the Offeror of the following conditions (jointly the “**Closing Conditions**”) on or prior to the date of the Offeror’s announcement of the final result of the Tender Offer in accordance with Chapter 11, Section 18 of the Finnish Securities Markets Act (date of such announcement of the final result, the “**Result Announcement Date**”):

1. the Tender Offer has been validly accepted with respect to Shares representing, together with any other Shares otherwise acquired by the Offeror prior to or during the offer period, more than ninety (90) percent of the Shares and voting rights in the Company on a fully diluted basis calculated in accordance with Chapter 18, Section 1 of the Finnish Companies Act;
2. the receipt of all necessary regulatory approvals, permits, clearances and consents, including without limitation approvals required under applicable foreign direct investment laws, competition clearances (or, where applicable, the expiry of relevant waiting periods) required under applicable competition laws or other regulatory laws in any jurisdiction for the completion of the Tender Offer, and that any conditions set out in such approvals, permits, clearances or consents, including, but not limited to, any requirements for the disposal of any assets of the Offeror or the Company or any reorganization of the

business of the Offeror or the Company, are reasonably acceptable to the Offeror in that they are not materially adverse to the Offeror or the Company in view of the Tender Offer and have been satisfied or complied with to the extent necessary;

3. no material adverse change has occurred on or after the date of the Combination Agreement;
4. the Offeror not, after the date of the Combination Agreement, having received information that constitutes a material adverse change;
5. no information made public by the Company or disclosed by the Company to the Offeror being materially inaccurate, incomplete, or misleading, and the Company not having failed to make public any information that should have been made public by it under applicable laws, including the rules of Nasdaq First North, provided that, in each case, the information made public, disclosed or not disclosed or the failure to disclose information constitutes a material adverse change;
6. no legislation or other regulation has been issued and no court or regulatory authority of competent jurisdiction has given a decision or issued any regulatory action that would wholly or in any material part prevent, postpone or frustrate the completion of the Tender Offer;
7. the Board of Directors of the Company having issued its unanimous recommendation that the holders of the Shares and the holders of the Stock Options accept the Tender Offer and tender their Shares and Stock Options in the Tender Offer and the recommendation remaining in full force and effect and has not been withdrawn, modified, cancelled, or amended (excluding, however, any technical modification or change of the recommendation required under applicable laws or the Helsinki Takeover Code as a result of a competing offer or otherwise so long as the recommendation to accept the Tender Offer is upheld);
8. the Combination Agreement not having been terminated and remaining in force and no event having occurred that, with the passage of time, would give the Offeror the right to terminate the Combination Agreement; and
9. the undertakings by the major shareholders and the management shareholders to accept the Tender Offer remaining in force in accordance with their terms.

The Closing Conditions set out herein are exhaustive. The Offeror shall only invoke any of the Closing Conditions so as to cause the Tender Offer not to proceed, to lapse or to be withdrawn if the circumstances which give rise to the right to invoke the relevant Closing Condition have a significant meaning to the Offeror in view of the Tender Offer, as referred to in the Regulations and Guidelines 9/2013 issued by the Finnish Financial Supervisory Authority and the Helsinki Takeover Code. If all Closing Conditions have been fulfilled or the Offeror has waived the requirements for the fulfilment of all or some of them no later than at the time of announcement of the final results of the Tender Offer, the Offeror will consummate the Tender Offer in accordance with its terms and conditions after the expiration of the offer period by purchasing the Shares and Stock Options validly tendered in the Tender Offer and paying the Share Offer Price and the Option Offer Price to the holders of Shares and holders of Stock Options that have validly accepted the Tender Offer.

### **Regulatory Approvals**

The Offeror will, as soon as reasonably practicable, make all material and customary submissions, notifications and filings (or draft notifications as appropriate) required to obtain all necessary regulatory approvals, permits, clearances and consents, including without limitation approvals required under applicable foreign direct investment laws (or, where applicable, the expiry of relevant waiting periods) required under applicable regulatory laws in any jurisdiction for the completion of the Tender Offer. To the Offeror's knowledge, the Offeror is not under any obligation to obtain any approval from any regulatory authority for the completion of the Tender Offer other than an approval from the Ministry of Economic Affairs and Employment of Finland.

Based on currently available information, the Offeror expects to obtain approval from the Ministry of Economic Affairs and Employment of Finland and to complete the Tender Offer at the end of the first quarter or at the beginning of the second quarter of 2024. The Offeror will use its reasonable best efforts to obtain the regulatory approval. However, the length and outcome of the regulatory clearance process is not within the control of the Offeror, and there can be no assurances that clearance will be obtained within the estimated timeframe, or at all.

## **Financing**

The Offeror has received an equity commitment, as evidenced in the equity commitment letter from Corten Capital I, LP addressed to the Offeror and debt commitments, as evidenced in a debt commitment letter from Golub Capital LLC on behalf of certain of its affiliated, similarly managed and/or related funds and addressed to the Offeror and its indirect parent company, Neo Midco S.à r.l., in each case, to finance the Tender Offer at completion and compulsory redemption proceedings, if any. Golub Capital LLC's debt commitment to the Offeror and its indirect parent company, Neo Midco S.à r.l., has been committed on a customary European "certain funds" basis and the debt financing's availability is subject only to the following limited conditions: (i) no event of default relating to non-payment, breach of certain major undertakings, major misrepresentation, cross default, certain insolvency proceedings (or certain similar proceedings), unlawfulness or repudiation and rescission of certain agreements, is continuing or would result from the drawdown; (ii) no event of illegality in respect of the lenders or certain change of control events having occurred; and (iii) the provision of certain customary documentary and commercial conditions precedent each of which is satisfied, in a customary form, or within the control of the Offeror. The Offeror's obligation to complete the Tender Offer is not conditional upon availability of financing (assuming that all the Closing Conditions of the Tender Offer are satisfied or waived by the Offeror).

## **Future plans concerning the Shares and the Stock Options**

The Offeror intends to acquire all the Shares and Stock Options. If the Offeror, as a result of the completion of the Tender Offer or otherwise, acquires Shares representing more than 90 percent of all the outstanding Shares and votes in the Company, then:

- a) the Offeror will commence, as soon as reasonably practicable, compulsory redemption proceedings in accordance with the Finnish Companies Act for all the remaining Shares. Thereafter, the Offeror will apply for the shares in Efecte to be delisted from Nasdaq First North, as soon as permitted and reasonably practicable under the applicable laws and regulations and the rules of Nasdaq First North; and
- b) the Stock Options of the holders who have not accepted the Tender Offer will be transferred for redemption to the Offeror in accordance with the terms and conditions of the option programme 2018 and the option programme 2021, respectively, at the Option Offer Price applicable to such Stock Option.

## **The Combination Agreement**

The Combination Agreement between Efecte and the Offeror sets forth the principal terms under which the Offeror will make the Tender Offer.

Under the Combination Agreement, the Board of Directors of Efecte may, at any time prior to the completion of the Tender Offer, withdraw, modify, cancel or amend its recommendation and take actions contradictory to the recommendation, including by way of deciding not to issue its recommendation for the shareholders of Efecte and the holders of the Stock Options to accept the Tender Offer, but only if the Board of Directors of Efecte determines in good faith due to any event, condition, circumstance, development, occurrence, change, effect or fact (the "Effect") occurring after the date of the Combination Agreement or an Effect occurring prior to the date of the Combination Agreement of which the Board of Directors of the Company was not aware (having made, prior to the date of the Combination Agreement, reasonable enquiries of the CEO and the Group Management Board) as at the date of the Combination Agreement, after receiving written advice from its reputable external legal counsel and financial advisor(s) and after consultation with the Offeror, that such withdrawal, modification, cancellation or amendment of its recommendation or contrary action is required for the Board of Directors of the Company to comply with its mandatory fiduciary duties towards the holders of the Shares under Finnish laws and regulations (the "Fiduciary Duties"). If such an action by the Board of Directors of the Company is connected to a competing offer or a written competing proposal that constitutes an approach of a serious nature, which the Board of Directors of Efecte has determined in good faith to constitute, when considered as a whole, a superior offer (both from financial and deliverability points of view) to the Offeror's Tender Offer, the Board of Directors of the Company may withdraw, modify, cancel or amend



or take actions contradictory to its recommendation, but only if the Board of Directors of the Company has (i) complied with its obligations in the Combination Agreement to not solicit competing transactions, (ii) notified the Offeror of the Company's receipt of the competing offer or competing proposal with reasonably detailed information about the competing offer or competing proposal (including the identity of the competing offeror, pricing, and other material terms and conditions, as well as any material revisions thereto), (iii) in good faith provided the Offeror with an opportunity to negotiate with the Board of Directors of the Company about matters arising from the competing offer or competing proposal, and (iv) given the Offeror at least seven (7) business days from the date of publishing the competing offer or from the date of the Offeror having been informed in writing of a serious competing proposal ready to be launched and of its material terms to enhance its Tender Offer as contemplated by the Combination Agreement.

The Company shall, and shall cause its subsidiaries and representatives to, (a) not to, directly or indirectly, solicit, knowingly encourage, facilitate, promote, participate in any negotiations, provide information with respect to the Company to any person in connection with, or otherwise cooperate in any manner with, any competing offer or inquiry or proposal for such offer or for any other transaction, including without limitation any sale, spin-off or other transfer of all or any material portion of the Company's assets or businesses, whether through a public tender offer or by sale or transfer of assets, sale of shares, reorganization or merger, transfer of employees in a hiring action by a third party (other than the Offeror or its representatives) or otherwise, or any other similar corporate transaction that could constitute or result in any competing transaction or otherwise prevent, harm, delay or hinder the completion of the Tender Offer, (b) cease and cause to be terminated any possible discussions, negotiations or other activities related to any competing proposal conducted by or on behalf of the Company prior the signing date of the Combination Agreement, (c) not to, upon receipt of a competing proposal, directly or indirectly, facilitate or promote the progress of such competing proposal, unless such measures are required in order for the Board of Directors of the Company to comply with its Fiduciary Duties (and only to the extent necessary for the fulfillment of the Fiduciary Duties), and provided that the Company complies with certain procedures about matters arising from such competing proposal.

The Combination Agreement further includes certain customary representations, warranties and undertakings by both parties, such as conduct of Efecte's and each of its subsidiaries' business in the ordinary course of business until the earlier of the completion of the Tender Offer or the termination of the Combination Agreement in accordance with its terms and use of reasonable best efforts by the parties to do, or cause to be done, and to assist and cooperate with the other party in doing, all things necessary or advisable to consummate the Tender Offer and the transactions contemplated by the Combination Agreement.

The Combination Agreement may be terminated and the transactions contemplated in the Combination Agreement abandoned by the Company or the Offeror in certain circumstances, including, among others, if a final, non-appealable injunction or other order issued by any court of competent jurisdiction or other final, non-appealable legal restraint or prohibition preventing the consummation of the Tender Offer has taken effect after the date of the Combination Agreement and continues to be in effect or upon a material breach of any warranty or undertaking given by the Company or the Offeror.

If the Combination Agreement is terminated due to a competing offer or competing proposal being completed, the Company has agreed to reimburse expenses incurred by the Offeror up to the maximum amount of EUR 3,000,000 and if the Combination Agreement is terminated due to a competing offer or competing proposal that has not been completed, the Company has agreed to reimburse expenses incurred by the Offeror up to the maximum amount of EUR 2,000,000. In addition, if the Combination Agreement is terminated due to a material breach of any warranties or undertakings given by the Company, the Company has agreed to reimburse expenses incurred by the Offeror up to the maximum amount of EUR 300,000. If the Combination Agreement is terminated due to certain reasons specified in the Combination Agreement, the Offeror has agreed to reimburse expenses incurred by the Company up to the maximum amount of EUR 300,000.

## **ADVISERS**

The Offeror has appointed Danske Bank A/S, Finland Branch as financial adviser and arranger in connection with the Tender Offer and Roschier, Attorneys Ltd. as legal adviser and Milton Ltd as the communication adviser in connection with the Tender Offer. Efecte has appointed Carnegie Investment Bank AB, Finland

Branch as financial adviser and Castrén & Snellman Attorneys Ltd as legal adviser in connection with the Tender Offer.

**Investor and Media Press Conference:**

Corten Capital and Efecte invite shareholders of Efecte and holders of Stock Options, analysts and media representatives to attend a webcast briefing on the Tender Offer, including a Q&A session, tomorrow, January 19, 2024, at 12:30 p.m. (EET).

The presentation will be in English, and questions can be asked either in English or Finnish.

Link to webcast: <https://bit.ly/47GSpw9>

Participants may submit questions in writing during the event through a message platform available in the webcast.

**Investor and Media enquiries:**

For further information, please see the dedicated website at: <https://efecte.tenderoffer.fi>

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#### **Information for shareholders and holders of Stock Options of Efecte in the United States**

Shareholders and holders of Stock Options of Efecte in the United States are advised that the Shares or Stock Options are not listed on a U.S. securities exchange and that Efecte is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “**SEC**”) thereunder.

The Tender Offer will be made for the Shares and Stock Options of Efecte, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is expected to be made in the United States pursuant to Section 14(e) of, and Regulation 14E, under the Exchange Act, subject to the exemption provided under Rule 14d-1(d) under the Exchange Act, for a Tier II tender offer and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those applicable under the tender offer procedures and laws of the United States for domestic offers. In particular, the financial information included in this announcement has been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies. The Tender Offer is made to Efecte’s shareholders and holders of Stock Options resident in the United States on the same terms and conditions as those made to all other shareholders and holders of Stock Options of Efecte to whom an offer is made. Any informational documents, including this announcement, are being disseminated to U.S. shareholders and holders of Stock Options on a basis comparable to the method that such documents are provided to Efecte’s other shareholders and holders of Stock Options.

To the extent permissible under applicable law or regulations, the Offeror and its affiliates or its brokers and its brokers’ affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time after the date of this release and during the pendency of the Tender Offer, and other than pursuant to the Tender Offer, directly or indirectly purchase or arrange to purchase Shares or any securities that are convertible into, exchangeable for or exercisable for Shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, and the consideration in the Tender Offer must be increased to match any such consideration paid outside the Tender Offer. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders and holders of Stock Options of Efecte of such information. In addition, the financial adviser to the Offeror may also engage in ordinary course trading activities in securities of Efecte, which may include purchases or arrangements to purchase such securities. To the extent required in Finland, any information about such purchases will be made public in Finland in the manner required by Finnish law.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of the disclosure in relation to the Tender Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. holder of Shares or Stock Options may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of Shares or Stock Options is urged to consult its independent professional advisers immediately regarding the tax and other consequences of accepting the Tender Offer.

To the extent the Tender Offer is subject to U.S. securities laws, those laws only apply to U.S. holders of Shares or Stock Options, and will not give rise to claims on the part of any other person. It may be difficult for Efecte's shareholders or holders of Stock Options to enforce their rights and any claims they may have arising under the U.S. federal securities laws, since the Offeror and Efecte are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Efecte's shareholders or holders of Stock Options may not be able to sue the Offeror or Efecte or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and Efecte and their respective affiliates to subject themselves to a U.S. court's judgment.

### **Forward-looking statements**

This release contains statements that, to the extent they are not historical facts, constitute "forward-looking statements". Forward-looking statements include statements concerning plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position, future operations and development, business strategy and the trends in the industries and the political and legal environment and other information that is not historical information. In some instances, they can be identified by the use of forward-looking terminology, including the terms "believes", "intends", "may", "will" or "should" or, in each case, their negative or variations on comparable terminology. By their very nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Given these risks, uncertainties and assumptions, investors are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements contained herein speak only as at the date of this release.

### **Disclaimer**

Danske Bank A/S is authorised under Danish banking law. It is subject to supervision by the Danish Financial Supervisory Authority. Danske Bank A/S is a private, limited liability company incorporated in Denmark with its head office in Copenhagen where it is registered in the Danish Commercial Register under number 61126228.

Danske Bank A/S (acting via its Finland Branch) is acting as a financial adviser to the Offeror and no other person in connection with these materials or their contents. Danske Bank A/S will not be responsible to any person other than the Offeror for providing any of the protections afforded to clients of Danske Bank A/S, nor for providing any advice in relation to any matter referred to in these materials. Without limiting a person's liability for fraud, Danske Bank A/S, nor any of its affiliates nor any of its respective directors, officers, representatives, employees, advisers or agents shall have any liability to any other person (including, without limitation, any recipient) in connection with the Tender Offer.

Carnegie Investment Bank AB (publ), which is authorised and regulated by the Swedish Financial Supervisory Authority (Finansinspektionen), is acting through its Finland Branch ("**Carnegie**"). The Finland branch is authorised by the Swedish Financial Supervisory Authority and subject to limited regulation by the Finnish Financial Supervisory Authority (Finanssivalvonta). Carnegie is acting exclusively for Efecte Plc and no one else in connection with the Tender Offer and the matters set out in this announcement. Neither Carnegie nor its affiliates, nor their respective partners, directors, officers, employees or agents are responsible to anyone other than Efecte Plc for providing the protections afforded to clients of Carnegie, or for giving advice in connection with the Tender Offer or any matter or arrangement referred to in this announcement.