



Nordec Group Corporation

Contemplated listing to Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki Ltd
Share Issue of approximately EUR 7.0 million
Share Sale preliminarily of a maximum of 3,330,783 Sale Shares
Subscription Price EUR 7.36 per Offer Share

This prospectus (the “**Prospectus**”) has been prepared in connection with the initial public offering of Nordec Group Corporation (the “**Company**”), a public limited liability company incorporated in Finland. In the share issue, the Company aims to raise gross proceeds of approximately EUR 7.0 million by offering new shares in the Company (the “**New Shares**”) for subscription (the “**Share Issue**”). The Company will issue preliminarily up to 960,000 New Shares. In addition, Donges SteelTec GmbH (the “**Selling Shareholder**”), a wholly-owned subsidiary of the German publicly listed private equity holding company Mutares SE & Co. KGaA (“**Mutares**”), will offer for purchase preliminarily a maximum of 3,330,783 existing shares in the Company in aggregate (the “**Sale Shares**”) (the “**Share Sale**,” and together with the Share Issue, the “**Offering**”). The subscription price for the Offer Shares (as defined below) is EUR 7.36 per Offer Share (the “**Subscription Price**”). The subscription price in the Personnel Offering (as defined below) is 10 percent lower than the Subscription Price (*i.e.*, EUR 6.63).

The Offering consists of (i) a public offering to private individuals and entities in Finland, Sweden and Denmark (the “**Public Offering**”), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (the “**Institutional Offering**”) and (iii) a personnel offering to all employees of the Company and its subsidiaries in Finland, Sweden, Lithuania, Poland and the Czech Republic with an employment relationship with the Company or its subsidiaries, which has not been terminated at the end of the subscription period, as well as to the members of the Board of Directors, management team and Chief Executive Officer of Nordec (the “**Personnel**”) (the “**Personnel Offering**”).

The Selling Shareholder is expected to grant to Evli Plc (“**Evli**”), acting as stabilizing manager (the “**Stabilizing Manager**”), an over-allotment option to purchase a maximum of 643,617 additional Shares at the Subscription Price (the “**Additional Shares**”) solely to cover over-allotments in connection with the Offering (the “**Over-allotment Option**”). The Over-allotment Option is exercisable within 30 days from commencement of trading in the shares in the Company (the “**Shares**”) on the Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) (the “**First North Growth Market**”). Assuming that the Over-allotment Option will be exercised in full and that 40,000 Shares are subscribed for in the Personnel Offering, the number of Offer Shares amounts to 4,934,400. Unless the context indicates otherwise, the New Shares (including the Personnel Shares (as defined below)), the Sale Shares and the Additional Shares are together referred to herein as the “**Offer Shares**.”

Harjavalta Oy (“**Harjavalta**”) and Tirinom Oy (“**Tirinom**”) as well as certain other professional investors (each separately a “**Cornerstone Investor**” and together, the “**Cornerstone Investors**”) have, subject to certain conditions, each separately, undertaken to participate in the Offering and subscribe for shares with an aggregate amount of not less than EUR 22.4 million, provided that the Company raises gross proceeds of at least EUR 7.0 million, and the maximum valuation of all of Nordec’s outstanding shares (*i.e.*, excluding treasury shares) (after any proceeds from the Share Issue and taking into account the dilution effect of the Company’s outstanding option rights), does not exceed EUR 65.1 million based on the final subscription price. For additional information, see “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Institutional Offering—Subscription Undertakings*.”

Evli has been appointed to act as sole global coordinator and bookrunner for the Offering (the “**Global Coordinator**”). In addition, the Company has appointed Nordnet Bank AB (“**Nordnet**”) as the subscription place in the Public Offering, in addition to which Nordnet also accepts subscriptions in the Institutional Offering, and Evli Alexander Incentives Oy (“**Evli Alexander Incentives**”) as the subscription place in the Personnel Offering.

The subscription period for the Public Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time). The subscription period for the Institutional Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 21, 2022, at 12:00 noon (Finnish time). The subscription period for the Personnel Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time). For directions for subscription and full terms and conditions of the Offering, see “*Terms and Conditions of the Offering*.”

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market with the trading code NORDEC (ISIN code: FI4000523089). Trading of the Shares on the First North Growth Market is expected to commence on or about June 23, 2022 (the “**First North Listing**”). Evli will act as the Company’s certified adviser (the “**Certified Adviser**”) referred to in the Nasdaq First North Growth Market Rulebook (the “**First North Rulebook**”).

The First North Growth Market is a registered small and medium-sized enterprise (“SME”) growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) (the “Directive on Markets in Financial Instruments”) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on the First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in European Union (the “EU”) legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on the First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on the First North Growth Market have a Certified Adviser who monitors that the rules are followed. Nasdaq Helsinki approves the application for admission to trading.

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States. The Offer Shares are being offered and sold outside the United States in compliance with Regulation S under the U.S. Securities Act (“**Regulation S**”). This Prospectus may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to make an offer of the Shares. The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any such countries.

For certain risk factors involved in investing in the Shares, see “*Risk Factors*.”

Sole Global Coordinator and Bookrunner



IMPORTANT INFORMATION

In this Prospectus, any reference to the “Company” means Nordec Group Corporation and “Nordec” and “Group” mean Nordec Group Corporation and its subsidiaries on a consolidated basis, except where it is clear from the context that the term means Nordec Group Corporation or a particular subsidiary or business unit only. References relating to the shares and share capital of the Company or matters of corporate governance refer to the shares, share capital and corporate governance of Nordec Group Corporation. Evli has been appointed to act as the Global Coordinator for the Offering.

The Company has prepared and published this Prospectus in order to offer Shares to the public in Finland, Sweden and Denmark and list the Shares on the First North Growth Market. This Prospectus has been prepared in accordance with the Finnish Securities Markets Act (746/2012, as amended, the “Finnish Securities Markets Act”), Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the “Prospectus Regulation”), Commission Delegated Regulation (EU) 2019/979 of March 14, 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301, as amended, Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 (Annexes I and II), supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended, and the regulations and guidelines issued by the Finnish Financial Supervisory Authority (the “FIN-FSA”).

This Prospectus also contains a summary in the format required by Article 7 of the Prospectus Regulation. This Prospectus is an English language translation of the Finnish language summary and prospectus (the “Finnish Prospectus”), and they contain the same information. This Prospectus also contains a Swedish language translation of the summary. In accordance with the Prospectus Regulation, this Prospectus will be notified to the Swedish Financial Supervisory Authority to be used to offer Shares to the public in Sweden and to the Danish Financial Supervisory Authority to be used to offer Shares to the public in Denmark. The FIN-FSA has approved the Finnish Prospectus as the competent authority under the Prospectus Regulation. The FIN-FSA only approves the Finnish Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FIN-FSA of the Finnish Prospectus should not be considered as an endorsement of the issuer that is the subject of the Finnish Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The record number of the FIN-FSA’s approval of the Finnish Prospectus is FIVA/2022/374. The English language Prospectus has not been approved by the FIN-FSA. In the event of any discrepancies between the Finnish Prospectus and this English language Prospectus, the Finnish Prospectus shall prevail.

Shareholders and prospective investors should rely solely on the information contained in this Prospectus as well as on the company releases published by the Company. Neither the Company, the Selling Shareholder nor the Global Coordinator have authorized anyone to provide any information or give any statements other than those provided in this Prospectus. Delivery of this Prospectus shall not, under any circumstances, indicate that the information presented in this Prospectus is correct on any day other than the date of this Prospectus (excluding historical financial information and the description of Nordec’s history), or that there would not be any changes in the business of Nordec after the date of this Prospectus. However, if a significant new factor, material mistake or material inaccuracy, which may affect the assessment of the Offer Shares, is discovered in this Prospectus, the Finnish Prospectus will be supplemented in accordance with the Prospectus Regulation. If the Finnish Prospectus is supplemented, the supplement and its English language translation will be published through a company release. Information given in this Prospectus is not a guarantee or grant for future events by Nordec, the Selling Shareholder or the Global Coordinator, and shall not be considered as such. Unless otherwise stated, any estimates with respect to market development relating to Nordec or its industry are based upon the reasonable estimates of the Company’s management.

The validity of the Finnish Prospectus expires when the public offering of the Offer Shares ends. Responsibility to supplement the Finnish Prospectus in accordance with the Prospectus Regulation in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Finnish Prospectus is no longer valid.

In a number of countries, in particular in the United States, the United Kingdom, Australia, Canada or Japan, the distribution of this Prospectus and the offer of the Offer Shares are subject to restrictions imposed by law (such as registration, admission, qualification and other regulations). The offer to subscribe for or purchase the Offer Shares does not include persons in any jurisdiction where such an offer would be illegal. No action has been or will be taken by the Company, the Selling Shareholder or the Global Coordinator to permit the possession or distribution of this Prospectus (or any other offering or publicity materials or application form(s) relating to the Offering) in any jurisdiction where such distribution may otherwise lead to a breach of any law or regulatory requirement.

The Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any documents relating to the Offer Shares nor any advertisements may be distributed or published in any jurisdiction in which this would violate any laws or regulations. No action has been or will be taken by the Company, the Selling Shareholder or the Global Coordinator to permit the public offering of the Offer Shares outside Finland, Sweden and Denmark. The Company, the Selling Shareholder and the Global Coordinator urge that any person who receives this Prospectus into their possession acquire adequate information of these restrictions and comply with them. Further information with regard to restrictions on offers, sales and deliveries of the Offer Shares and the distribution of this Prospectus and other offering material relating to the Offer Shares is set out in “*Selling and Transfer Restrictions*.”

The Shares have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S). The Shares are being offered and sold outside the United States in compliance with Regulation S. This Prospectus may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to make an offer of the Shares. The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any such countries.

Neither the Company, the Selling Shareholder nor the Global Coordinator accept any legal responsibility for persons who have obtained this Prospectus in violation of these restrictions, irrespective of whether these persons are prospective subscribers or purchasers of the Shares.

The Company reserves the right, at its sole and absolute discretion, to reject any subscription of the Shares that the Company or its representatives believe may give rise to a breach or violation of any law, rule or regulation.

The Global Coordinator is acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering. It will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to the Offering. The Global Coordinator will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to its clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to in this Prospectus.

Investors must not construe the contents of this Prospectus as legal, investment or tax advice. Each investor should consult such investor’s own counsel, accountant or business advisor as to legal, investment and tax advice and related matters pertaining to the Offering, if they deem it necessary.

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SUMMARY

Introduction

*This summary should be read as an introduction to this prospectus (the “**Prospectus**”). Any decision to invest in the Offer Shares (as defined below) should be based on consideration of this Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.*

The identity and contact details of the issuer are:

Company.....	Nordec Group Corporation
Business identity code.....	2941137-2
Legal entity identifier (“ LEI code ”).....	7437009NFZ57QT86T947
Domicile	Helsinki, Finland
Registered office.....	Eteläinen Makasiinikatu 4, FI-00130 Helsinki, Finland

Before the Offering (as defined below), the shares in Nordec Group Corporation (the “**Company**”) (the “**Shares**”) have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) for the Shares to be listed on the Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki (the “**First North Growth Market**”) with the trading code NORDEC (ISIN code: FI4000523089). Trading of the Shares on the First North Growth Market is expected to commence on or about June 23, 2022.

The Finnish Financial Supervisory Authority (the “**FIN-FSA**”) has, in its capacity as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the “**Prospectus Regulation**”), approved the Finnish language summary and prospectus (the “**Finnish Prospectus**”) on the date of approval on June 6, 2022. The record number of the FIN-FSA’s approval of the Finnish Prospectus is FIVA/2022/374. The FIN-FSA’s address is P.O. Box 103, FI-00101 Helsinki, Finland, its telephone number is +358 9 183 51 and its email address is kirjaamo@finanssivalvonta.fi.

Key Information on the Issuer

Who is the Issuer of the Securities?

The Company is a Finnish public limited liability company organized under the laws of Finland and domiciled in Helsinki, Finland. The Company was registered in the trade register maintained by the Finnish Patent and Registration Office (the “**Trade Register**”) on October 17, 2018, its business identity code is 2941137-2 and its LEI code is 7437009NFZ57QT86T947.

Principal Activities

According to the Nordec (*i.e.*, Nordec Group Corporation and its subsidiaries on a consolidated basis, except where it is clear from the context that the term means Nordec Group Corporation or a particular subsidiary or business unit only) management estimate, it is, measured by revenue, one of the leading providers of steel frame structure and envelope solutions for construction projects in Finland, Sweden and Norway (together, the “**Nordics**”) with a strong position in the Central and Eastern European countries of Poland, Lithuania, the Czech Republic and Slovakia (together, the “**CEE Countries**”). Nordec has a long experience in designing, manufacturing and installing frame structures, envelopes and bridges. The main raw material used by Nordec in its construction structures is steel, however, Nordec is able to complement its offering with other elements and materials, such as concrete and wood, when needed through its external partners. Nordec has experienced personnel and flexible in-house production with a wide production range, which together enable the execution of complex projects.

Nordec has one operating segment that comprises five business areas: Multi storey, Single storey, Heavy Industry & Bridges, Envelope and Central and Eastern Europe (“**CEE**”). Nordec is headquartered in Helsinki, Finland. Nordec has offices and production facilities in Alavus, Peräseinäjoki and Ylivieska, Finland, Gargždai, Lithuania, and Oborniki, Poland, as well as offices in Helsinki, Pietarsaari, Turku and Vaasa, Finland, Stockholm and Öjebyn, Sweden, and Brno and Prague, the Czech Republic.

Major Shareholders

The Company is controlled by the Donges SteelTec GmbH (the “**Selling Shareholder**”), which owns 100.0 percent of the outstanding Shares and the voting rights as at the date of this Prospectus. Donges SteelTec is indirectly fully owned by the German publicly listed investment company Mutares SE & Co. KGaA (“**Mutares**”). In addition, the Company has allocated a total of 177,000 option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and a total of 177,000 option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. Each option right will entitle the option holder to subscribe for one Share. The right to subscribe for Shares is conditional upon the completion of the Offering.

Chief Executive Officer and the Management Team

The following table sets forth the members of Nordec’s management team as at the date of this Prospectus:

	Position	Citizenship	Year of birth
Kalle Luoto	Chief Executive Officer	Finland	1967
Jarkko Nurminen	Chief Financial Officer	Finland	1975
Risto Schildt	Head of Operations, Supply Chain & Design	Finland	1972
Timo Alanko	Director of PMO	Finland	1964
Magnus Thelm	Sales & Marketing Director	Sweden	1970
Vesa Vaihtamo.....	Director, BU Single-Storey	Finland	1968
Pasi Parkkinen	Director, BU Industry & Bridges	Finland	1978
Minna Kuusela-Opas	Director, BU Multi-Storey	Finland	1966
Tommi Raski	Director, BU Envelope	Finland	1975
Jan Samec	Director, BU CEE	Czech Republic	1977

The Board of Directors

The following table sets forth the members of the Company’s Board of Directors as at the date of this Prospectus:

	Position	Citizenship	Year of birth
Petri Rignell.....	Chair	Finland	1962
Johannes Laumann.....	Member	Germany	1983
Kalle Luoto	Member	Finland	1967

Statutory Auditor

Nordec’s statutory auditor is Ernst & Young Oy (“**EY**”), Authorized Public Accountants, with Authorized Public Accountant Jari Karppinen as the auditor with principal responsibility. Jari Karppinen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act (*tilintarkastuslaki* 1141/2015, the “**Finnish Auditing Act**”) maintained by the Trade Register.

What is the Key Financial Information Regarding the Issuer?

The selected Nordec group’s consolidated financial information set forth below has been derived from Nordec’s unaudited condensed consolidated income statement, consolidated balance sheet and consolidated cash flow statement as at and for the three months ended March 31, 2022, prepared in accordance with “*IAS 34 – Interim Financial Reporting*,” including the unaudited comparative condensed consolidated income statement, consolidated balance sheet and consolidated cash flow statement as at and for the three months ended March 31, 2021 (the “**Interim Consolidated Financial Information**”), and Nordec’s audited consolidated financial statements as at and for the financial years ended December 31, 2021, 2020 and 2019, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (the “**EU**”) (“**IFRS**”) (the “**Audited Consolidated Financial Statements**,” and, together with the Interim Consolidated Financial Information, the “**Consolidated Financial Information**”).

The following table sets forth Nordec's key figures as at the dates and for the periods indicated:

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		As at December 31, 2019, and for the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited, unless otherwise indicated)		
(EUR in thousands, unless otherwise indicated)					
Consolidated income statement data					
Revenue.....	54,638	50,843	225,475	141,742	37,130
Change in revenue from previous period, percent	7.5	n/a	59.1 ⁽¹⁾	281.7 ⁽¹⁾	n/a ⁽¹⁾
Operating profit (EBIT).....	(437)	703	2,007	18,290	(7,531)
Profit for the period	(506)	452	965	16,817	(7,828)
Earnings per Share, basic, EUR ⁽²⁾	(0.07)	0.06	0.13 ⁽¹⁾	2.24 ⁽¹⁾	(1.04) ⁽¹⁾
Earnings per Share, diluted, EUR ⁽²⁾	(0.07)	0.06	0.13 ⁽¹⁾	2.24 ⁽¹⁾	(1.04) ⁽¹⁾
Consolidated balance sheet data					
Total assets.....	98,984	98,710	89,368	92,614	24,280
Total equity.....	29,637	25,852	29,604	25,109	2,946
Net debt.....	(5,520)	(13,902)	(6,664) ⁽¹⁾	(9,625) ⁽¹⁾	787 ⁽¹⁾
Consolidated cash flow statement data					
Net cash flow from operating activities.....	(154)	4,738	6,815	23,207	(1,869)
Net cash flow from investing activities.....	(826)	(437)	(3,639)	(9,558)	(895)
Net cash flow from financing activities.....	1,710	(2,007)	(7,993)	(1,577)	4,100

(1) Unaudited.

(2) The Earnings per Share, basic, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, basic, for all periods indicated was 7,500,000. As at the date of this Prospectus, the number of Shares is 7,500,000.

(3) The Earnings per Share, diluted, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, diluted, for all periods indicated was 7,500,000. In addition, the Earnings per Share, diluted, figure for the three months ended March 31, 2022, has been adjusted retrospectively for the effects of the issuances of option rights as resolved by the shareholder of the Company as at March 7, 2022, and May 13, 2022. Taking into account the abovementioned issuances of option rights, the Weighted average number of issued option rights during the period used to calculate Earnings per Share, diluted, for the three months ended March 31, 2022, was 153 000. As at the date of this Prospectus, the number of Shares is 7,500,000 and the number of issued option rights is 354,000.

There are no qualifications in the audit reports relating to the Audited Consolidated Financial Statements.

What Are the Key Risks that are Specific to the Issuer?

- Nordec's business is largely project based, and its projects may become subject to disruptions, delays, changes in scope or even cancellations that may be beyond Nordec's control, which could result in significant costs;
- failures in tendering processes, preparation of project contracts or project management could have an adverse effect on the profitability of Nordec's business;
- Nordec is dependent on its relationships with its major customers in the construction industry;
- Nordec is exposed to risks related to the use of third-party suppliers and subcontractors that could have an adverse effect on its liabilities and operations, and which may result in significant costs or delays in projects;
- Nordec may fail to successfully implement its strategy or successfully adapt its strategy, which could have an adverse effect on Nordec's business, financial condition and/or results of operations;
- significant disruptions in or the suspension of Nordec's production or deliveries, or damage to or destruction or closure of Nordec's production facilities, would materially undermine Nordec's ability to deliver its projects to its customers and adversely affect its business and results of operations;
- Nordec's business entails safety and health risks;
- uncertainties and unfavorable developments in the economy, political environment and financial markets may reduce demand for Nordec's services or cause disruptions, delays or increases in costs in its projects, which may adversely affect Nordec's business operations, results of operations and financial condition;
- increases in costs, disruption of supply or shortage of critical raw materials, such as steel could cause disruptions or delays in Nordec's operations and cause significant costs; and

- fluctuations in foreign exchange rates expose Nordec to, among others, transactional and translation risks, which could have a material adverse effect on Nordec's financial position and results of operations.

Key Information on the Securities

What Are the Main Features of the Securities?

The Shares have been entered into the Finnish book-entry system maintained by Euroclear Finland Oy ("**Euroclear Finland**") on June 1, 2022. As at the date of this Prospectus, Nordec has one share class. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company and Shares carry equal rights to dividends and other distributions by the Company. The rights attached to the Shares include, among others, pre-emptive rights to subscribe for new shares in the Company, the right to participate and exercise voting power at the general meetings of shareholders of the Company, the right to dividend and distribution of other unrestricted equity, and the right to demand redemption at a fair price from a shareholder that holds shares representing more than 90 percent of all the shares and votes in the Company, as well as other rights generally available under the Finnish Limited Liability Companies Act (624/2006, as amended) (the "**Finnish Companies Act**"). The Shares are freely transferrable. The trading code of the Shares will be NORDEC and the ISIN code will be FI4000523089. The Company will issue preliminarily 960,000 New Shares (as defined below) and the number of the Shares may increase preliminarily to a maximum of 8,460,000 Shares if all the New Shares preliminarily offered in the Offering are subscribed for in full, and assuming that a maximum of 40,000 Personnel Shares (as defined below) are offered in the Personnel Offering (as defined below). Offer Shares carry rights equal to all other Shares and they will entitle their holders to dividends and other distributions of funds (including the distribution of funds in the event of insolvency of the Company) as well as other rights related to the Shares.

Pursuant to Article 13 of the Company's articles of association, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company's articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 30 percent or 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options.

The Board of Directors of the Company has adopted a dividend policy pursuant to which the Company aims to distribute a dividend, which is at least 50 percent of its profit for the financial period, also taking into account the Company's financial position, cash flow and growth opportunities.

Where Will the Securities Be Traded?

The Company will submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. Trading on the Shares on the First North Growth Market is expected to commence on or about June 23, 2022.

What Are the Key Risks that Are Specific to the Securities?

- The amount of dividends paid by the Company in any given financial year is uncertain;
- the First North Listing will result in additional costs for the Company; the Company may fail to implement functions required from a listed company;
- the interests of the Selling Shareholder may differ from those of other shareholders; and
- the Shares have not been previously subject to public trading, and, thus, the market price of the Shares may be volatile and an orderly and liquid trading market may not develop.

Key Information on the Offer of the Securities to the Public

Under which Conditions and Timetable Can I Invest in this Security?

General

In the share issue, the Company aims to raise gross proceeds of approximately EUR 7.0 million by offering up to 960,000 new Shares (the "**New Shares**") for subscription (the "**Share Issue**") (assuming that a maximum of 40,000 New Shares are offered in the Personnel Offering). In addition, the Selling Shareholder will offer for purchase preliminarily a maximum of 3,330,783 existing shares in the Company in aggregate (the "**Sale Shares**") (the "**Share Sale**," and together with the Share Issue, the "**Offering**").

The Offering consists of (i) a public offering to private individuals and entities in Finland, Sweden and Denmark (the "**Public Offering**"), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (the "**Institutional Offering**") and (iii) a personnel offering to all employees of the Company and its

subsidiaries in Finland, Sweden, Lithuania, Poland and the Czech Republic with an employment relationship with the Company or its subsidiaries, which has not been terminated at the end of the subscription period, as well as to the members of the Board of Directors, management team and Chief Executive Officer of Nordec (the “**Personnel**”) (the “**Personnel Offering**”). Preliminarily a maximum of 550,000 Offer Shares are being offered in the Public Offering. Unless the context indicates otherwise, the New Shares (including the Personnel Shares), the Sale Shares and the Additional Shares are together referred to herein as the “**Offer Shares.**” Preliminarily a maximum of 3,700,783 Offer Shares are being offered in the Institutional Offering. Preliminarily a maximum of 40,000 New Shares (the “**Personnel Shares**”) are being offered in the Personnel Offering. Depending on the demand, the Company may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. Notwithstanding the above, the minimum number of Offer Shares to be offered in the Public Offering will be a number that corresponds to 440,000 Offer Shares or, if the aggregate number of Offer Shares covered by subscription commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by subscription commitments submitted in the Public Offering.

The Offer Shares represent a maximum of approximately 50.7 percent of the Shares and the number of votes vested by the Shares after the Offering assuming that the Over-allotment Option (as defined below) will not be exercised (approximately 58.3 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholder will sell the maximum number of Sale Shares and the Company will issue 960,000 New Shares.

Harjavalta Oy (“**Harjavalta**”), Tirinom Oy (“**Tirinom**”), UM-Yhtiöt Oy, Tradeka-sijoitus Oy, Ronnie Neva-Aho, Beachfish Invest Oy, Julius Tallberg Corp., Esa Korkeela, Sami Rantala, Seppo Valtonen and AH Advisory Oy (each separately a “**Cornerstone Investor**” and together, the “**Cornerstone Investors**”) have each, subject to certain conditions, undertaken to participate in the Offering and subscribe for shares with an aggregate amount of not less than EUR 22.4 million provided that the Company raises gross proceeds of at least EUR 7.0 million, and the maximum valuation of all of Nordec’s outstanding shares (*i.e.*, excluding treasury shares) (after any proceeds from the Share Issue and taking into account the dilution effect of the Company’s outstanding option rights), does not exceed EUR 65.1 million based on the final subscription price.

The Company’s Board of Directors and the Selling Shareholder, after consultation with the Global Coordinator (as defined below), will jointly decide on the execution of the Offering, the final number of Offer Shares and the allocation of Offer Shares (the “**Completion Decision**”) on or about June 22, 2022. The above information will be published through a company release and be available on the Company’s website at www.nordec.com/investors/ipo immediately after the Completion Decision and on the websites of the subscription places of the Public Offering and the Personnel Offering no later than the business day following the Completion Decision (*i.e.*, on or about June 23, 2022).

Over-allotment Option

The Selling Shareholder is expected to grant to Evli Plc (“**Evli**”) acting as stabilizing manager an over-allotment option to purchase at the Subscription Price (as defined below) a maximum of 643,617 additional Shares (the “**Additional Shares**”) solely to cover over allotments in connection with the Offering (the “**Over-allotment Option**”). The Over-allotment Option is exercisable within 30 days from commencement of trading in the Shares on the First North Growth Market. Assuming that the Over-allotment Option will be exercised in full and that 40,000 Shares are subscribed for in the Personnel Offering, the number of Offer Shares amounts to 4,934,400.

Subscription Price and Period

The Offer Shares are being offered at a subscription price of EUR 7.36 per Offer Share (the “**Subscription Price**”). The subscription price in the Personnel Offering is 10 percent lower than the Subscription Price. The Subscription Price may be changed during the subscription period so that in the Public Offering the Subscription Price will be no more than the original Subscription Price of EUR 7.36 per Offer Share. Possible change would be communicated through a company release. If the Subscription Price is changed, the Finnish Prospectus will be supplemented and the supplement will be published through a company release.

The subscription period for the Public Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time). The subscription period for the Institutional Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 21, 2022, at 12:00 noon (Finnish time). The subscription period for the Personnel Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time).

The Company’s Board of Directors and the Selling Shareholder are entitled to extend the subscription periods of the Public and Institutional Offerings. The Company’s Board of Directors is entitled to extend the subscription period of the Personnel Offering. A possible extension of the subscription period will be communicated through a company release, which will indicate the new end date of the subscription period. The subscription periods of the Public, Institutional and Personnel Offerings can be extended independently of one another. A company release concerning the extension of a subscription period must be published no later than on the estimated final dates of the subscription periods for the Public, Institutional or Personnel Offerings stated above.

The Company's Board of Directors and the Selling Shareholder have, in the event of an oversubscription, the right to discontinue the Public and Institutional Offerings by joint decision at the earliest on June 17, 2022, at 4:00 p.m. (Finnish time). In addition, the Company's Board of Directors may end the Personnel Offering at its sole discretion no earlier than June 17, 2022, at 4:00 p.m. (Finnish time). The Public, Institutional and Personnel Offerings may be discontinued or not discontinued independently of one another. A company release regarding any discontinuation will be published without delay.

Cancellation in Accordance with the Prospectus Regulation

If the Finnish Prospectus is supplemented in accordance with the Prospectus Regulation due to a material error or omission or due to material new information that has become known after the FIN-FSA has approved the Finnish Prospectus, but before the end of the subscription period, investors who have given a commitment to subscribe for or purchase the Offer Shares in the Public Offering or subscribe for the Personnel Shares in the Personnel Offering (a "**Commitment**") before the supplement or correction of the Finnish Prospectus have, in accordance with the Prospectus Regulation, the right to cancel their Commitments within three business days after the supplement has been published. The use of the cancellation right requires that the error, omission or material new information that led to the supplement or correction has become known prior to the end of the subscription period of the Offering.

If the Finnish Prospectus is supplemented, the supplement will be published through a company release. The company release will also include information on the right of the investors to cancel their Commitment in accordance with the Prospectus Regulation.

Trading in the Shares

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. Trading of the Shares on the First North Growth Market is expected to commence on or about June 23, 2022. The trading code of the Shares is NORDEC and the ISIN code is FI4000523089.

When the trading on the First North Growth Market commences on or about June 23, 2022, not all of the Shares may necessarily have been fully transferred to the investors' book-entry accounts and equity savings accounts. If an investor wishes to sell Shares purchased or subscribed for by it in the Offering on the First North Growth Market, the investor should ensure that the number of Shares registered to its book-entry account or equity savings account covers the transaction in question at the time of clearing.

Fees and Expenses

The Company and the Selling Shareholder are committed to paying Evli, that has been appointed to act as sole global coordinator and bookrunner for the Offering (the "**Global Coordinator**"), a fixed fee for the services provided in connection with the Offering that shall be determined on the basis of the gross proceeds from the Offer Shares (including Additional Shares). In addition, the Company undertakes to reimburse the Global Coordinator for certain expenses. In connection with the Offering, the Company expects to pay a total of approximately EUR 2.2 million in fees and expenses, of which approximately EUR 1.4 million in advisory fees and arrangement expenses, and approximately EUR 0.8 million in exit fees and related employer contributions to certain key personnel as agreed upon the completion of the Offering, and the Selling Shareholder approximately EUR 1.0 million in fees for the Sale Shares.

Dilution of Ownership

The maximum number of New Shares preliminarily offered in the Share Issue represents 11.3 percent of the Shares after the completion of the Offering. In the event that the existing shareholder of the Company does not subscribe for Shares in the Share Issue, its total holdings in the Company would be diluted by 11.3 percent, assuming that the Company will issue 960,000 New Shares.

Who is the Offeror and/or the Person Asking for Admission to Trading?

The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. The Company aims to raise gross proceeds of approximately EUR 7.0 million by offering New Shares for subscription. In addition, the Selling Shareholder will offer for purchase a maximum of 3,330,783 Sale Shares.

Why is this Prospectus being Produced?

This Prospectus has been prepared and published by Nordec in order to offer Shares to the public.

Reasons for the Offering

The objective of the Offering is to facilitate the implementation of Nordec's strategic targets related to growth and enable the implementation of investments related to the efficiency of Nordec's operations and production. The Offering will enable the Company to obtain access to capital markets, expand its ownership base, increase the liquidity of the Shares and enable the Company to use the Shares as consideration in possible acquisitions. Additional visibility is also expected to further increase Nordec's recognition among the public and as an employer, and thus enhance Nordec's competitiveness.

Use and Estimated Amounts of Proceeds

The Company aims to raise gross proceeds of approximately EUR 7.0 million by offering New Shares for subscription. The Company expects to use the net proceeds from the Share Issue to facilitate the implementation of Nordec's strategic targets related to growth and strengthen the efficiency of Nordec's operations and production.

The Selling Shareholder expects to receive gross proceeds of approximately EUR 29.3 million from the Share Sale (assuming that all of the Sale Shares will be sold and that the Over-allotment Option will be exercised in full).

Interests Related to the Offering

The fees to be paid to the Global Coordinator are, in part, linked to the gross proceeds from the Offering. The Global Coordinator, as well as other entities in the same group, may purchase and sell the Shares for their own or their customers' account prior to, during and after the Offering subject to applicable legislation and regulations. The Global Coordinator, as well as other entities in the same group, have provided and may in the future provide to the Company investment or other banking services in accordance with their ordinary business. The Selling Shareholder will sell Sale Shares in the Offering.

Applicable Laws and Dispute Resolution

The Offering shall be governed by the laws of Finland. Any disputes arising in connection with the Offering shall be settled by the court of competent jurisdiction in Finland.

RISK FACTORS

An investment in Nordec involves a number of risks, many of which are inherent in Nordec's business and could be significant. Investors should carefully review the information contained in this Prospectus, and in particular, the risk factors described below. The following description of risk factors is based on information known and assessed on the date of this Prospectus and, therefore, is not necessarily exhaustive. Some of these factors are potential events that may or may not materialize. Should one or more of the risk factors described in this Prospectus materialize, it could have a material adverse effect on Nordec's business, financial condition and/or results of operations. Nordec also faces additional risks not currently known or not currently deemed material, which could also have a material adverse effect on Nordec's business, financial condition and/or results of operations. The market price of the Shares could decline due to the realization of these risks, and investors could lose part or all of their investment.

The risk factors presented herein have been divided into five categories based on their nature. These categories are:

- *risks related to Nordec's business;*
- *risks related to Nordec's operating environment;*
- *risks related to financial condition and financing;*
- *risks related to the Shares; and*
- *risks related to the Offering and the First North Listing.*

Within each category, the risk factor estimated to be the most material on the basis of an overall evaluation of the criteria set out in the Prospectus Regulation is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialization. The order of the categories does not represent any evaluation of the materiality of the risk factors within that category, when compared to risk factors in another category.

Risks Related to Nordec's Business

Nordec's business is largely project-based, and its projects may become subject to disruptions, delays, changes in scope or even cancellations that may be beyond Nordec's control, which could result in significant costs.

Nordec's business is largely project-based, and Nordec offers a variety of services covering overall responsibility for a certain part of a customer's project, from design to production, subcontractor management and installation, or delivering certain steel structures or products to parts of a project only. Projects generally involve several other parties over which Nordec has limited or no control over, and problems encountered by other parties or resulting from the actions of such parties may adversely affect the execution of projects as well as Nordec's operations in general. In case a project is cancelled or delayed, Nordec may incur unexpected liabilities and/or costs, which could have a material adverse effect on Nordec's results of operations.

Nordec's projects involve technical and operational risks, and projects require cooperation between all the parties involved, including the builder, designer, main contractor, subcontractors and suppliers of elements and materials. All projects require steering and supervision, quality control, raw materials procurement, scheduling, resource and cost monitoring as well as timely execution of obligations by each party, clear and well specified scope of work/delivery and clearly specified processes for execution and for handling variations and disruptions. Achieving this requires continuous operational planning and carefully executed contracts with clear specifications considering all aspects of the project. See also "*Failures in tendering processes, preparation of project contracts or project management could have an adverse effect on the profitability of Nordec's business*" below. For example, problems in the logistics chain, such as delays in delivery schedules or damage to cargo, may result in production delays, increase costs and liabilities as well as damage Nordec's reputation. In addition, disputes relating to project implementation may result in additional costs or damages for delays. Project-related risks are considered higher in large-scale projects, such as the ongoing DLS Bålsta project and DS2 project, which have, for example, been subject to delays due to SARS-CoV-2 ("**COVID-19**") outbreaks amongst the workforce in the construction site. Project-related risks are also considered higher with new customers, with which Nordec has no prior project experience.

Any project-related uncertainties described above may, if realized, increase Nordec's project costs and result in damages and contractual penalties caused by delays.

Failures in tendering processes, preparation of project contracts or project management could have an adverse effect on the profitability of Nordec's business.

The profitability of Nordec's projects may be affected by several factors, such as competition in the tendering process, efficient tendering process management, the size and complexity of projects and the availability of skilled project managers and other key personnel.

Nordec's project contracts are typically awarded following a competitive tendering process. Nordec may expend significant resources, both in management time and in financial and other relevant resources, on bidding for projects that it is not subsequently awarded. Large-scale projects are also susceptible to the risk that Nordec is not able to estimate the upcoming costs accurately enough in the tendering process and thus, specifies the sale price too low. In addition, Nordec may fail to consider all aspects of a project in a tendering process, which may result in additional costs for Nordec later on.

Although Nordec has a tendering and legal review process for all major contracts, it is possible that Nordec is unsuccessful in the preparation of project contracts, which may cause unexpected costs or other liabilities for Nordec, for example, due to errors in timeframe estimates. Nordec's ability to perform according to the estimates it used when preparing its bid and its ability to successfully prepare a project contract affect the profitability of the project and, hence, Nordec's results of operations. In addition, contractual terms limiting Nordec's liability may be less effective than expected by Nordec. It is also not possible to include comprehensive limitations of liability in all of the contracts Nordec concludes, based on which individual contracts may include terms and conditions deviating from Nordec's standard contract forms to the detriment of Nordec. Nordec may also have limited possibilities to negotiate the project contracts. Construction contracts in the Nordic countries are commonly based on the general terms and conditions used in each country (such as the General Conditions for Building Contracts (YSE 1998) (Fi. *Rakennusalan yleiset sopimusehdot* (YSE 1998)) in Finland, the General Conditions of Contract (Sw. *Allmänna bestämmelser, AB*) in Sweden and the Norwegian Standards (No. *Norsk Standard, NS*) in Norway) and each have their own limitation of liability clauses that differ from each other, and customers may not accept any limitations of liability that would deviate from the general terms and conditions for the benefit of the contractor. In addition, as Nordec usually undertakes work as a subcontractor, the main contractors and builders often require using their own standard terms and conditions, with deviations to the above-mentioned general terms and conditions, in the construction contracts with Nordec. In most cases, Nordec is able to use its own standard contract forms and general terms and conditions with its own subcontractors. However, Nordec's standard contract forms and general terms and conditions may be subject to project-specific changes required by Nordec's individual subcontractors, which exposes Nordec to unforeseeable contractual risks. Any unexpected interpretations of contractual terms may lead to claims or disputes that cause in turn unexpected costs or other liabilities for Nordec.

Nordec's results of operations is largely dependent on successful project management, which includes, for example, a reliable determination of overall costs that require estimation of Nordec's management, determination of quantity information and conditions, successful pricing, optimal use of resources, careful project planning and scheduling as well as execution of projects as agreed with the agreed timeframe. Nordec is involved in a number of projects and managing several projects require continuous planning, steering and supervision, quality control as well as timetable and cost monitoring. Managing several projects requires that Nordec's project management processes are effective, so that overlapping internal teams and subcontracting networks can be managed simultaneously. Although Nordec has an integrated project management tool in place, the Project Business Concept (the "PBC"), which provides guidelines and instructions for Nordec's personnel for use in project execution, there can be no assurance that Nordec will always execute its projects successfully. Failures in project management or the preparation of project contracts could have a material adverse effect on the profitability of projects, which could have a material adverse effect on Nordec's business, financial position, results of operations, reputation and prospects.

Nordec is dependent on its relationships with its major customers in the construction industry.

Nordec's customer base includes major construction companies, industrial companies and real estate investment companies in Finland, Sweden and Norway (together, the "Nordics") and in CEE Countries. Nordec believes it has strong and established customer relationships with its main customers and its business is to a certain extent dependent on its long-standing relationships with such customers. For the financial year ended December 31, 2021, Nordec's largest customer accounted for 19 percent of Nordec's revenue, top five customers accounted for 56 percent of Nordec's revenue and top 10 customers accounted for 73 percent of Nordec's revenue. For more information on Nordec's customers, see "Business—Customers." As Nordec's business is largely project-based, its customers vary every year, however, most of Nordec's largest customers are repeat customers and, despite the annual variation, have been among its largest customers from year to year, such as NCC AB ("NCC"), Peab AB ("Peab"), Skanska AB ("Skanska"), SRV Group Plc ("SRV"), YIT Corporation ("YIT") and Tommy Allström Byggproduktion AB ("TAB"), and have historically formed a large portion of Nordec's business and have provided opportunities of repeat business for Nordec. In addition, Nordec has completed repeat projects with a number of builders as direct customers. Such companies' overall perception of Nordec may be adversely affected if Nordec is unable to achieve its objectives under any of its contracts or arrangements in a timely manner, or at all, or if they become unable, unwilling or less willing to partner with Nordec. Furthermore, such major customers may breach or terminate their contracts with Nordec, become competitors, or enter into contracts with Nordec's

competitors. In addition, should Nordec's major customers encounter financial difficulties or otherwise become unable to perform their obligations under any contracts, Nordec may incur substantial liabilities. Should Nordec fail to maintain its relationships with its major customers, due to any of the abovementioned or other factors, such as deterioration of business relationships, potential disagreements regarding services provided or other disturbances in the relationship, this could have a material adverse effect on Nordec's business, results of operations, financial condition and/or operations.

Nordec is exposed to risks related to the use of third-party suppliers and subcontractors that could have an adverse effect on its liabilities and operations, and which may result in significant costs or delays in projects.

Nordec is dependent on third-party suppliers and subcontractors in the execution of its projects and selecting the right third-party suppliers and subcontractors is key to successful project execution. Nordec's key third-party service providers consist of designers, suppliers of construction materials and raw materials and subcontractors used for both manufacturing certain project-specific construction structures as well as installation. For the financial year ended December 31, 2021, Nordec's ten largest suppliers accounted for 26 percent of Nordec's purchases and no individual supplier had a share of more than 7 percent of Nordec's purchases. Using third-party suppliers and subcontractors entails risks to Nordec's business associated with errors, misconduct, availability, price, quality and delivery reliability, and Nordec may have limited or no control over such third parties involved in its construction projects, and problems encountered by other parties may adversely affect Nordec's liability or operations. For example, the quality and delivery times of the materials, products or structures delivered by its suppliers may be inadequate and could lead to defects and faults. As a result, Nordec may be obliged to correct the defects at its own cost and/or to compensate its customers for defects in the quality of products that are detected during the liability period.

Construction projects include technical and operational risks, and Nordec may be held liable for risks relating to subcontractors in terms of their compliance with their obligations, the quality of their work and them adhering to timetables, in addition to which, costs may arise from additional work and modifications performed by subcontractors. In addition, design errors or estimation errors made by Nordec's design subcontractors could result in substantial additional costs, if design errors are detected after the structures have already been manufactured, or, as a result if, for example, workshop production becomes more labor-intensive or more steel is needed in the manufacturing of certain project-specific construction structures than originally planned. A subcontractor of Nordec may also act against applicable laws, recommendations or Nordec's guidance or its ethical and other operating principles, misuse or leak confidential information or otherwise abuse his or her position in Nordec for dishonest, unethical or even criminal purposes. See also "*Risks Related to Nordec's Operating Environment—Construction is a regulated industry, and Nordec may not be able to ensure the compliance of relevant laws and regulations throughout its operations*" below.

When Nordec is commissioned to carry out an entire project, Nordec will generally be held liable for the mistakes and errors of third-party subcontractors it has used and other parties involved, and must normally compensate the customer for any damages caused by such parties, even if Nordec had fulfilled all of its obligations concerning the supervision of work performed by subcontractors or their personnel. Provisions concerning conduct and execution are typically built into each of Nordec's contracts, which set out certain delivery-related provisions and rules that should be followed when operating on a construction site, and, in addition, Nordec has certain internal supervision practices in place, such as audits, quality controls and other procedures to ensure such rules are complied with. However, there can be no assurance that these measures provide sufficient protection from misconduct by the personnel of Nordec's subcontractors. Possible errors and faults committed by third-party suppliers and subcontractors, their non-compliance with quality standards or delays or faults in the delivery of materials and other products as well as the other aforementioned risks related to third-party suppliers and subcontractors could, for example, result in significant costs for Nordec. In addition, there can be no assurance that Nordec's or the subcontractors' insurance coverage would cover any of the aforementioned liabilities and costs. If any of the aforementioned risks materialize, it could have a material adverse effect on Nordec's business, financial position, results of operations and future prospects.

The construction industry may occasionally experience a shortage of skilled subcontractors due to a sudden increase in demand of construction projects, especially during periods of vigorous economic growth. This could lead to the subcontractors that Nordec normally uses to not be available. Nordec may not necessarily be able to find alternative subcontractors without delay to replace the subcontractors it normally uses, or Nordec may be forced to use a subcontractor of whose performance it has no prior experience, which increases project risk. In addition, Nordec is exposed to risks related to the operations and financial position of third-party suppliers and subcontractors and risks of having business relations with such parties.

See also "*Risks Related to Nordec's Operating Environment—Increases in costs, disruption of supply or shortage of critical raw materials, such as steel could cause disruptions or delays in Nordec's operations and cause significant costs*" below.

Nordec may fail to successfully implement its strategy or successfully adapt its strategy, which could have an adverse effect on Nordec's business, financial condition and/or results of operations.

The successful implementation of Nordec's strategy depends on a number of factors, some of which are partly or fully beyond Nordec's control. For more information, see "*Business—Nordec's Strategy.*" Nordec may fail in the implementation of its strategy or the management of strategic risks. It is essential that Nordec's personnel understand the strategy and what is required from them in connection with the execution of the strategy. Even if Nordec's strategy is continuously being scrutinized and re-evaluated, there can be no assurance that the selected strategy is right or that it will be successful, or that it will be successfully implemented in the contemplated timetable, in particular if the market conditions or the operating environment change. Nordec may also decide to amend its strategy and/or adopt supplementary strategies in response to changes in market conditions or the operating environment, but there can be no assurance that the implementation of the changed strategy would be successful. As part of its strategy, Nordec plans to invest in the modernization of its production equipment in order to support its structure design standardization program and to increase the production automation and production capacity of its production facilities. There can be no assurance that Nordec's investments in modernization will be successful, or that Nordec will achieve the anticipated benefits from its structure design standardization program. Failure in implementing or adapting Nordec's strategy or an unsuccessful strategy itself may have a material adverse effect on Nordec's business, financial condition and/or results of operations.

Significant disruptions in or the suspension of Nordec's production or deliveries, or damage to or destruction or closure of Nordec's production facilities, would materially undermine Nordec's ability to deliver its projects to its customers and adversely affect its business and results of operations.

For the financial year ended December 31, 2021, Nordec produced in-house most of its steel frame structure solutions. In-house production is a cornerstone of Nordec's operations, providing it with control over quality and the health and environmental aspects of its production and projects. Nordec's steel structure production facilities are located in Ylivieska and Peräseinäjoki, Finland, Gargždai, Lithuania, and Oborniki, Poland. In addition, Nordec has a production facility in Alavus, Finland, for glass aluminum façade structures. Nordec's production facilities are customized to accommodate the production of certain types and sizes of construction structures. Subject to these limitations, the selection of a production facility for a product is dynamically determined based on Nordec's overall order backlog and workload situation as well as on the availability of space and the size and type of the structure being manufactured.

As Nordec's production mainly relies on its own production facilities, events that would cause significant disruptions in or the suspension of Nordec's production facilities could materially affect Nordec's ability to deliver its projects to its customers in a timely manner. Nordec's production facilities may be damaged or destroyed or they may be closed or the equipment on the premises may be damaged due to, for example, fire, explosion, accident, natural disaster or equivalent events beyond Nordec's control. Such events or incidents could result in material disruptions and delays in Nordec's production and projects and in Nordec not necessarily being able to fulfill its obligations to its customers. Due to its customized production facilities, Nordec may not be able to locate suitable alternative production facilities or transfer production to Nordec's other production facilities or to subcontractor's production facilities, or to repair the damaged site or equipment in a timely and cost-effective manner, which could have a material adverse effect on Nordec's business, financial condition and/or results of operations. Nordec is also exposed to risks related to site security and occupational health and safety at its production facilities. Any failure to maintain high levels of safety management could result in physical injury, sickness (such as a COVID-19 infection of multiple employees) or impairment of Nordec's reputation or inability to attract and retain skilled employees. For more information, see "*—Risks Related to Nordec's Operating Environment—The effects of the outbreak of COVID-19 or any other similar epidemics may disrupt Nordec's operations and cause significant costs*" below. Also, any severe problems in the logistics, such as delays in delivery schedules or damage to cargo, may result in increased costs and, ultimately, adversely affect Nordec's business and/or results of operations.

Nordec's production facility in Oborniki, Poland is situated in premises and on a plot of land leased from third parties. If a lessor were to give notice on the lease agreement on the land or premises used for a production facility or refuse to renew the lease agreement, this could in the short term lead to disruptions in Nordec's production, reduce Nordec's production capacity temporarily or permanently, adversely affect its ability to serve customers and/or give rise to significant costs relating to the closure or transfer of the operations of the production facility in question.

Nordec's business entails safety and health risks.

Safety of its personnel is in a central role in Nordec's operations. The frequency of various accidents and injuries at construction sites is higher than in many other industries. Construction sites are working environments where serious or even fatal accidents may occur. Any of the potential accidents could inflict injuries to employees and external workforce, or even third parties, and disturb projects, which could result in a liability for Nordec to compensate damages as well as delay projects and oblige Nordec to take preventive or restoring measures. These and other costs and liabilities could have a material adverse effect on Nordec's business, financial position and results of operations, reputation and ability to recruit competent personnel.

Although serious accidents involving fatalities have been very rare in Nordec's construction sites, there can be no assurance that serious or even fatal accidents would not occur in the future. Nordec may fail to adequately manage the risks involved in occupational health and safety and Nordec's safety-related instructions and inductions and processes monitoring safety and health, may not be sufficient. Nordec may also fail to investigate accidents adequately and monitor the development of occupational safety on different levels. Negligence in occupational safety could increase the number of fatal and serious accidents that cause permanent injury, which could expose Nordec to the risk of additional costs, for example, in the form of corporate fines or occupational safety violations, claims for damages and the cost of early retirement. In addition, accident investigation conducted in collaboration with the authorities will incur costs and delay construction work. Should more accidents occur in the future, it may also become a factor that customers take into consideration when evaluating Nordec's eligibility for a tendering process. Materialization of any of these risks could lead to additional costs, loss of profits, reputational damage or potential compensation liabilities, which could have a material adverse effect on Nordec's business, financial position, results of operations and prospects.

Any significant failure or interruption to Nordec's IT systems could adversely affect its business.

Nordec's business is dependent on Nordec's information technology ("IT") infrastructure, applications and external IT service providers, especially with regards to management, reporting and monitoring systems and the information they generate. Nordec uses IT applications and products that cover essential aspects of its business, such as enterprise planning ("ERP"), finance, payroll and human resources and project and document management. Nordec makes disaster and recovery tests and implements regular updates on all critical IT applications and services, such as its ERP system, and has back-ups for all information contained its IT. However, the IT systems used by Nordec may be damaged or they may cease to function for numerous reasons, such as ongoing IT system and IT service development projects, third-party service provider disruptions, catastrophes, power failures or major accidents, such as fires and natural disasters, and due to mistakes made by Nordec's own employees. Difficulties in maintaining, updating, integrating or outsourcing IT systems and data processing systems and problems with the quality or information security of services and data could have an adverse effect on Nordec's business and administration, incur additional costs and have a material adverse effect on its operations. Further, disruptions in the IT systems may lead to delays in projects. Nordec is currently implementing a customer relationship management ("CRM") system and the implementation process is expected to be ready during the summer of 2022. There can be no assurance that the new CRM system will function properly at all times and that the implementation will not cause disturbances that affect Nordec's operations. Nordec's new CRM system and its potential updates and upgrades may involve wide-ranging transition stage risks. In addition, Nordec's IT systems and infrastructure may be vulnerable to cybersecurity risks, including cyberattacks and cybercrimes, direct or indirect, such as computer viruses and worms, phishing attacks, and penetrating or bypassing security measures in order to gain unauthorized access to Nordec's information networks and systems.

Deterioration of Nordec's corporate reputation could adversely affect its business.

Nordec believes that it is a trustworthy partner for its customers, and its good reputation as well as references and recommendations given by its existing customers plays a key role in both acquiring new customers as well as obtaining new construction projects and repeat business from existing customers and, therefore, the deterioration of customers' trust towards Nordec and Nordec's corporate reputation could adversely affect its business. For example, past customer references are important in tender processes in the industry in which Nordec operates.

Nordec's reputation may be harmed as a consequence of negative publicity concerning a variety of things relating to Nordec's operations. For example, negative publicity may relate to occupational safety and workplace accidents, environmental incidents, disputes with customers, labor disputes, non-compliance with laws and regulations, including by its subcontractors, or fulfilment of other obligations. Nordec's brand image may also be diminished if it fails to complete projects in a timely and efficient manner, maintain high ethical and social standards for all of its operations and activities or comply with local laws and regulations or if it experiences other adverse events that affect its brand, image or reputation. Negative publicity may have an adverse effect on customer behavior regardless of whether they are based in fact or relate directly to Nordec or the services it offers. Negative publicity may materially damage Nordec's reputation and decrease trust in Nordec among its current as well as potential customers, and, it may become a factor that customers take into consideration when evaluating Nordec's eligibility for a tendering process. Any direct or indirect harm to Nordec's reputation or brand may have a material adverse effect on Nordec's business, results of operations, financial condition and/or future prospects as well as present and potential future employees.

Failure in recruiting competent management or personnel or loss of key personnel could have a material adverse effect on Nordec's ability to carry out its operations.

Nordec believes its personnel is one of its key competitive advantages in the markets in which it operates. The success of Nordec's business and strategy depends on Nordec's ability to attract and retain key management, project management and other personnel, as well as Nordec's ability to recruit, develop, train, motivate and retain competent personnel who have relevant qualifications. For example, Nordec may be involved in several construction projects that need to be executed at the same time and the construction industry may experience high demand during periods of vigorous economic growth,

which may result in a general shortage of skilled personnel due to the sudden high volume of construction projects. If Nordec does not have enough personnel or if it is not successful in recruiting and retaining enough competent personnel, it may not be in a position to execute all the projects properly or participate in tendering processes that would be awarded to it, which could, in turn, lead to Nordec losing projects to its competitors. This could have a material adverse effect on Nordec's business, results of operations and future prospects.

Nordec may fail in finding acquisition targets as well as in integrating the acquired targets, and acquisitions may also cause unpredictable risks and hidden liabilities to Nordec.

Nordec has previously completed and may in the future complete corporate or business acquisitions and take part in market consolidation that support its strategy. See "*Business—Nordec's Strategy—Inorganic Growth.*" Nordec in its current form is based on the acquisitions made by the Company in 2019 and 2020: Nordec acquired Normek Oy ("**Normek**") in 2019 and Ruukki Building Systems Oy ("**Ruukki Building Systems**") in 2020. For more information, see "*Business—History.*" Nordec may not necessarily find suitable acquisition targets that would support its strategy or otherwise be suitable for its operations. In addition, there can be no assurance that Nordec will succeed in the integration of a potential target's business into its own business operations or achieve its strategic goals or synergies, and, thus, the potential acquisition may not necessarily produce the expected revenue or operating profit. Failure in the identification of suitable acquisition targets, integration of acquired businesses or commitment of their personnel and shortcomings in the personnel's skills or problems in aligning the internal operating procedures of the acquired businesses with Nordec's operating model and principles could have a material adverse effect on Nordec's revenue or profitability. Potential acquisitions may also cause Nordec unpredictable risks and hidden liabilities that Nordec has not detected. In addition, acquisitions may be conditional upon receiving regulatory and other approvals, including competition clearances from relevant competition authorities, and there can be no assurance that such approvals can be obtained. In addition, the terms and conditions of any approvals from competition authorities may require, among others, divestments of certain assets. The examination of potential acquisition targets, execution of potential corporate acquisitions as well as integration of targets requires considerable resources from Nordec's management, in which case the existing business of Nordec may suffer. Realization of the aforementioned risks may have a material adverse effect on Nordec's business, strategy, financial condition and/or results of operations.

Adverse outcomes from legal proceedings would adversely affect Nordec.

Nordec is occasionally a party to claims and lawsuits in the normal course of its business. Such legal proceedings typically include claims by customers related to work conducted by Nordec or its subcontractors, possible defects in its work or products, delays in the delivery of its products or execution of work, or on the other hand, claims by Nordec for compensation of additional costs due to disruptions or changes in project execution caused by a customer. For example, in May 2021, Nordec received a claim for damages from GRK Infra AB ("**GRK**") related to an accident during the construction of a bridge over the Ume River in Umeå, Sweden. In January 2022, Nordec received a request for arbitration in Sweden pertaining to the accident. The arbitration request includes total claims to Nordec amounting to nearly EUR 13 million. Should the settlement discussions fail or should any of the legal proceedings be found unfavorable to Nordec, Nordec could incur significant costs, and adverse outcomes may affect Nordec's reputation or its ability to obtain projects or assignments in the future. For more information on the ongoing claims, see "*Business—Legal and Arbitration Proceedings.*"

In addition to the ongoing claims, there can be no assurance that Nordec will not face new legal proceedings, arbitrations or administrative procedures in the future that may involve significant claims for damages or other payments or costs. For example, the construction industry is more prone to accidents compared to other industries, and Nordec's personnel working at construction sites could be exposed to risks relating to occupational health and safety, which could result in employees' claims for compensation. See also "*—Risks Related to Nordec's Business—Nordec's business entails safety and health risks*" above. Moreover, litigation and other legal proceedings can be lengthy and disruptive to normal business operations, as the proceedings could, for example, claim time of Nordec's management and cause general uncertainty.

Nordec's insurance policies provide limited coverage, potentially leaving Nordec uninsured against certain risks.

Nordec's insurance policies include, among others, insurance for property damage, personnel injuries resulting from accidents, contractors' all risks, general and product liability insurance in amounts believed to be consistent with industry practices. However, Nordec is not fully insured against all risks, and insurance against all types of risks and catastrophic events may not be available on reasonable economic terms, or at all. For example, Nordec's insurance coverage does not cover costs of defects and delays, including repair costs and liquidated damages related thereto. The occurrence of an accident that causes losses in excess of limits specified under the relevant policy or is subject to material deductibles or self-insured retentions, or losses arising from events not covered by insurance policies, such as natural catastrophic events, could cause significant additional costs to Nordec and, thus, have a material adverse effect on Nordec's business, financial condition and/or results of operations.

Nordec's business may be affected by ineffective protection of its intellectual property and know-how or it may be sued by third parties for alleged infringement of their intellectual property rights.

Nordec's engagement in product development, and research and development ("R&D") activity exposes Nordec to risks related to the protection of its intellectual property and know-how concerning building frame solutions. Nordec's R&D operations focus on the development of its project management, production processes and designs for its structures. Nordec has also made certain innovations regarding steel structures that have led to patented solutions. However, in the past, Nordec has not systematically applied for patent or other registration of its intellectual property and has instead largely relied on contractual arrangements with its stakeholders. However, lack of patent protection may result in Nordec's competitors being able to protect their similar building frame and envelope solutions before Nordec, which could limit Nordec's ability to use certain structures. In addition, there can be no assurance that employees, consultants, advisors, business partners or customers with know-how or access to trade secrets and other confidential information would not seek to disseminate or otherwise use this information in a manner that could be detrimental to Nordec. Should Nordec's measures to protect its know-how and intellectual property be ineffective, this could lead to Nordec's competitors, subcontractors or other parties using intellectual property developed by Nordec to their benefit. The use of Nordec's intellectual property for the benefit of other parties than Nordec may lead to the decrease in the value of the Nordec's own investment in product development, either partly or wholly, or to growing competition and decrease in sales, which could have a material adverse effect on Nordec's competitive position.

In addition to third parties utilizing Nordec's unregistered designs, as at the date of this Prospectus, Nordec has four registered patents exposing Nordec to third-party infringements. Third parties may also claim that Nordec is infringing on their intellectual property rights. Any claims or litigation could cause Nordec to incur significant expenses and, if successfully asserted against it, could require that Nordec pays substantial damages, prevent Nordec from selling certain of its products or require that it complies with other unfavorable terms. Even if Nordec were to prevail in such a dispute, any litigation regarding its intellectual property rights could be costly and time consuming and divert management attention.

Risks Related to Nordec's Operating Environment

Uncertainties and unfavorable developments in the economy, political environment and financial markets may reduce demand for Nordec's services or cause disruptions, delays or increases in costs in its projects, which may adversely affect Nordec's business operations, results of operations and financial condition.

In general, the construction sector is cyclical in nature and its volumes and profitability may vary as a result of economic conditions, political environment and financial markets. A lower or negative level of general economic activity and investments made in fixed assets, particularly in Nordec's core markets that include Finland and Sweden, could have material adverse effects on the overall demand and profitability on the construction sector. Construction projects commissioned by the public sector, such as the state or municipalities, are also dependent on the amount of public spending and tax revenue, as well as on political decisions.

As the construction business is investment-related, construction activity depends largely on companies' confidence in the general trends in the economy and the prospects of their business as well as consumers' confidence in their own finances. Nordec cannot predict the timing or duration of any economic slowdown or the timing or strength of a subsequent economic recovery, worldwide or in the markets in which it operates. General economic development and economic cycles have a material effect on the demand for Nordec's services. Furthermore, economic conditions may be affected by various additional events that are unforeseeable and/or beyond Nordec's control, such as natural disasters, epidemics (e.g., the outbreak of COVID-19), political developments and geopolitical tensions. For example, the ongoing war in Ukraine has caused reduction in business activity as uncertainty has resulted in delays and postponement of new projects, supply chain interruptions, increases in the price of and shortages of raw materials required for Nordec's projects, such as steel materials and other commodities, and overall economic and financial market instability. As a consequence, it has caused disruptions, delays and increases in costs in Nordec's projects. In addition, the ongoing war in Ukraine may have an effect on market development and timing of investments related to Nordec's targeted growth segments and result in turbulence in the supply chains relevant for project execution. Although Nordec does not procure products or services from Russia or Belarus, the economic sanctions imposed on Russia and Belarus and Russia's counter-sanctions or other retaliatory measures and the heightened tensions between Russia and the rest of Europe and the United States over events in Ukraine can have a material adverse effect on global macroeconomic conditions and the economy for a long period of time. Economic uncertainty or unfavorable developments in the economy could result in the decline of large construction projects that require significant investments, which could, in turn, have an adverse effect on the availability of such construction projects that Nordec could be involved in and generally lower the demand for Nordec's products. The decline of certain types of construction projects could also have an effect on Nordec's competitors, which could reduce Nordec's market share in the field it operates even further. For more information, see "*—Nordec operates in an already competitive sector, and should the competition intensify, Nordec may not be able to keep its volume of business operations or profit margin*" below.

Any reduced demand for Nordec's products or services due to the factors described above could adversely affect Nordec's sales or otherwise have a material adverse effect on Nordec's business, financial position, results of operations and/or future prospects.

Increases in costs, disruption of supply or shortage of critical raw materials, such as steel, could cause disruptions or delays in Nordec's operations and cause significant costs.

Nordec is exposed to risks relating to the availability, price and delivery schedules of raw materials. Due to the economic slowdown following the initial outbreak of the COVID-19 pandemic, many steel producers expected weak demand to continue and closed their mills, which caused a general shortage of steel during 2020. Steel prices started to rise in early 2021 due to rapidly increasing demand resulting from an economic recovery from the slowdown caused by the COVID-19 pandemic. The steel industry was slow to respond to the recovering demand, which caused supply shortages and increasing prices. Although steel producers have since reopened their mills, the production has been lagging behind causing delays in deliveries, which has had an adverse effect on project schedules. For example, several of Nordec's material suppliers informed Nordec of delays related to the delivery of sandwich panels and profiled steel sheets, which has affected the execution time schedules of Nordec's projects and resulted in Nordec having to pay liquidated damages for delays. In addition, according to Nordec, the shortage of steel and subsequent lagging in production caused an increase of steel prices by approximately 50 percent in 2021 compared to 2020. However, the ongoing war in Ukraine that started in February 2022 caused new disruptions in the steel market due to reduced steel flows from Russia, Belarus and Ukraine to Western Europe. The drop in the supply of steel has caused steel prices to increase further in the early part of 2022. Some of Nordec's project contracts are based on fixed pricing without index clauses and any further shortages or price increases could cause significant additional costs, as Nordec may not be able to pass on the price increases of raw materials to its customers. Further delays in deliveries could also have a material adverse effect on Nordec's operations as well as Nordec's reputation. In addition, the ongoing war in Ukraine may have an effect on market development and timing of investments related to Nordec's targeted growth segments and result in turbulence in the supply chains relevant for project execution.

Nordec relies on a limited number of suppliers to provide certain critical materials exposing Nordec to third-party sourcing risks. For the financial year ended December 31, 2021, Nordec's three largest suppliers accounted for 67 percent of Nordec's facility raw materials expenses. Should one of the critical materials suppliers cease to deliver critical materials to Nordec, Nordec would have to find alternative sources for such materials. Even if Nordec finds a supplier that is capable of producing the critical materials, moving production to the new supplier is a labor-intensive and lengthy process, possibly resulting in a stoppage in Nordec's production and a decrease in sales. For example, Nordec obtains a significant part of steel used in its products from one supplier. Even though Nordec is not solely dependent on this supplier, the locations of other steel suppliers are further away and switching steel suppliers would require Nordec to maintain a larger storage of materials, which would have an effect on Nordec's working capital. For more information on risks related to third-party suppliers, see "*—Risks Related to Nordec's Business—Nordec is exposed to risks related to the use of third-party suppliers and subcontractors that could have an adverse effect on its liabilities and operations, and which may result in significant costs or delays in projects*" above.

The effects of the outbreak of COVID-19 pandemic or any other similar epidemics may disrupt Nordec's operations and cause significant costs.

The ongoing COVID-19 pandemic has caused significant disruption in the global economy and the geographical markets in which Nordec operates. The spread of COVID-19 has caused reduction in business activity and financial transactions, lockdowns, quarantines, labor shortages, supply chain interruptions and overall economic and financial market instability. Although the COVID-19 pandemic has affected Nordec's activities and the progress of certain projects, such effects have been rather limited, thus far. Nordec has experienced COVID-19 outbreaks on its worksites, which have caused disruptions in project execution, including stoppages and delays. There can be no assurance that further outbreaks in Nordec's construction sites will not occur that may cause further delays. In addition, further restrictions imposed due to COVID-19 may continue for extended periods of time or such restrictions may be broadened further, which may cause, for example, further shortages of raw materials or delays in deliveries amongst Nordec's suppliers. For more information, see "*—Increases in costs, disruption of supply or shortage of critical raw materials, such as steel could cause disruptions or delays in Nordec's operations and cause significant costs*" above. Any of the abovementioned risks could result in additional costs, which, in turn, could have a material adverse effect on Nordec's business, financial condition and/or results of operations.

In addition, possible restrictions related to COVID-19 may adversely affect the operations of Nordec's customers. Should Nordec's customers be forced to pause construction work or cease their operations due to COVID-19 or otherwise, this could adversely affect Nordec's operations. The uncertainty caused by COVID-19 may also trigger unfavorable developments more broadly in the economy, which may cause customers to put new projects on hold, which may decrease Nordec's orders. Should any of these risks materialize, this could further affect the operations and confidence of Nordec's customers, which could adversely affect the demand of Nordec's products and services.

Nordec operates in an already competitive sector, and should the competition intensify, Nordec may not be able to keep up its volume of business operations or profit margins.

The construction market in which Nordec operates is competitive, and Nordec estimates that Nordec's competition varies between different project types and business areas it operates in. Failure to offer attractive solutions and competitive prices as well as recruit and retain skilled personnel in the markets in which Nordec operates could have a material adverse effect on Nordec's ability to manage ongoing projects, win new customers and maintain its competitiveness with respect to both employees as well as customers.

Competition could intensify as a result of an economic downturn, which may cause competitors to lower their margins increasing price competition even further. An economic downturn may also decline the demand of certain services causing new competitors in adjacent markets to expand their service offering to fields that are more in demand, which could increase the number of competitors in the fields in which Nordec currently operates. The level of overall demand for new non-residential construction may affect Nordec's negotiating power and the pricing of Nordec's services, which may affect Nordec's results of operations. New market entrants may also attempt to enter Nordec's core markets by providing the same services at a lower price in order to enter the market. The competitive environment may also affect the demand for steel construction projects in general and the demand for Nordec's services in particular. Steel structures provided by Nordec face competition from alternative building materials, including concrete and wood. As Nordec's business is largely project-based and work is often awarded through a competitive bidding process, price is generally the principal factor in determining which service provider is selected, especially in the public sector, and there can be no assurance that Nordec would maintain its competitiveness in a more competitive environment. Nordec competes with a number of small and medium-sized competitors in local markets, which may affect Nordec's ability to win new contracts and, therefore, the demand for Nordec's services. New competitors may be willing to offer a lower price than Nordec, accept lower profit margins or expend more in capital to obtain customers, which could result in Nordec being unsuccessful in winning new projects and in a significant loss of customers. In addition, such competitive behavior may force Nordec to participate in heavy price competition, which could result in decreased profit margins, which could have a material adverse effect on Nordec's business, results of operations and financial condition.

Nordec is exposed to environmental risks in its operations.

Nordec is exposed to environmental risks in its operations. Nordec and its subcontractors handle certain harmful substances on their construction sites and production facilities, such as various coatings, the handling of which involves a risk of contamination of the environment, environmental damage as well as health risks. Furthermore, the use and storing of fuels, lubricants, hydraulic and other oils and fluids at construction sites and production facilities exposes Nordec to environmental risks. Nordec believes that its more significant environmental risks relate to painting as paints used in the coatings of Nordec's structural products include certain solvents that are associated with volatile organic compounds that are emitted into the atmosphere during the painting process. Although Nordec aims to use paints that are more environmentally friendly and to reduce the emission of its painting workshops by using water based paints and high solids coatings where applicable, there can be no assurance that Nordec will be able to prevent, detect or sufficiently clean up any possible environmental damage caused by its operations, which could result in additional costs, should Nordec be held liable for compensating any such damage. Such liability could also adversely affect Nordec's reputation, which could, in turn, result in customers awarding future projects to Nordec's competitors. Relevant authorities may also impose rehabilitation obligations or other obligations on Nordec based on the environmental conditions of its production facilities or other properties, which could result in material costs. As some of the sites on which Nordec's production facilities are located have a history of prior industrial activity, Nordec may also incur costs to earlier contamination at its properties if, for example, the sites would be used for other than industrial purposes going forward even if Nordec had sought to limit its liability contractually. In addition, obligations imposed by relevant authorities may give rise to a need for additional investment at production facilities, for example, and cause Nordec to incur material costs.

Nordec may not necessarily be able to meet its customers' or other stakeholders' expectations, and regulatory requirements or subsidies related to climate change could have a material effect on Nordec's business.

Increasing adoption of climate change related legislation, as well as changes in customer demands driven by climate change may impair Nordec's operational prerequisites. Certain materials used in the construction industry could become subject to regulatory requirements or restrictions as the use of more environmentally friendly materials in the construction industry are discovered. Alternatively or additionally, certain environmentally friendly construction materials could be awarded certain benefits or subsidies in order to encourage the use of such alternative materials. There can be no assurance that Nordec will manage to actively cooperate with various stakeholders in the utilization and development of alternative building materials in order to comply with changes in laws and regulations and to meet its stakeholders' expectations. Moreover, compliance with legal and regulatory requirements may incur additional costs to Nordec.

In addition, customers' preferences of construction materials could change due to more environmentally friendly alternatives becoming available and furthermore, increasing costs of non-renewable energy and costs related to carbon dioxide emissions can create pressure in the construction industry to shift to alternative building materials and find ways

to minimize waste. Nordec's structures are mainly made out of steel, and Nordec may not be able to utilize other materials in its operations in a profitable way, or at all, which could leave Nordec's competitors at an advantage. There can be no assurance that Nordec will manage to assess the climate risks and effects, take proactive actions and set ambitious goals to develop its operations in a sustainable and climate-friendly direction in order to comply with changes in laws and regulations and to meet its various stakeholders' expectations. If Nordec fails to meet customer expectations or to comply with legal and regulatory requirements related to climate change, this could reduce Nordec's sales, which could, in turn, have a material adverse effect on Nordec's business, financial positions and results of operations.

Construction is a regulated industry, and Nordec may not be able to ensure the compliance of relevant laws and regulations throughout its operations.

Construction is a regulated industry and authorities, such as municipalities, have the jurisdiction to prepare plans for land use that steer construction companies' operations. In addition, the actual construction work entails cooperation with various authorities and inspections to be carried out by such authorities at different stages of construction. There can be no assurance that authorities will grant Nordec's customers or other parties involved in the construction projects the permits required or that permit decisions are not overturned or amended as a result of a complaint. In addition, applicable laws and regulations regarding granting of permits may change more frequently than expected, which may cause uncertainty and delays in permit procedures. Unfavorable administrative decisions or decisions made in any administrative court as well as prolonged permit procedures sought out by Nordec's customers or other parties involved in the same project may make it more difficult to execute projects, or they may delay their timetables or even result in the cancellation of projects. If realized, these risks could have a material adverse effect on Nordec's operations or results of operations.

The Finnish legislation concerning contractor's liability requires that the company that concludes a contract concerning work to be performed by leased labor or subcontractors must ensure that its subcontractors comply with their statutory obligations. Hence, when Nordec uses a subcontractor, it must make sure that its contractual partner has been registered with the appropriate tax registers, paid its taxes and duly observed its obligations as an employer. In this context, the information must also be obtained concerning foreign companies. Deficiencies in these check-ups or failure to perform them altogether could lead to a penalty for negligence. While operating in countries other than Finland, Nordec must comply with the requirements and obligations imposed by such country's legislation and regulations. In Sweden, for example, foreign subcontractors may become subject to fines or liquidated damages imposed by Byggnads, the Swedish building workers union, if they do not comply with applicable labor laws or should they not have appropriate collective agreements in place. Nordec may have limited or no control over other parties involved in the construction projects, which exposes Nordec to a risk if its subcontractors do not comply with applicable laws and regulations in its operations or otherwise act contrary to generally accepted norms. A lack of compliance with local labor laws or recognized ethical or environmental standards could lead Nordec to seek alternative suppliers, which could increase its costs and result in delayed delivery of its products, product shortages or other disruptions to its operations. Violation of anti-money laundering, bribery, environmental or labor or other laws by Nordec's suppliers or the divergence of a supplier's labor or other practices from those generally accepted as ethical could also lead to liability and attract negative publicity for Nordec and damage Nordec's reputation, which in turn, could have an adverse effect on the demand for Nordec's products and services. See also "*Risks Related to Nordec's Business—Deterioration of Nordec's corporate reputation could adversely affect its business*" above.

Risks Related to Financial Condition and Financing

Fluctuations in foreign exchange rates expose Nordec to, among others, transactional and translation risks, which could have a material adverse effect on Nordec's financial position and results of operations.

Due to the international nature of its business, Nordec is exposed to transactional and translation risks resulting from currency exchange rate fluctuations. Transactional risks arise when the products are traded in a currency other than the domestic currency of the Company and its subsidiaries, and translation risks arise when the funds of the subsidiaries held in different currencies are translated into the Company's operating currency, the euro. Nordec is exposed to transaction risk and translation risk related mainly to the Swedish krona, the Polish złoty, the Czech koruna and the Norwegian krone. While Nordec systematically protects itself against risks related to exchange rate fluctuations and uses currency hedging instruments when the effects of currency fluctuations are not passed on to customers to mitigate the impact of exchange rate fluctuations, there can be no assurance that it will be able to manage its foreign exchange risk successfully and/or on favorable terms. In addition, Nordec's estimates and projections concerning its future may be based on exchange rate projections that might prove incorrect. Exchange rate fluctuations may, thus, have a material adverse effect on Nordec's financial condition and/or results of operations. For more information on the management of financial risks, see note 4.1 to the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

Nordec is exposed to credit and counterparty risks.

Nordec is exposed to credit and counterparty risks in its business, for example, in relation to customers, suppliers and subcontractors. Credit and counterparty risk refers to the risk of a supplier or a subcontractor being unable or unwilling to

fulfil its obligation to Nordec or a customer not acting according to agreed terms of payment. Credit risk related to Nordec's customers arises from outstanding receivables or long-term contracts and long payment terms particularly in connection with large projects. Although Nordec has not recorded any significant credit losses for the financial years ended December 31, 2021, 2020 and 2019, and it conducts customer assessments by utilizing credit registers and external customer analysis and overall financial risk assessment in connection with larger projects and it may demand payment guarantees or advance payments, there can be no assurance that Nordec will not be exposed to higher credit losses in the future as a result of a prolonged COVID-19 situation, the ongoing war in Ukraine or otherwise. If one or more of Nordec's contractual partners encounters payment difficulties or bankruptcy, the amount of Nordec's credit losses may increase or its production be disturbed due to supply problems, which could result in a reduction of Nordec's liquidity and consequently have a material adverse effect on Nordec's business, financial condition and/or results of operations.

Nordec's tax costs could increase as a result of changes to tax laws or their application or as a result of a tax audit.

Nordec's tax burden depends on certain tax laws and regulations and their application and interpretation (for example, with regard to transfer pricing rules). Changes in tax laws and regulations or their interpretation and application may increase Nordec's tax costs to a significant degree, which could have an adverse effect on Nordec's financial condition and/or results of operations. Furthermore, Nordec may at times be subject to tax audits conducted by national tax authorities. Tax audits or other auditing measures carried out by tax or other authorities, such as customs officials, could result in an imposition of additional taxes (such as income taxes, taxes at source and property, capital, transfer and value-added taxes), which could lead to an increase in Nordec's tax liability.

Potential future impairment charges related to intangible assets could have a material adverse effect on Nordec's financial condition and results of operations.

Although Nordec has not recorded any goodwill for the financial years ended December 31, 2021, 2020 and 2019, Nordec has intangible assets incurred from acquisitions as well as other intangible assets. In addition, Nordec may in the future complete corporate or business acquisitions and take part in market consolidation that support its strategy, and potential acquisitions may result in it having to record goodwill on its balance sheet. Nordec performs impairment tests on goodwill and other intangible assets, which have an indefinite useful life, annually or whenever changes in circumstances indicate that the carrying amount may not be recoverable. Adverse changes to any of the parameters included in the impairment test may cause Nordec's estimates to be revised downwards, which may result in impairment charges of goodwill or other intangible assets. If Nordec needs to record any significant impairment charges related to goodwill or other intangible assets in the future, it could, depending on the amounts impaired, have a material adverse effect on Nordec's business, financial position, results of operations and/or future prospects.

Nordec may not necessarily obtain financing on competitive terms or at all.

Nordec currently finances its business and investments with operational cash flows and debt financing. As at March 31, 2022, Nordec's interest-bearing loans and borrowings amounted to EUR 4.8 million. In addition, Nordec has negotiated the Loan Agreement (as defined below) of EUR 10 million, which is conditional upon the completion of the First North Listing. For more information on the Loan Agreement, see "*Operating and Financial Review—Liquidity and Capital Resources—Interest-bearing Liabilities.*" Sufficient cash flow is required for Nordec's business and maintaining its ability to service its debt. There can be no assurance that Nordec will be able to secure financing to a sufficient extent and on competitive terms to finance its business and investments. Changes in the macroeconomic environment or in the general financial markets may have an adverse effect on the availability, price and other terms of financing. In particular, future business acquisitions may require both sufficient cash flow from operations and external financing, which exposes Nordec to risks related to the availability of additional financing.

For example, global financial markets have experienced in the past, and may continue to experience in the future, significant volatility and liquidity disruptions, which may adversely affect Nordec's financing costs and access to financing and ultimately affect Nordec's ability to finance its operations. Changes in the availability of equity and debt financing and in the terms of the financing available may have an effect on Nordec's ability to invest in developing and growing its business and making business acquisitions in the future. If Nordec is not able to obtain financing on competitive terms or at all, this may have a material adverse effect on Nordec's business, financial condition and/or results of operations.

Risks Related to the Shares

The amount of any dividends paid by the Company in any given financial year is uncertain.

The majority of Nordec's assets are owned by, and Nordec's external sales are generated through, the Company's subsidiaries, whereas the Company is Nordec's parent company with the responsibility to manage group-level administration and treasury as well as financing operations, for example. As the Company does not generate any external sales of its own, the Company's ability to pay dividends will depend upon the level of income to be derived from the management fees from subsidiaries, group contributions, dividend payments and interest income, if any, received from its operating subsidiaries and its level of cash balances. Under the provisions of the Finnish Companies Act, the amount

distributed by the Company as dividends may not exceed the amount of distributable funds shown on its latest unconsolidated parent company audited financial statements adopted by the general meeting of shareholders. Any possible distribution of dividends in respect of a financial period depends on the Company's and its subsidiaries' results of operations, financial condition, cash flow, need for working capital, investments, future outlook, terms of its financing agreements and other factors. Under the Finnish Companies Act, the distribution of dividends is not permitted if it would jeopardize the Company's solvency. The Board of Directors of the Company has adopted a dividend policy for the Company. Notwithstanding this policy, the Company will evaluate the preconditions for the distribution of dividends annually, taking into consideration a number of factors, including Nordec's capital structure, future revenue, profits, financial position, general economic and business conditions, and future prospects; the ability of the Company's subsidiaries to pay dividends or otherwise transfer funds to the Company; and such other factors as the Board of Directors of the Company may deem relevant. The amount of any dividends paid by the Company in any given financial year is, thus, uncertain and the amount of dividends to be distributed on a single year may differ significantly from the target level set in the dividend policy. In addition, there can be no assurance that any dividend will become payable. Further, the dividends paid by the Company for certain financial period are not an indication of the dividends to be paid for any financial periods in the future, if any. See also "*Dividends and Dividend Policy*."

The Shares have not been previously subject to public trading, and, thus, the market price of the Shares may be volatile and an orderly and liquid trading market may not develop.

The Shares have not previously had a public trading market, and there can be no assurance that after the First North Listing, the Shares will be actively traded or that an active trading can be maintained. Therefore, the liquidity of the Shares is uncertain.

The market price of the Shares may fluctuate significantly due to a number of factors, such as realized or anticipated changes in Nordec's results of operations, Nordec's ability to reach its business objectives, developments in the markets Nordec serves, announcements concerning innovations introduced by competitors, changes in the regulatory environment, general market conditions and other factors. In addition, international financial markets have occasionally experienced significant fluctuations in share prices and trading volumes regardless of the business development or future outlook of individual companies. These factors are mainly beyond Nordec's control. Moreover, the prices of shares offered publicly for the first time have been subject to considerable price fluctuations for periods of time, which may not have corresponded to the business or financial success of the particular company issuing such shares. There can be no assurance that the market price of the Shares will not experience significant fluctuations or decline below the Subscription Price. The Subscription Price does not necessarily reflect the market price of the Shares after the First North Listing.

The interests of the Selling Shareholder may differ from those of other shareholders.

If the Offering is carried out as planned, the Selling Shareholder will hold approximately 41.7 percent of all Shares and votes of the Company immediately following the Offering (assuming that the Selling Shareholder will sell the maximum number of Sale Shares, the Over-allotment Option is exercised in full and that the Company will issue 960,000 New Shares). See "*Major Shareholders*." After the Offering, the Selling Shareholder will continue to have significant ownership in the Company and it may be able to affect, among other things, the composition of the Board of Directors of the Company and the distribution of dividends. The Selling Shareholder may also have the ability to block decisions required to be made at the general meeting of the shareholders of the Company, including, among other things, the approval of the financial statements and decisions regarding changes to articles of association and certain corporate transactions, such as mergers and demergers. There can be no assurance that the interests of the Selling Shareholder will be aligned with those of other shareholders of the Company.

Future share issues and sales of significant number of Shares may reduce the price of the Shares and the future share issues may dilute the share of ownership of the current shareholders.

The Company and the Selling Shareholder are expected to commit to, subject to certain exceptions, a lock-up period that will end 180 days from the First North Listing. In addition, the members of the Board of Directors of the Company and the members of the management team of Nordec are expected to enter into a lock-up agreement with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing. Also, the Personnel participating in the Personnel Offering must agree to comply with the lock-up with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing. See "*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Lock-up*." After the lock-up period, or prior to that, with a consent from the Global Coordinator, the Company may issue and other parties may sell Shares. The issuance or sale of a significant number of Shares, or an understanding that such an issuance or sale may occur in the future, could have an adverse effect on the market price of the Shares and on the Company's ability to raise funds through share issues in the future.

Due to the large percentage of Shares held by the Selling Shareholder, there can be no assurance that the Selling Shareholder will not affect trading and transaction volumes by using its decision-making power in the Company or by making decisions

concerning its shareholding in the Company, which could have an adverse effect on the prevailing market price of the Shares. Further, the perception that any such large sell down by a large shareholder may occur in the future may have an adverse effect on the development of the price of the Shares. Furthermore, any possible future directed share issue, or a rights issue where any existing shareholders decide not to exercise their subscription rights, could dilute shareholders' relative share of the Shares and voting rights in the Company.

The Company's articles of association include provisions on the obligations to notify the Company on the change of holdings and to make a purchase offer, and non-compliance of such provisions could result in restrictions on the exercise of investors' voting rights and in the non-redemption of Shares.

The provisions of the Finnish Securities Markets Act on mandatory tender offers or notifications of major holdings do not apply to the Company even after the First North Listing. Therefore, the Company has included in its articles of association an obligation to notify the Company of a change of holdings and an obligation to make an offer to purchase Shares if certain criteria are met.

When the shareholdings or proportion of voting rights of a shareholder reach or exceed limits as specified in the Company's articles of association or decrease under these limits, the shareholder has the obligation to notify the Company of the change of holdings. The obligation to notify changes of holdings applies to both Shares and financial instruments. If a shareholder does not notify the Company of the change of holdings in accordance with the articles of association, the shareholder may not exercise its voting rights attached to the Shares held by the shareholder prior to the change of holdings until the shareholder has made the required notification.

It is possible that a shareholder gains control of the Company without the other shareholders being informed about it. In accordance with the articles of association of the Company, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company's articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 30 percent or 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options. Enforcement of the obligation to make a purchase offer in accordance with the articles of association of the Company will be the sole responsibility of the Board of Directors of the Company and no securities market supervisory authority is responsible for overseeing the enforcement. Therefore, it is possible that a shareholder, who would be obliged to make a purchase offer in accordance with the articles of association of the Company but who neglects this obligation, cannot be compelled to comply with provisions as efficiently as when such obligation is based on law or an administrative order. If a shareholder does not comply with the provisions of the articles of association of the Company or if the articles of association of the Company are not efficiently enforced by the Board of Directors of the Company, this could result voting rights of a shareholder, who would be obliged to make a purchase offer, being restricted as well as in the non-redemption of the Shares of other shareholders and options of option holders, thus, weakening the rights of the Company's shareholders.

A failure to comply with the above-mentioned obligations included in the articles of association of the Company could have a material adverse effect on the Company's attractiveness as an investment and on the value of the Offer Shares. For more information on the obligation to notify the change of holdings and the obligation to make an offer to purchase Shares, see "*Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to Purchase Shares*" and "*Description of the Shares and Share Capital—Shareholder Rights—Notification on the Change of Holdings*" as well as the articles of association of the Company included as Annex A to this Prospectus.

Holders of nominee-registered Shares cannot necessarily exercise their voting rights.

The holders of nominee-registered Shares cannot necessarily exercise their voting rights unless their ownership has been temporarily registered under their own name in Euroclear Finland prior to the Company's general meeting of shareholders. The Company cannot give any assurances that the holders of nominee-registered Shares would receive a notice to the general meeting of shareholders in time to instruct their account operators to either temporarily register their Shares or otherwise exercise their voting rights as the actual owners wish. See "*The First North Growth Market and the Finnish Securities Markets—Finnish Book-entry Securities System*."

Certain foreign shareholders may not necessarily be able to exercise their subscription rights.

Under Finnish legislation, shareholders have specific subscription rights in proportion to their holdings when the Company issues new shares or securities entitling the subscription of new shares. Certain shareholders of the Company who reside or will reside in, or whose registered address is located in, certain countries other than Finland may not be able to exercise their subscription rights in possible future share issues, unless the Shares have been registered according to the securities legislation of the country in question or in an otherwise similar manner, or unless a derogation from the registration or other equivalent regulations provided in the applicable legislation is available. This may lead to the dilution of such shareholders' ownership in the Company. Further, if the number of shareholders who are not able to exercise their subscription rights is high and if the subscription rights of such shareholders are sold on the market, it could have an adverse

effect on the price of the subscription rights. A foreign shareholder's right to have access to information concerning share issues and important transactions may also be restricted due to the legislation of the country in question. See "*Description of the Shares and Share Capital—Shareholder Rights.*"

The companies listed on the First North Growth Market are subject to less extensive securities market regulation than companies listed on regulated markets, and, therefore, investing in such companies may contain more risks than investing in companies listed on regulated markets.

The First North Growth Market is a multilateral trading facility operated by Nasdaq Helsinki. The companies listed on the First North Growth Market are subject to less extensive regulation than companies listed on regulated markets and, therefore, regulation on, for example, provisions on notification of major shareholdings and mandatory public tender offers in the Finnish Securities Markets Act do not apply to securities admitted to trading on the First North Growth Market. However, the Company has included the obligation to notify the changes of holding and obligation to purchase Shares if certain thresholds are reached in its articles of association. See "*—The Company's articles of association include provisions on the obligations to notify the Company on the change of holdings and to make a purchase offer, and non-compliance of such provisions could result in restrictions on the exercise of investors' voting rights and in the non-redemption of Shares*" above. Due to these and other differences in regulation, the companies listed on the First North Growth Market and the rights and obligations of their shareholders differ from the rights and obligations of the companies on regulated markets and their shareholders. Investing in a company listed on the First North Growth Market may contain more significant risks than investing in a company listed on a regulated market.

Risks Related to the Offering and the First North Listing

The First North Listing will result in additional costs for the Company; the Company may fail to implement functions required from a listed company.

The Company will submit a listing application to Nasdaq Helsinki to list the Shares on the First North Growth Market. In addition to non-recurring costs, the First North Listing will result in significant ongoing administrative costs for the Company also after the First North Listing, which could have an adverse effect on Nordec's financial condition and/or results of operations. As a consequence of the First North Listing, the Company will be required to meet regulatory requirements pertaining to entities with shares admitted to trading on the First North Growth Market, in particular with respect to financial reporting, and allocate staff and resources to such purposes. Such additional costs could have a material adverse effect on Nordec's financial condition and/or results of operations.

It is possible that the implementation of the required operations and processes and the staff and resources adjustment requires more resources than planned and these tasks cannot be performed with the same level of quality as previously or that such operations will be suspended. Furthermore, Nordec must assign employees and other resources for these purposes. It is also possible that Nordec will fail to implement and organize the functions required from a listed company in which case Nasdaq Helsinki may not accept the Company's listing application. In addition, it is possible that Nordec will fail to maintain the functions required from a listed company, partially or entirely, after the First North Listing.

Tight communication schedules and dependence on data systems and key employees to carry out required operations and processes may pose challenges to the correctness of financial and other information and to the timely release of such information. If information published by the Company turns out to be incorrect, misleading or otherwise not in compliance with all applicable laws, rules and regulations, the Company may lose the trust of its investors and other interest groups and face sanctions as a result of such actions.

The conditions for the Offering may not be fulfilled.

The execution of the Offering is conditional upon the Offering being subscribed for in full (the number of subscriptions equals all Offer Shares). In addition, the Placing Agreement (as defined below) related to the Offering includes certain customary terms and conditions, including the accuracy and correctness of certain terms and conditions relating to the Company and the Selling Shareholder. If one or more of the terms and conditions of the Placing Agreement are not met, the Placing Agreement may not be entered into or it may be terminated, as a result of which the Offering will not be completed. Delay or cancellation of the Offering may result in additional costs and administrative actions for Nordec, which may have a material adverse effect on Nordec's business, financial position and results of operations. If the First North Listing is not completed, the investor cannot use the paid Subscription Price for any other investment until the paid Subscription Price has been refunded to the investors. See "*Plan of Distribution.*"

Subscription commitments are irrevocable and there is no certainty of the number or the allocation of the Offer Shares.

The subscription commitments made in the Offering are binding and cannot be canceled or amended after the subscription has been made, except as described in "*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Cancellation of Commitments.*"

The Company and the Selling Shareholder will jointly decide on the execution of the Offering, the final number of Offer Shares and the allocation of Offer Shares to investors. The Company and the Selling Shareholder will decide on the procedure to be followed in the possible event of an oversubscription. Commitments may be approved or rejected in whole or in part. Therefore, investors must make their investment decisions prior to having knowledge of the final result of the Offering. See “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Public Offering—Approval of Commitments and Allocation*,” “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Institutional Offering—Approval of Purchase and Allocation*” and “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Personnel Offering—Subscription Price of the Personnel Offering and the Allocation of Personnel Shares*.”

CERTAIN MATTERS

Statement Regarding Information in this Prospectus

The Company is responsible for the information included in this Prospectus. To the best of the Company's knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

June 6, 2022

Nordec Group Corporation

Special Cautionary Notice Regarding Forward-looking Statements

This Prospectus contains forward-looking statements about Nordec that are not historical facts, but statements about future expectations. When used in this Prospectus, the words "aims," "anticipates," "assumes," "believes," "could," "estimates," "expects," "intends," "may," "plans," "should," "will," "would" and similar expressions as they relate to Nordec or its management, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this Prospectus, including in the sections "Summary," "Risk Factors," "Dividends and Dividend Policy," "Reasons for the Offering and Use of Proceeds," "Capitalization and Indebtedness," "Industry and Market Overview," "Business," "Operating and Financial Review" and wherever this Prospectus includes information on the future results, plans and expectations with regard to Nordec, the future growth and profitability of Nordec and the future general economic conditions to which Nordec is exposed.

No Incorporation of Website Information

The Finnish Prospectus will be published on Nordec's website at www.nordec.com/sijoittajat/listautuminen and this Prospectus at www.nordec.com/investors/ipo on or about June 6, 2022. In addition, the Finnish Prospectus will be available on Evli's website at www.evli.com/en/nordec on or about June 6, 2022.

This Prospectus, the documents incorporated by reference as well as possible supplements to this Prospectus that will form a part of this Prospectus will be published on Nordec's website. However, other information on Nordec's website or any other website, do not form a part of this Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Offer Shares.

Presentation of Financial Information

Historical Financial Statements and Interim Financial Information

The financial information included in this Prospectus has been derived from the Interim Consolidated Financial Information and the Audited Consolidated Financial Statements incorporated by reference into this Prospectus. Financial information and measures presented in this Prospectus have been derived or calculated from the Interim Consolidated Financial Information and the Audited Consolidated Financial Statements, respectively, prepared in accordance with IFRS. The Interim Consolidated Financial Information has been prepared in accordance with "IAS 34 – Interim Financial Reporting." The financial information presented in this Prospectus has been prepared in accordance with IFRS.

Nordec in its current form is based on the Company's acquisition of Normek (the current Nordec Envelope Oy ("Nordec Envelope")) in 2019 and the Company's acquisition of Ruukki Building Systems (the current Nordec Oy) in 2020. Nordec's financial information includes Normek as of March 1, 2019, and Ruukki Building systems as of May 1, 2020. With respect to the financial year ended December 31, 2019, the Company's financial year begins on September 12, 2018. The Company did not have business operations prior to the acquisition of the entire share capital of Normek (the current Nordec Envelope) on February 28, 2019.

The Audited Consolidated Financial Statements have been audited by EY, Authorized Public Accountants, with Jari Karppinen, Authorized Public Accountant, as the auditor with principal responsibility.

Alternative Performance Measures

Nordec presents in this Prospectus certain performance measures of historical financial performance, financial position and cash flows, which in accordance with the "Alternative Performance Measures" guidance by the European Securities and Markets Authority are not accounting measures defined or specified in IFRS (together, the "Alternative Performance Measures").

These Alternative Performance Measures are:

- change in revenue from previous period;
- adjusted EBITDA;
- adjusted EBITDA margin;
- EBITDA;
- EBITDA margin;
- adjusted EBITA;
- adjusted EBITA margin;
- EBITA;
- EBITA margin;
- operating profit (EBIT);
- adjusted profit for the period before amortizations of intangibles from business combinations;
- adjusted earnings per Share;
- net debt;
- net debt to EBITDA ratio;
- net debt to adjusted EBITDA ratio;
- equity ratio;
- net working capital;
- cash conversion rate;
- return on equity;
- return on capital employed; and
- order backlog.

For more information on the reasons for the use of the Alternative Performance Measures and definitions and basis of calculation of the Alternative Performance Measures, see “*Selected Financial Information*.”

Nordec presents Alternative Performance Measures as additional information to financial measures presented in the consolidated income statement, consolidated balance sheet and consolidated statement of cash flows prepared in accordance with IFRS. In Nordec’s view, the Alternative Performance Measures provide the management and investors, securities analysts and other parties with significant additional information related to Nordec’s results of operations, financial condition or cash flows and are widely used by analysts, investors and other parties.

The Alternative Performance Measures should not be considered in isolation or as substitute to the measures under IFRS. All companies do not calculate Alternative Performance Measures in a uniform way, and, therefore, the Alternative Performance Measures presented in this Prospectus may not be comparable with similarly named measures presented by other companies. The Alternative Performance Measures presented in this Prospectus are unaudited.

Market and Industry Information

This Prospectus contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Nordec’s business and markets. Such information is based on Nordec’s estimates and/or analysis of multiple sources, including EUROCONSTRUCT, the European Central Bank (the “**ECB**”), CBRE, Inc. (“**CBRE**”), Reuters News & Media, Inc. (“**Reuters**”), the Finnish Government and the Finnish Transport and Communications Agency Traficom (“**Traficom**”), and information otherwise obtained, unless otherwise indicated.

The Company confirms that third-party information has been reproduced accurately in this Prospectus, but the Company has not verified the accuracy of such information, market data or other information on which third parties have based their

studies. As far as the Company is aware and is able to ascertain from information published by these third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Moreover, market studies are frequently based on information and assumptions that may not be exact or appropriate, and their methodology is by nature forward-looking and speculative.

This Prospectus also contains estimates regarding the market position of Nordec that cannot be gathered from publications by market research institutions or any other independent sources. In many cases, there is no publicly available information on such data, for example from industry associations, public authorities or other organizations and institutions. The Company believes that its internal estimates of market data and information derived therefrom and included in this Prospectus are helpful in order to give investors a better understanding of the industry in which Nordec operates as well as its position within this industry. Although the Company believes that its internal market estimates are fair, they have not been reviewed or verified by any external experts and the Company cannot guarantee that a third-party expert using different methods would obtain or generate the same results.

Certain Other Information

Financial information set forth in this Prospectus has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total amount given for that column or row.

All references in this Prospectus to “euro” and “EUR” refer to the currency of Economic and Monetary Union of the EU, those to the “**British pound sterling**” and “**GBP**” refer to the currency of the United Kingdom of Great Britain and Northern Ireland, those to the “**Danish krone**” and “**DKK**” refer to the currency of the Kingdom of Denmark, those to the “**Czech koruna**” and “**CZK**” refer to the currency of the Czech Republic, those to the “**Norwegian krone**” and “**NOK**” refer to the currency of the Kingdom of Norway, those to the “**Polish zloty**” and “**PLN**” refer to the currency of the Republic of Poland, those to the “**Swedish krona**” and “**SEK**” refer to the currency of the Kingdom of Sweden and those to the “**U.S. dollar**” and “**USD**” refer to the currency of the United States of America.

Future Events

From the year ending December 31, 2022, the Company’s aim is to annually publish an annual report that contains its audited consolidated financial statements and an annual report of the Board of Directors as well as from the six months ending June 30, 2022, to annually publish interim half-year reports. In addition, from the nine months ending September 30, 2022, and three months ending March 31, 2023, the Company’s aim is to annually publish interim reports. The annual reports, half-year interim reports, interim reports and company releases will be published in Finnish and in English.

The interim half-year report for the six months ending June 30, 2022, is aimed to be published on November 4, 2022, and the interim report for the nine months ending September 30, 2022, is aimed to be published on August 5, 2022.

The Company’s next annual general meeting of shareholders is in 2023.

CERTAIN IMPORTANT DATES RELATING TO THE OFFERING

Subscription period of the Offering commences.....	June 8, 2022
In the event of oversubscription, the Public Offering, the Institutional Offering and the Personnel Offering may be discontinued at the earliest.....	June 17, 2022
Subscription period of the Public Offering and the Personnel Offering ends	on or about June 20, 2022
Subscription period of the Institutional Offering ends	on or about June 21, 2022
Announcement of the final results of the Offering	on or about June 22, 2022
New Shares are registered in the book-entry accounts in the Public Offering and the Personnel Offering.....	on or about June 23, 2022
Trading in the Shares commences on the First North Growth Market.....	on or about June 23, 2022
The Offer Shares offered in the Institutional Offering are ready to be delivered against payment through Euroclear Finland	on or about June 27, 2022

DIVIDENDS AND DIVIDEND POLICY

The Board of Directors of the Company has adopted a dividend policy pursuant to which the Company aims to distribute a dividend, which is at least 50 percent of its profit for the financial period also taking into account the Company's financial position, cash flow and growth opportunities.

The payment of dividends, if any, by the Company and the amounts and timing thereof will depend on a number of factors, including Nordec's capital structure, future revenue, profits, financial position, general economic and business conditions, and future prospects; the ability of the Company's subsidiaries to pay dividends or otherwise transfer funds to the Company; and such other factors as the Board of Directors of the Company may deem relevant.

There can be no assurance that a dividend will be declared in any given year. If a dividend is declared, there can be no assurance that the dividend amount or the dividend payout ratio will be as described above. Moreover, any dividend paid in a given year will not be indicative of any dividends to be paid in any subsequent year. If any dividend is distributed, all of the Shares will be entitled to the same dividend.

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company's financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than those for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, such financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorize the Board of Directors to decide upon payment of dividends and other distribution of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount resolved by the general meeting of shareholders. The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company since the financial statements were prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent.

No dividend has been paid by the Company for the financial years ended December 31, 2021, 2020 and 2019. In 2020 the Company distributed a return of capital of EUR 1.0 million to its parent company Donges. The shareholder of the Company resolved on May 13, 2022, to authorize the Board of Directors of the Company to resolve upon a maximum of EUR 9.0 million distribution of dividends and/or return of unrestricted capital from the Company's fund for unrestricted equity, conditional on the First North Listing being completed by June 30, 2022. Based on this authorization, the Board of Directors of the Company resolved upon a return of unrestricted capital to the shareholder of the Company on May 31, 2022, conditional on the First North Listing being completed by June 30, 2022. See "*Certain Matters—Presentation of Financial Information*," "*Operating and Financial Review—Key Factors Affecting Results of Operations—Recent Events*" and "*Description of the Shares and Share Capital—Shareholder Rights—Dividends and Other Distributions of Funds*."

Dividends paid to shareholders who are non-residents of Finland will generally be subject to Finnish withholding tax. Currently, the withholding tax rate is 20 percent of the dividend paid to non-resident corporate entities and 30 percent for all other non-residents. The amount of withholding tax may be reduced pursuant to an applicable tax treaty to which Finland is a party. For a summary of certain tax consequences for shareholders, see "*Taxation*."

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering and the First North Listing

The objective of the Offering is to facilitate the implementation of Nordec's strategic targets related to growth, as set out in "*Business—Nordec's Strategy*," and enable the implementation of investments related to the efficiency of Nordec's operations and production. The Offering will enable the Company to obtain access to capital markets, expand its ownership base, increase the liquidity of the Shares and enable the Company to use the Shares as consideration in possible acquisitions. Additional visibility is also expected to further increase Nordec's recognition among the public and as an employer, and thus enhance Nordec's competitiveness.

Use of Proceeds

The Company aims to raise gross proceeds of approximately EUR 7.0 million by offering New Shares for subscription. In connection with the Offering, the Company expects to pay a total of approximately EUR 2.2 million in fees and expenses, of which approximately EUR 1.4 million in advisory fees and arrangement expenses, and approximately EUR 0.8 million in exit fees and related employer contributions to certain key personnel as agreed upon the completion of the Offering, resulting in net proceeds for the Company from the Share Issue of approximately EUR 4.8 million (assuming that all preliminarily offered New Shares are subscribed for). The Company expects to use the net proceeds from the Share Issue to facilitate the implementation of Nordec's strategic targets related to growth, as set out in "*Business—Nordec's Strategy*," and strengthen the efficiency of Nordec's operations and production. According to Nordec's estimate, the prioritized production long-term investments set out in "*Business—Nordec's Strategy*" require investments of approximately EUR 10.5 million from the Company.

The Selling Shareholder expects to receive gross proceeds of approximately EUR 29.3 million from the Share Sale (assuming that all of the Sale Shares will be sold and the Over-allotment Option is exercised in full). In connection with the Offering, the Selling Shareholder expects to pay approximately EUR 1.0 million in fees.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth Nordec’s capitalization and indebtedness as at March 31, 2022, (i) on an actual basis and (ii) as adjusted to reflect the net proceeds of the Share Issue as if the Offering had been completed on March 31, 2022, and the items referred to in the footnotes of the table. When reading the table, investors should note that there can be no assurance that the Share Issue will be completed.

The following table should be read together with “*Selected Consolidated Financial Information*,” “*Operating and Financial Review*” and the Consolidated Financial Information incorporated by reference into this Prospectus.

	As at March 31, 2022	
	Actual	As adjusted
	(unaudited)	
	(EUR in thousands)	
CAPITALIZATION		
Current debt (including current portion of non-current debt)		
Guaranteed.....	–	–
Secured	2,945	2,945
Unguaranteed / unsecured.....	–	–
Total current debt (including current portion of non-current debt).....	2,945	2,945
Non-current debt (excluding current portion of non-current debt)		
Guaranteed.....	–	–
Secured	1,841	1,841
Unguaranteed / unsecured.....	–	–
Total non-current debt (excluding current portion of non-current debt).....	1,841	1,841
Shareholders’ equity		
Share capital.....	3	80 ⁽¹⁾
Reserve for invested unrestricted equity and translation differences	19,274	17,197 ⁽¹⁾⁽²⁾⁽³⁾
Retained earnings.....	10,360	8,160 ⁽³⁾
Total shareholders’ equity.....	29,637	25,437
Total	34,422	30,223
NET INDEBTEDNESS		
Cash and cash equivalents	10,305	15,105 ⁽³⁾
Liquidity (A)	10,305	15,105
Current financial debt (including debt instruments, but excluding current portion of non-current financial debt).....	2,443	2,443
Current portion of non-current financial debt	502	502
Current financial indebtedness (B)	2,945	2,945
Net current financial indebtedness (C=B-A)	(7,360)	(12,160)
Non-current financial debt (excluding current portion and debt instruments)	1,841	1,841
Non-current financial indebtedness (D)	1,841	1,841
Total financial indebtedness (C+D)	(5,520)	(10,319)

- (1) The shareholder of the Company resolved on May 13, 2022 to convert the Company into a public limited liability company and to increase the share capital with an increase from the Company’s reserve for invested unrestricted equity to reach the threshold of EUR 80 thousand required from public limited liability companies. The share capital of the Company increased by EUR 78 thousand and the reserve for invested unrestricted equity of the Company decreased by the same amount.
- (2) Based on the authorization of the shareholder of the Company resolved on May 13, 2022, the Board of Directors of the Company resolved to distribute EUR 9.0 million of return of unrestricted capital from the reserve for invested unrestricted equity on May 13, 2022, conditional on the First North Listing being completed by June 30, 2022. The return of unrestricted capital will not be paid in cash but will be offset against the parent company Donges SteelTec GmbH’s outstanding loan receivables of EUR 9.0 million.
- (3) The Company aims to raise gross proceeds of approximately EUR 7.0 million from the Offering assuming that all Offer Shares are subscribed for. The gross proceeds will improve the Company’s capitalization by the increasing reserve for invested unrestricted equity as well as cash and cash equivalents of the Company by the corresponding amount. Cash and cash equivalents as well as profit for the financial period line item have been adjusted by estimated expenses of EUR 2.2 million related to the Offering and the First North Listing.

For more information on Nordec’s indirect and contingent indebtedness, see “*Operating and Financial Review—Off-balance-sheet Liabilities*.”

Working Capital Statement

Nordec believes that the working capital available to it is sufficient for at least 12 months following the date of this Prospectus.

TERMS AND CONDITIONS OF THE OFFERING

The term “subscription” refers in the following to the investor’s offer or commitment to subscribe for or purchase Offer Shares (as defined below) in the Offering (as defined below), and an investor may be allocated either New Shares (as defined below), Sale Shares (as defined below) or Additional Shares (as defined below). Correspondingly, “subscriber,” “subscription period,” “subscription place,” “subscription price,” “purchase offer” and “commitment” (and other corresponding terms) refer to both Share Issue (as defined below) and Share Sale (as defined below).

General Terms and Conditions of the Offering

Offering

Nordec Group Corporation, a public limited liability company incorporated in Finland (the “**Company**”), aims to raise gross proceeds of approximately EUR 7.0 million by offering preliminarily up to 960,000 new shares in the Company (the “**New Shares**”) for subscription (the “**Share Issue**”). In addition, Donges SteelTec GmbH (the “**Selling Shareholder**”) will offer for purchase initially a maximum of 3,330,783 existing shares in the Company (the “**Sale Shares**”) (the “**Share Sale**,” and together with the Share Issue, the “**Offering**”). Unless the context indicates otherwise, the New Shares (including the Personnel Shares (as defined below)), the Sale Shares and the Additional Shares (as defined below) are together referred to as the “**Offer Shares**.”

The Offering consists of (i) a public offering to private individuals and entities in Finland, Sweden and Denmark (the “**Public Offering**”), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (the “**Institutional Offering**”) and (iii) personnel offering to the Company’s and its subsidiaries’ Personnel (as defined below) (the “**Personnel Offering**”). The Offer Shares represent approximately a maximum of 50.7 percent of all the shares in the Company (the “**Shares**”) and votes vested by the Shares after the Offering, assuming that the Over-allotment Option (as defined below) will not be exercised (approximately 58.3 percent, assuming that the Over-allotment option will be exercised in full), and assuming that the Selling Shareholder will sell the maximum number of Sale Shares and that the Company will issue 960,000 New Shares.

Offer Shares will be offered in the Institutional Offering to institutional investors outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) (“**Regulation S**”), and otherwise in compliance with the said regulation. The Shares (including the Offer Shares) have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and, accordingly, will not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S of the U.S. Securities Act).

The terms and conditions of the Offering are comprised of the general terms and conditions of the Offering as well as the special terms and conditions of the Public Offering, Institutional Offering and Personnel Offering.

Share Issue

The shareholder of the Company resolved on May 13, 2022, to authorize the Company’s Board of Directors to decide on an issue of a maximum of 1,100,000 New Shares. The Company’s Board of Directors is expected to resolve on the final number of New Shares on or about June 22, 2022, with the aim of raising gross proceeds of approximately EUR 7.0 million by offering New Shares for subscription in the Offering.

The number of New Shares to be issued would correspond to approximately 11.3 percent of the Shares and the number of votes vested by the Shares after the Share Issue, and the number of Shares may increase to a maximum of 8,460,000 Shares, assuming that all of the New Shares preliminarily offered in the Offering are subscribed for in full.

The New Shares are being offered in deviation from the shareholders’ pre-emptive subscription right in order to enable the listing of the Shares on the Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) (the “**First North Growth Market**”) (the “**First North Listing**”). The payment made to the Company for the approved subscription of a New Share will be booked in its entirety in the invested unrestricted equity fund. Therefore, the Company’s share capital will not increase in connection with the Share Issue.

Share Sale

The Selling Shareholder will offer for purchase a maximum of 3,330,783 Sale Shares in the Share Sale. The Sale Shares correspond to approximately 39.4 percent of the Shares after the Share Issue without the Over-allotment Option (approximately 47.0 percent, assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholder sells the maximum number of Sale Shares and that the New Shares preliminarily offered in the Share Issue are subscribed for in full.

Global Coordinator and Subscription Place

Evli Plc (“**Evli**”) has been appointed to act as global coordinator and bookrunner for the Offering (the “**Global Coordinator**”). In addition, the Company has appointed Nordnet Bank AB (“**Nordnet**”) as the subscription place in the Public Offering, in addition to which Nordnet also accepts subscriptions in the Institutional Offering, and Evli Alexander Incentives Oy (“**Evli Alexander Incentives**”) as the subscription place in the Personnel Offering.

Over-allotment Option

The Selling Shareholder is expected to grant to the Global Coordinator an over-allotment option to purchase a maximum of 643,617 additional Shares at the Subscription Price (the “**Additional Shares**”) solely to cover over-allotments in connection with the Offering (the “**Over-allotment Option**”). The Over-allotment Option is exercisable within 30 days from the commencement of trading in the Shares on the First North Growth Market (*i.e.*, on or about the period between June 23, 2022, and July 22, 2022) (the “**Stabilization Period**”). The maximum number of the Additional Shares represents 7.6 percent of the Shares and the number of votes vested by them, assuming that the Company issues 960,000 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.

Stabilization

In connection with the Offering, the Global Coordinator, acting as stabilizing manager (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. The Stabilizing Manager may allocate a larger number of Shares than the total number of New Shares and Sale Shares, which will create a short position. The short position will be covered if it does not exceed the number of Additional Shares. The Stabilizing Manager is entitled to close the covered short position by exercising the Over-allotment Option and/or by buying Shares on the market. In determining the acquisition method of the Shares to cover the short position, the Stabilizing Manager may consider, among other things, the market price of the Shares in relation to the Subscription Price. In connection with the Offering, the Stabilizing Manager may also bid for and purchase Shares in the market to stabilize the market price of the Shares. These measures may raise or maintain the market price of the Shares in comparison with the price levels determined independently on the market or may prevent or delay any decrease in the market price of the Shares. However, stabilization measures cannot be carried out at a price higher than the Subscription Price. The Stabilizing Manager has no obligation to carry out these measures, and it may stop any of these measures at any time. The Stabilizing Manager or the Company on behalf of the Stabilizing Manager will publish information regarding the stabilization required by legislation or other applicable regulations at the end of the Stabilization Period. Stabilization measures can be carried out on the First North Growth Market during the Stabilization Period.

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 and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (as amended, 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.

The Stabilizing Manager and the Selling Shareholder may enter into a share lending agreement related to stabilization and the Over-allotment Option in connection with the First North Listing. According to the share lending agreement, the Stabilizing Manager may borrow a number of Shares equal to the maximum number of Additional Shares to cover any possible over-allotments in connection with the Offering. To the extent that the Stabilizing Manager borrows Shares pursuant to the share lending agreement, it must return an equal number of Shares to the Selling Shareholder. For further information, see “*Plan of Distribution.*”

Placing Agreement

The Company, the Selling Shareholder and the Global Coordinator are expected to enter into a placing agreement (the “**Placing Agreement**”) on or about June 22, 2022. In the Placing Agreement, the Company will agree to issue the New Shares and the Selling Shareholder will agree to sell the Sale Shares to subscribers or purchasers procured by the Global Coordinator, and the Global Coordinator will agree to procure subscribers or purchasers for the New Shares and Sale Shares, provided certain conditions are fulfilled. For further information, see “*Plan of Distribution.*”

Subscription Period

The subscription period for the Public Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time).

The subscription period for the Institutional Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 21, 2022, at 12:00 noon (Finnish time).

The subscription period for the Personnel Offering will commence on June 8, 2022, at 10:00 a.m. (Finnish time) and end on or about June 20, 2022, at 4:00 p.m. (Finnish time).

The Company's Board of Directors and the Selling Shareholder have, in the event of an oversubscription, the right to discontinue the Public Offering and the Institutional Offering by a joint decision at the earliest on June 17, 2022, at 4:00 p.m. (Finnish time). In addition, the Company's Board of Directors may discontinue the Personnel Offering at its sole discretion no earlier than June 17, 2022, at 4:00 p.m. (Finnish time). The Public, Institutional and Personnel Offerings may be discontinued or not discontinued independently of one another. A company release regarding any discontinuation will be published without delay.

The Company's Board of Directors and the Selling Shareholder are entitled to extend the subscription periods of the Public and Institutional Offerings. The Company's Board of Directors is entitled to extend the subscription period of the Personnel Offering. A possible extension of the subscription period will be communicated through a company release, which will indicate the new end date of the subscription period. The subscription periods of the Public, Institutional and Personnel Offerings can be extended independently of one another. A company release concerning the extension of a subscription period must be published no later than on the estimated final dates of the subscription periods for the Public, Institutional and Personnel Offerings stated above.

Subscription Price

The Offer Shares are offered in the Institutional and Public Offering for EUR 7.36 per Offer Share (the "**Subscription Price**"). The subscription price per share in the Personnel Offering is 10 percent lower than the Subscription Price (*i.e.*, the Subscription Price in the Personnel Offering is EUR 6.63 per Offer Share). The Subscription Price has been determined based on negotiations between the Company and the Global Coordinator. The Subscription Price may be changed during the subscription period, provided, however, that in the Public Offering, the Subscription Price cannot be higher than the original Subscription Price (*i.e.*, EUR 7.36 per Offer Share). Any change will be communicated through a company release.

If the Subscription Price is changed, the Finnish language prospectus published by the Company in connection with the Offering (the "**Finnish Prospectus**") will be supplemented and the supplement will be published through a company release. If the Finnish Prospectus is supplemented, investors will be entitled to exercise their right of withdrawal under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the "**Prospectus Regulation**"). See "*—Cancellation of Commitments*" below.

Conditionality, Execution and Publishing of the Offering

The Company's Board of Directors and the Selling Shareholder, after consultation with the Global Coordinator, will jointly decide on the execution of the Offering, the final number of Offer Shares and the allocation of the Offer Shares on or about June 22, 2022 (the "**Completion Decision**"). The above information will be published through a company release and be available on the Company's website at www.nordec.com/investors/ipo immediately after the Completion Decision and in the subscription places of the Public Offering and the Personnel Offering no later than the business day following the Completion Decision (*i.e.*, on or about June 23, 2022). The execution of the Offering is conditional upon the Offering being subscribed for in full (the number of subscriptions equals all Offer Shares). The execution of the Offering is also conditional upon the signing of the Placing Agreement.

Cancellation of Commitments

A commitment to subscribe for or purchase the Offer Shares in the Public Offering or subscribe for the Personnel Shares in the Personnel Offering (a "**Commitment**") cannot be amended. A Commitment may only be cancelled in the situations provided for in the Prospectus Regulation.

Cancellation in Accordance with the Prospectus Regulation

If the Finnish Prospectus is supplemented in accordance with the Prospectus Regulation due to a material error or omission or due to material new information that has become known after the Finnish Financial Supervisory Authority has approved the Finnish Prospectus, but before the end of the subscription period, investors who have given their Commitments before the supplement or correction of the Finnish Prospectus have, in accordance with the Prospectus Regulation, the right to cancel their Commitments within three (3) business days after the supplement has been published. The use of the cancellation right requires that the error, omission or material new information that led to the supplement or correction has become known prior to the end of the subscription period of the Offering. The validity of the Finnish Prospectus expires when the public offering of the Offer Shares ends. Any cancellation of a Commitment must concern the total number of shares covered by the Commitment given by an individual investor. If the Finnish Prospectus is supplemented, the supplement will be published through a company release. The company release will also include information on the right of the investors to cancel their Commitment in accordance with the Prospectus Regulation.

Procedure to Cancel a Commitment

The cancellation of a Commitment must be notified in writing to the subscription place where the initial Commitment was made, within the time limit set for such cancellation, as follows:

- A Commitment given via Evli cannot be cancelled in Evli's online service, but the cancellation must be done by visiting Evli's office in Aleksanterinkatu 19, FI-00100 Helsinki, Finland, or by delivering the information about the cancellation in written form by e-mail to nordec@evli.com, for which more detailed instructions may be requested from Evli's subscription place from telephone number +358 9 4766 9645. In the Personnel Offering, a Commitment given via Evli Alexander Incentives cannot be cancelled in Evli Alexander Incentives' online service, but the subscriber must send a written cancellation request by e-mail to nordec.incentive@eai.fi within the set time period.
- Investors who have submitted their subscriptions via Nordnet must send a written withdrawal request within the set time limit by email to iaservices.fi@nordnet.fi or deliver the cancellation to the Nordnet's office with the following exceptions: the Commitment submitted by Nordnet's own customers via Nordnet's online service can be cancelled through an authorized representative or via Nordnet's online service by accepting a separate cancellation of Commitment by using Nordnet's bank identifier.

A cancellation of a Commitment applies to the entire Commitment. After the time limit set for cancellation has expired, the cancellation right is no longer valid. If the Commitment is cancelled, the subscription place refunds the sum paid for the Offer Shares to the bank account specified in the Commitment. To Nordnet's own customers who gave their Commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts. The payment is refunded as soon as possible after the cancellation, approximately within five (5) business days of serving the subscription place with the cancellation notice. If an investor's bank account is in a different bank than the subscription place, the refund will be paid to the investor's Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) business days thereafter. No interest will be paid on the refunded amount.

Entry of Offer Shares into Book-entry Accounts

Investors that are Finnish natural persons or Finnish entities or foundations who have submitted a Commitment must have a book-entry account with a Finnish account operator or an account operator operating in Finland, and investors must specify the details of their book-entry account in their Commitments. Swedish and Danish investors who have given their Commitments in the Public Offering in Sweden and Denmark are required to have a valid investment service agreement with Nordnet. Subscriptions to equity savings accounts can only be made through Nordnet only to an equity savings account provided by Nordnet. In the Personnel Offering, subscriptions cannot be made to an equity savings account. The Offer Shares allocated in the Public Offering are recorded in the book-entry accounts of investors who have made an approved Commitment on or about the first business day after the Completion Decision takes place, on or about June 23, 2022. In the Institutional Offering, investors should contact the Global Coordinator of the Offering or Nordnet for subscriptions received by Nordnet with respect to the book-entry accounts. In the Institutional Offering, the allocated Offer Shares will be ready to be delivered against payment on or about June 27, 2022, through Euroclear Finland Oy. New Shares allocated and paid for in the Personnel Offering will be entered into the investors' book-entry accounts on or about June 23, 2022.

Title and Shareholder Rights

The title to the Offer Shares will be transferred when the Offer Shares are paid for, the New Shares are registered in the Trade Register maintained by the Finnish Patent and Registration Office (the "**Trade Register**") and the Offer Shares are recorded in the investor's book-entry account. The Offer Shares carry rights equal to all other Shares and they will entitle their holders to dividends and other distributions of funds as well as other rights related to the Shares when the title has been transferred.

Transfer Tax and Other Expenses

Transfer tax will not be levied in connection with the issuance or subscription of the New Shares in Finland. Account operators charge fees in accordance with their price lists for the maintenance of the book-entry account and for safekeeping of shares. The Sale Shares are being sold in connection with commencement of trading in the Shares on the First North Growth Market, and no transfer tax is expected to be payable for these transfers in Finland. Should transfer tax be levied, the Selling Shareholder will pay the transfer tax levied on the sale of its Sale Shares.

Trading in the Shares

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company intends to submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth

Market. Trading in the Shares on the First North Growth Market is expected to commence on or about June 23, 2022. The trading code of the Shares is NORDEC and the ISIN code is FI4000523089.

When the trading commences on First North Growth Market on or about June 23, 2022, not all of the Offer Shares may necessarily have been fully transferred to the investors' book-entry accounts. If an investor wishes to sell Shares purchased or subscribed for by it in the Offering on the First North Growth Market, the investor should ensure that the number of Shares registered to its book-entry account covers the transaction in question at the time of clearing.

Right to Cancel the Offering

The Company's Board of Directors and the Selling Shareholder have the right to cancel the Offering at any time before the decision to execute it is made on the grounds of, for example, the market conditions, the Company's financial position or a material change in the Company's business. If the Offering is cancelled, the subscription price paid by the investors will be refunded in approximately five (5) business days from the cancellation decision. If an investor's bank account is in a different bank than the subscription place, the refund will be paid to a Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) business days thereafter. To Nordnet's own customers who gave their Commitments via Nordnet's subscription place, the refunded amount will be paid to Nordnet cash account. No interest will be paid on the refunded amount.

Lock-up

The Company and the Selling Shareholder are expected to commit, during the period that will end 180 days from the First North Listing, without the prior written consent of the Global Coordinator, not to issue, offer, hypothecate, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise, or submit to the Company's shareholders a proposal to effect any of the foregoing. There are certain exemptions to the lock-ups of the Company and the Selling Shareholder, including that the lock-ups do not apply to the measures related to the execution of the Offering and that the Company's lock-up does not apply to customary remuneration or incentive programs.

The members of the Board of Directors of the Company and the management team of Nordec are expected to commit to a lock-up agreement with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing.

According to the terms and conditions of the Personnel Offering, the Personnel (as defined below) participating in the Personnel Offering must agree to comply with the lock-up with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing.

In aggregate, the terms of lock-up agreements apply to approximately 49.3 percent of the Shares after the Offering without the Over-allotment Option (approximately 41.7 percent with the Over-allotment Option), assuming that the Selling Shareholder will sell the maximum number of Sale Shares and that all New Shares preliminarily offered in the Offering will be subscribed for in full (proportional share of the lock-up restrictions on the Shares has been calculated before any possible subscriptions of the members of the Board of Directors of the Company and the management team of Nordec or Personnel (as defined below) in the Offering).

Other Matters

The Board of Directors of the Company, together with the Global Coordinator, will decide on other issues and practical matters related to the Share Issue. The Company and the Selling Shareholder, together with the Global Coordinator, will decide on other issues and practical matters relating to the Share Sale.

Documents on Display

The Company's latest financial statements, annual report and the auditor's report as well as the other documents pursuant to Chapter 5, Section 21 of the Finnish Limited Liability Companies Act (624/2006, as amended), are available during the subscription period at the Company's website at www.nordec.com/investors/ipo.

Applicable Law

The Offering shall be governed by the laws of Finland. Any disputes arising in connection with the Offering shall be settled by a court of competent jurisdiction in Finland.

Special Terms and Conditions Concerning the Public Offering

Overview

Preliminarily a maximum of 550,000 Offer Shares are offered in the Public Offering to private individuals and entities in Finland, Sweden and Denmark. Depending on the demand, the Company and the Selling Shareholder may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. However, the minimum number of Offer Shares to be offered in the Public Offering will be 440,000 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 place has the right to reject a Commitment, either partially or wholly, if the Commitment does not comply with the terms and conditions herein or if it is otherwise incomplete.

Right to Participate and the Minimum and Maximum Amounts for Commitments

Offer Shares will be offered in the Public Offering to investors whose domicile is in Finland, Sweden or Denmark and who submit their Commitments in Finland, Sweden or Denmark. Entities submitting a Commitment must have a valid legal entity identifier code (“**LEI Code**”). Commitments in the Public Offering must be no less than 150 Offer Shares and no more than 13,500 Offer Shares. Separate commitments made by same investor in one subscription place will be combined into one subscription and the above is applied. If an investor provides Commitments in the Public Offering in more than one subscription place, only the first Commitment will be considered when allocating the Offer Shares. However, Commitments given by the same investor in both the Public Offering and in the Personnel Offering will not be combined.

Places of Subscription and Submission of Commitments

A Commitment is considered to have been made when the investor has submitted a signed commitment form to the subscription place in accordance with instructions of the subscription place or when the investor has confirmed the Commitment with his or her bank identifiers in accordance with the instructions of the subscription place and paid for the subscription concerned by the Commitment. A Commitment submitted as a web subscription is deemed to have been made when the investor has made the Commitment in accordance with the terms and conditions of the web subscription or has confirmed the Commitment with his or her bank identifiers and paid for the share subscription price in accordance with the Commitment. Any more detailed instructions issued by the subscription place must be taken into consideration when submitting a Commitment.

Commitments may only be cancelled in the manner and situations referred to under “—*General Terms and Conditions of the Offering—Cancellation of Commitments*” above.

Finland

The places of subscription in the Public Offering in Finland are:

- Evli’s online service at www.evli.com/en/nordec. In the online service, subscriptions can be submitted using the online bank credentials of Evli, Aktia, Danske Bank, Handelsbanken, Nordea Bank, Oma Savings Bank, OP Bank, POP Bank, S-Bank, Savings Bank and Ålandsbanken. When an individual is submitting a subscription on behalf of an entity, they are required to prove their authority for the subscription by delivering a trade register extract or other document proving the authority by e-mail to nordec@evli.com.
- Evli’s office at the address Aleksanterinkatu 19, FI-00100, Helsinki, Finland, during business days between 9:00 a.m. and 4:00 p.m. (Finnish time). The possibility of submitting subscriptions in the office is conditional on the possible restrictions imposed by the authorities, and the possibility of submitting a subscription in the office cannot be guaranteed. Should an investor wish to submit a subscription at the office of the Global Coordinator, the investor is required to make a prior booking for an appointment for the subscription. The booking of the appointment shall be made at the latest on the first business day after the commencement of the relevant subscription period. The booking request can be e-mailed to nordec@evli.com. The investor must provide proof of identity when submitting a subscription. An individual submitting a subscription on behalf of an entity must provide an authorization for the subscription. Entities subscribing for the Offer Shares must have a valid LEI Code.
- Evli’s subscription point, where the subscription can be delivered by e-mail. More detailed instructions for submitting the subscription by e-mail must be requested in advance from Evli’s subscription point by calling +358 9 4766 9645. Calls to Evli’s customer service are recorded.

- Nordnet’s online service at www.nordnet.fi/fi/nordec. In the online service, subscriptions can be submitted using the online bank credentials of Nordnet, Aktia, Danske Bank, Handelsbanken, Nordea Bank, Oma Savings Bank, OP Bank, POP Bank, S-Bank, Savings Bank and Ålandsbanken.
 - Subscriptions to an equity savings account can only be made through Nordnet and only to an equity savings account in Nordnet.

Offer Shares under the Commitment must be paid from an account which is in the name of the subscriber. Decedent’s estates or individuals under guardianship cannot submit a subscription in Evli’s online service, but instead, they are required to make the subscription by email or in Evli’s office. A Commitment can also be submitted on behalf of an entity through Nordnet’s and Evli’s online services. Decedent’s estates or those under guardianship who are not Nordnet’s clients cannot give the Commitment via internet service but must make an appointment and visit the offices of Nordnet.

Commitments by or on behalf of persons under the age of 18, or otherwise under guardianship, must be made by their legal guardians and may require the consent of the local guardianship authority in Finland. A guardian may not subscribe for Offer Shares without the permission of the local guardianship authority, as the Offer Shares are not subject to trading on a regulated market or a multilateral trading facility at the time of the Commitment.

Sweden

The subscription place in the Public Offering for Nordnet’s custodial account customers in Sweden is:

- Nordnet’s online service with user identifiers of Nordnet at www.nordnet.se/se/nordec.

In order not to lose the right to allocation, account clients at Nordnet must have sufficient funds available for their subscription at the account during the period from June 20, 2022, at 3:00 p.m. (Swedish time) until the settlement day, which is expected to be on or about June 23, 2022. If the Offering is terminated ahead of schedule on June 17, 2022, the cash funds must be at the account during the period from June 17, 2022, at 3:00 p.m. (Swedish time) until the delivery day, on or about June 23, 2022. More information regarding the subscription process is available at www.nordnet.se/se/nordec. Submitting a Commitment via Nordnet’s online service requires a valid investment service agreement with Nordnet.

Commitments made through Nordnet in Sweden by or on behalf of persons under the age of 18 must be made by their legal guardians or an individual holding a power of attorney.

Denmark

The subscription place in the Public Offering for Nordnet’s custodial account customers in Denmark is:

- Nordnet’s online service with user identifiers of Nordnet at www.nordnet.dk/dk/nordec.

In order not to lose the right to allocation, account clients at Nordnet must have sufficient funds available for their subscription at the account during the period from June 20, 2022, at 3:00 p.m. (Danish time) until the settlement day, which is expected to be on or about June 23, 2022. If the Offering is terminated ahead of schedule on June 17, 2022, the cash funds must be at the account during the period from June 17, 2022, at 3:00 p.m. (Danish time) until the delivery day, on or about June 23, 2022. More information regarding the subscription process is available at www.nordnet.dk/dk/nordec. Submitting a Commitment via Nordnet’s online service requires a valid investment service agreement with Nordnet.

Commitments made through Nordnet in Sweden by or on behalf of persons under the age of 18 must be made by their legal guardians or an individual holding a power of attorney.

Payment of Offer Shares

Finland

Upon submitting a Commitment, the Subscription Price (*i.e.*, EUR 7.36 per Offer Share), multiplied by the number of Offer Shares covered by the Commitment, will be paid for the Offer Shares.

The Commitment submitted through Evli’s online service shall be paid when making the subscription and the subscriber is required to ensure that the subscription price does not exceed the possible daily limit for transfer of funds from the investor’s bank account. The subscription cannot be made in the online service without settling the payment at the same time.

The Commitment submitted through Evli’s online service must be paid to Evli’s bank account in accordance with the instructions presented in the subscription form.

The instructions for payment of the Commitment submitted at Evli’s subscription point shall be requested in advance from Evli’s subscription point by calling +358 9 4766 9645. Calls to Evli’s customer service are recorded.

The Commitments submitted through Nordnet's online service will be debited from the investor's cash account in Nordnet when the investor confirms the Commitment with his/her bank identifier, or they can be paid via an account transfer.

Sweden

If the Commitment has been submitted via the Swedish online service of Nordnet, the payment will be charged from the investor's Nordnet cash bank account on the day of the Completion Decision (*i.e.*, on or about June 22, 2022).

Denmark

If the Commitment has been submitted via the Danish online service of Nordnet, the payment will be charged from the investor's Nordnet cash bank account on the day of the Completion Decision (*i.e.*, on or about June 22, 2022).

Approval of Commitments and Allocation

The Company and the Selling Shareholder will decide on the allocation of Offer Shares in the Public Offering to investors after the Completion Decision. The Company and the Selling Shareholder will decide on the procedure to be followed in any over-demand situations. Commitments may be approved or rejected in whole or in part. In the event of an oversubscription, the Company and the Selling Shareholder aim to approve subscribers' Commitments in whole up to the limit that will be set out later and, for Commitments exceeding this number, the Company and the Selling Shareholder allocate Offer Shares in proportion to the amount of Commitments unmet.

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 and been allocated Offer Shares as soon as possible. Investors who have submitted their Commitments as Nordnet's customers through Nordnet's online service, will see their Commitments as well as the Offer Shares allocated to them on the transaction page of Nordnet's online service.

Refunding of Paid Amounts

If the Commitment is rejected or only partially approved and/or if the Subscription Price is lower than the amount paid at the time of submitting the Commitment, the excess amount paid will be refunded to the party that made the Commitment to the Finnish bank account identified in the Commitment on or about the fifth (5th) business day after the Completion Decision, on or about June 30, 2022.

If an investor's bank account is in a different bank than the subscription place, the refund will be paid to a bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) business days thereafter. If Commitments submitted by the same investor have been combined, any refund will be paid to the same bank account from which the subscription payment was made. For Nordnet customers who gave their Commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts. No interest will be paid on the refunded amount. See also "*—General Terms and Conditions of the Offering—Cancellation of Commitments—Procedure to Cancel a Commitment*" above.

Entry of Offer Shares into Book-entry Accounts

Finland

An investor that is a Finnish natural person or a Finnish entity or foundation submitting Commitments in the Public Offering must have a book-entry account with a Finnish account operator or an account operator operating in Finland, and the investor must specify the details of its book-entry account in its Commitment. Subscriptions to equity savings accounts can only be made through Nordnet only to an equity savings account provided by Nordnet. The Offer Shares allocated in the Public Offering will be recorded in the book-entry accounts of investors who have made an approved Commitment, on or about the first business day after the Completion Decision on or about June 23, 2022.

Sweden

Commitments via Nordnet's online service require a valid investment service agreement with Nordnet. Investors who have submitted a Commitment through Nordnet's online service can expect that the Offer Shares allocated in the Public Offering will be entered into the book-entry accounts of investors whose Commitments have been approved on the first banking day after the Completion Decision on or about June 23, 2022.

Denmark

Commitments via Nordnet's online service require a valid investment service agreement with Nordnet. Investors who have submitted a Commitment through Nordnet's online service can expect that the Offer Shares allocated in the Public Offering will be entered into the book-entry accounts of investors whose Commitments have been approved on the first banking day after the Completion Decision on or about June 23, 2022.

Special Terms and Conditions Concerning the Institutional Offering

Overview

Preliminarily a maximum of 3,700,783 Offer Shares are being offered in the Institutional Offering to institutional investors through private placements in Finland and, in accordance with the applicable laws, internationally on the terms and conditions set forth herein. Depending on the demand, the Company and the Selling Shareholder may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. However, the minimum number of Offer Shares to be offered in the Public Offering will be 440,000 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.

Offer Shares will be offered in the Institutional Offering outside the United States in offshore transactions in compliance with the Regulation S under the U.S. Securities Act and otherwise in compliance with said regulation. The Shares (including the Offer Shares) have not been, and will not be, registered under the U.S. Securities Act or under the securities laws of any state of the United States and, accordingly, will not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S of the U.S. Securities Act). For more information on restrictions concerning the offering of the Offer Shares, see “*Important Information.*”

The Global Coordinator and Nordnet have the right to reject a purchase offer made by an institutional investor in the Institutional Offering (a “**Purchase Offer**”), either partially or wholly, if it does not comply with the terms and conditions herein or if it is otherwise incomplete.

Right to Participate and Subscription Place

An investor, whose Purchase Offer is at least 13,501 Offer Shares, may participate in the Institutional Offering. Entities submitting a Purchase Offer must have a valid LEI Code.

The Purchase Offers of institutional investors will be received by the Global Coordinator of the Offering and Nordnet. More information is available from Evli by calling +358 9 6817 8444. Purchase Offers in the Institutional Offering will be received in euro-denominated.

Approval of Purchase Offers and Allocation

The Company and the Selling Shareholder will decide on the acceptance of Purchase Offers submitted in the Institutional Offering after the Completion Decision. The Company and the Selling Shareholder will decide on the procedure to be followed in any over-demand situations. Purchase Offers may be approved or rejected in whole or in part. A confirmation of the approved Purchase Offers in the Institutional Offering will be provided as soon as practicable after the allocation.

Payment of Offer Shares

Institutional investors must pay for the Offer Shares corresponding to their accepted Purchase Offers in accordance with the instructions issued by the Global Coordinator or Nordnet on or about June 27, 2022. If necessary, in connection with a Purchase Offer being made or before the approval of a Purchase Offer, the Global Coordinator and Nordnet have the right, provided by the duty of care set for securities intermediaries, to require that the investor provides information concerning its ability to pay for the Offer Shares corresponding to its Purchase Offer or require the payment for the Offer Shares concerned by the Purchase Offer to be made in advance. The amount to be paid in this connection is the Subscription Price (*i.e.*, EUR 7.36 per Offer Share), multiplied by the number of Offer Shares covered by the Purchase Offer. In case the Subscription Price is changed, the new Subscription Price will be applied to the Purchase Offers submitted thereafter. Possible refunds will be made on or about on the fifth (5th) business day following the Completion Decision, on or about June 30, 2022. No interest will be paid on the refunded amount.

Subscription Undertakings

Harjavalta Oy (“**Harjavalta**”), Tirinom Oy (“**Tirinom**”) as well as certain other professional investors (each separately a “**Cornerstone Investor**” and together, the “**Cornerstone Investors**”) have, subject to certain conditions, each separately, undertaken to participate in the Offering and subscribe for shares with an aggregate amount of not less than EUR 22.4 million provided that the Company raises gross proceeds of at least EUR 7.0 million in the Offering, and the maximum valuation of all of Nordec’s outstanding shares (*i.e.*, excluding treasury shares) (after any proceeds from the Share Issue and taking into account the dilution effect of the Company’s outstanding option rights), does not exceed EUR 65.1 million based on the final subscription price. In addition, Harjavalta, Tirinom and the Selling Shareholder have agreed that Harjavalta and Tirinom may each nominate one member to the Board of Directors of the Company after the Offering. The Selling Shareholder has undertaken to vote at the general meeting in favor of electing these two new members of the Board of Directors of the Company. 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:

- Harjavalta at least EUR 9.8 million;
- Tirinom at least EUR 7.2 million;
- Tradeka-sijoitus Oy at least EUR 1.0 million;
- UM-Yhtiöt Oy at least EUR 1.0 million;
- Ronnie Neva-Aho at least EUR 1.0 million;
- Beachfish Invest Oy at least EUR 0.6 million;
- Julius Tallberg Corp. at least EUR 0.5 million;
- Esa Korkeela at least EUR 0.4 million;
- Sami Rantala at least EUR 0.4 million;
- Seppo Valtonen at least EUR 0.4 million; and
- AH Advisory Oy at least EUR 0.1 million.

The subscription undertakings of the Cornerstone Investors represent approximately 70.9 percent of the Offer Shares, assuming that the Over-allotment Option will not be exercised (approximately 61.7 percent, assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholder will sell the maximum number of Sale Shares and that the Company will issue 960,000 New Shares.

Special Terms and Conditions Concerning the Personnel Offering

Overview

Preliminarily a maximum of 40,000 personnel shares (the “**Personnel Shares**”) are being offered for subscription in the Personnel Offering to all employees of the Company and its subsidiaries in Finland, Sweden, Lithuania, Poland and the Czech Republic with an employment relationship with the Company or its subsidiaries which has not been terminated at the end of the subscription period, as well as to the members of the Board of Directors of the Company and the management team and Chief Executive Officer of Nordec (the “**Personnel**”). Depending on the demand, the Company may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. Notwithstanding the above, the minimum number of Offer Shares to be offered in the Public Offering will be 440,000 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 submitted in the Public Offering.

Right to Participate in the Personnel Offering

The Personnel in Finland, Sweden, Lithuania, Poland and the Czech Republic are entitled to subscribe for Personnel Shares. The right to participate in the Personnel Offering is personal and non-transferrable. Persons entitled to subscribe may, however, make a subscription through an authorized representative. Personnel participating in the Personnel Offering may also participate in the Public Offering subject to its terms if they wish.

A Commitment provided in the Personnel Offering must concern a minimum of 75 Personnel Shares.

Personnel must agree to comply with the lock-up to participate in the Personnel Offering. In accordance with the lock-up, Personnel participating in the Personnel Offering may not, without the prior written consent of the Global Coordinator, during a period ending 360 days after the First North Listing, (*i.e.*, on or about June 17, 2023) sell, short sell, or otherwise directly or indirectly transfer Personnel Shares, option rights or warrants to own Personnel Shares or other securities exchangeable for or convertible into or exercisable for Personnel Shares that they may hold or have purchased in the Personnel Offering or be authorized to transfer. When making subscriptions, persons participating in the Personnel Offering accept that they will be bound without separate measures by the aforementioned lock-up period and that it will be recorded on the subscriber’s book-entry account by the Company.

Subscription Price in the Personnel Offering and the Allocation of Personnel Shares

The subscription price in the Personnel Offering is 10 percent lower than the Subscription Price (*i.e.*, EUR 6.63).

The Board of Directors will decide on the allocation in the Personnel Offering after the Completion Decision. The Board of Directors will decide on the procedure to be followed in the event of an oversubscription. Commitments may be approved or rejected in whole or in part. The Board of Directors aims to approve Commitments in full up to the limit that will be set out later and, for Commitments exceeding this amount, define the allocation principles based on the overall demand. The notice will be sent by e-mail to the address stated by the subscriber in the subscription form.

Places of Subscription and Submission of Commitments

The subscription place in the Personnel Offering is Evli Alexander Incentives. In the Personnel Offering, Commitments will be submitted, and payments will be made electronically on the website in accordance with separate instructions provided to the persons entitled to participate.

The Company, the Global Coordinator or the subscription place have the right to reject a Commitment, either partially or wholly, if the Commitment does not comply with the terms and conditions herein or if it is otherwise incomplete.

Payment of the Personnel Shares

The payments of the Personnel Shares will be made in accordance with separate instructions provided to the persons entitled to participate.

Entry of Personnel Shares into Book-entry Accounts

The parties submitting Commitments in the Personnel Offering must have or they must open a book-entry account with a Finnish account operator or with an account operator operating in Finland or they must open a securities account in Evli to be able to participate in the Personnel Offering. Personnel Shares allocated and paid for in the Personnel Offering will be entered into the investors' book-entry accounts/securities accounts on or about June 23, 2022.

INDUSTRY AND MARKET OVERVIEW

In this section, Nordec makes certain statements regarding markets in which it currently operates, expected growth in such markets and its competitive and market position. The information is based on Nordec’s estimates and/or analyses relying on multiple sources, including EUROCONSTRUCT, the ECB, CBRE, Reuters, The Finnish Government and Traficom, among others. See “Certain Matters—Market and Industry Information.”

Certain information in this section is based on the 92nd EUROCONSTRUCT Summary Report, November 2021, and the 92nd EUROCONSTRUCT Country Report, November 2021, covering Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland and the United Kingdom (together, the “Euroconstruct Reports”). For information sourced to the Euroconstruct Reports, the term “Europe” refers to the countries listed above.

Introduction

Nordec operates in the new non-residential construction market providing steel frame structure and envelope solutions for construction projects. Nordec primarily operates in the Nordics and Central and Eastern European countries of Poland, Lithuania, the Czech Republic and Slovakia (*i.e.*, the CEE Countries). In addition, Nordec considers certain other European countries, such as Germany, as possible areas of growth as part of its strategy. Nordec’s customer base primarily comprises construction companies, industrial companies and real estate investment companies. Nordec has offices and production facilities in Alavus, Peräseinäjoki and Ylivieska, Finland, Gargždai, Lithuania, and Oborniki, Poland, as well as offices in Helsinki, Pietarsaari, Turku and Vaasa, Finland, Stockholm and Öjebyn, Sweden, and Brno and Prague, the Czech Republic.

Economic growth has historically been the key driver for the non-residential construction market in Europe, and changes in the non-residential construction market have closely followed developments in gross domestic product (“GDP”). The European non-residential construction market was estimated to amount to approximately EUR 523 billion in 2021 (*source: Euroconstruct Reports*). In Finland and Sweden, growth in the non-residential construction market is expected to decline slightly after strong growth in 2021–2022. Despite the declines in projections for the new non-residential construction market as a whole, the market has certain segments in which growth is expected to be stronger. The construction of buildings for storage, for example, has been active in Europe with increasing investments in this segment. In addition, the ongoing industrial green transition has resulted in rapidly growing investments in new facilities related to battery manufacturing and other green-transition-related production facilities, especially in the Nordic countries. (*Sources: Euroconstruct Reports; Reuters: Pulling power: the green lure of Sweden’s industrial far north, 2021.*)

The ongoing war in Ukraine has resulted in increased uncertainty over future economic development. The ECB’s macroeconomic projections were based on available information as at March 2, 2022, and were made on the assumption that the effects of the ongoing war in Ukraine on the economy are only temporary in nature and that global supply chains will not be significantly affected. In addition, Nordec estimates that while short-term supply chain disturbances and related price instability may arise, a substantial part of Nordec’s project pipeline is related to investments in, for example, the battery value chain, logistics and industrial construction. In these market segments, drivers for investments are expected to remain relatively unaffected by the ongoing war in Ukraine, provided the availability of materials can be secured for projects to proceed according to their planned schedules. In the longer term, Nordec believes that the ongoing war in Ukraine will result in increased investments in the industrial green transition and energy independence from Russia.

The following table sets forth realized and projected economic data in the euro area for the years indicated:

	For the financial year ended December 31,				
	2020	2021E	2022E (percent)	2023E	2024E
Real GDP, annual growth	(6.5)	5.4	3.7	2.8	1.6
Unemployment rate.....	7.9	7.7	7.3	7.2	7.0
Inflation ⁽¹⁾	0.3	2.6	5.1	2.1	1.9

Source: European Central Bank: Macroeconomic projections, March 2022.

E Estimate.

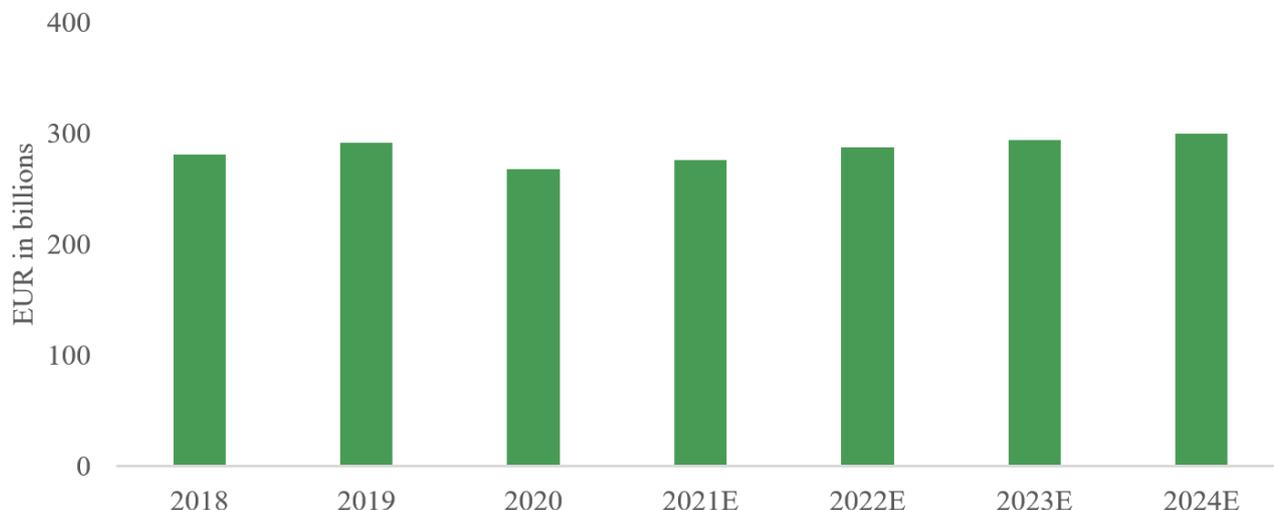
(1) Harmonized consumer price index.

New Non-residential Construction Market in Europe

According to the Euroconstruct Reports, the non-residential construction market in Europe amounted to EUR 505 billion in 2020, of which new construction accounted for EUR 268 billion, or 53 percent, and renovation accounted for EUR 236 billion, or 47 percent. The new non-residential construction market is expected to grow by 2.9 percent in 2021 and by further 4.3 percent in 2022 after decreasing in 2020, primarily due to the COVID-19 pandemic. Market growth is expected to stabilize to approximately 2 percent annual growth per year during 2023 and 2024. The growth in the European non-residential construction market is expected to be more modest than during previous periods of general economic

growth. Growth in the European non-residential construction market is not expected to keep up with the strong economic growth in Europe in the coming few years, as structural changes in the construction industry are expected to result in less new building space required for economic growth due to changing work practices leading to reduced demand for office space and the popularity of e-commerce leading to reduced demand for retail space. In addition, the strong economic growth in Europe after 2020 is expected to stabilize at more moderate levels between 2023 and 2024. (Source: Euroconstruct Reports.)

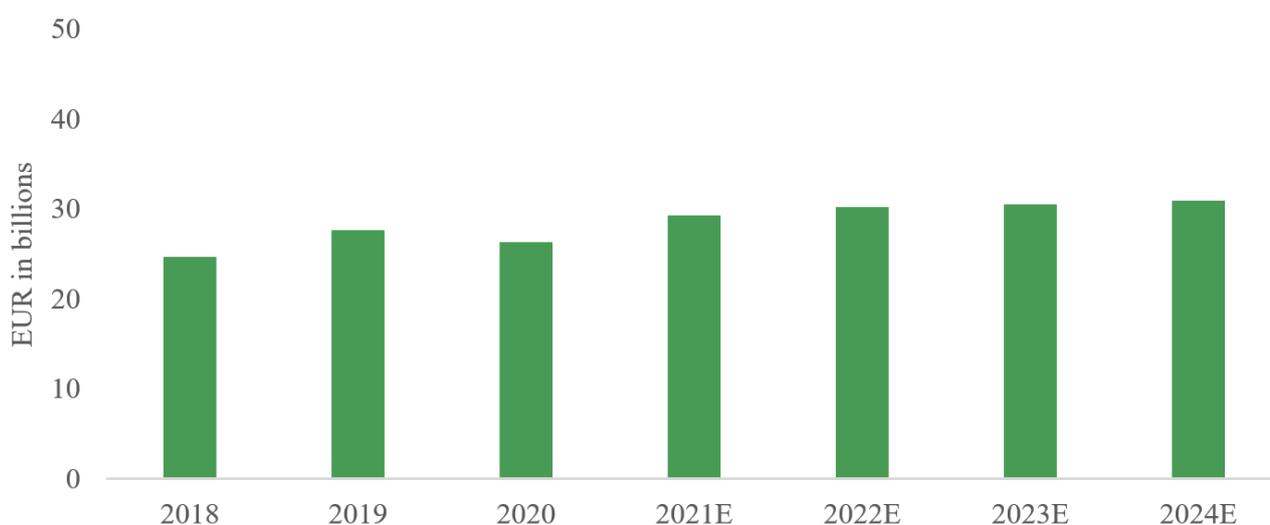
The following chart sets forth the market size for new non-residential construction in Europe for the years indicated:



Source: Euroconstruct Reports.
E Estimate.

Accelerated by the COVID-19 pandemic, a shift in investor focus and demand for different types of construction targets has become apparent in Europe. This shift has resulted in changes within the non-residential construction market and, therefore, the development of the overall non-residential construction market may not accurately reflect the outlook for individual market segments. Within the non-residential construction market, certain market segments have gained from declines in other segments. For example, megatrends such as digitalization are driving demand for storage buildings and logistics facilities at the cost of shopping centers and other retail space due to the increasing popularity of e-commerce. Storage building construction, one of Nordec’s main target market segments, accounted for 10 percent of the overall new non-residential construction market in Europe in 2020 and 11 percent in 2021 and the said market is expected to grow by a total of 17 percent between 2020 and 2024. (Source: Euroconstruct Reports.)

The following chart sets forth the market size for new storage building construction in Europe for the years indicated:

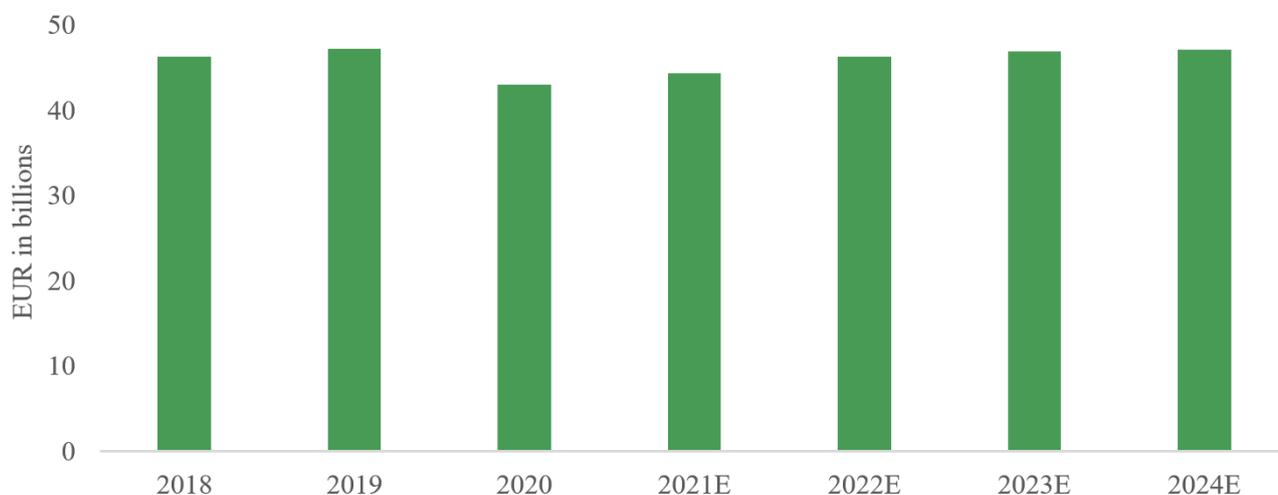


Source: Euroconstruct Reports.
E Estimate.

The new industrial building construction market, another of Nordec’s main target market segments, accounted for approximately 16 percent of new non-residential construction in Europe in 2020 and 2021. After decreasing due to the

COVID-19 pandemic, the European new industrial building construction market is expected to have grown by an estimated 3.2 percent in 2021 and is expected to grow 4.5 percent in 2022. By 2024, the market for the new industrial building construction in Europe is expected to be 10 percent higher than in 2020, and the market is expected to grow in almost all of the countries covered by the Euroconstruct Reports. (Source: Euroconstruct Reports.)

The following chart sets forth the market size for new industrial building construction in Europe for the years indicated:

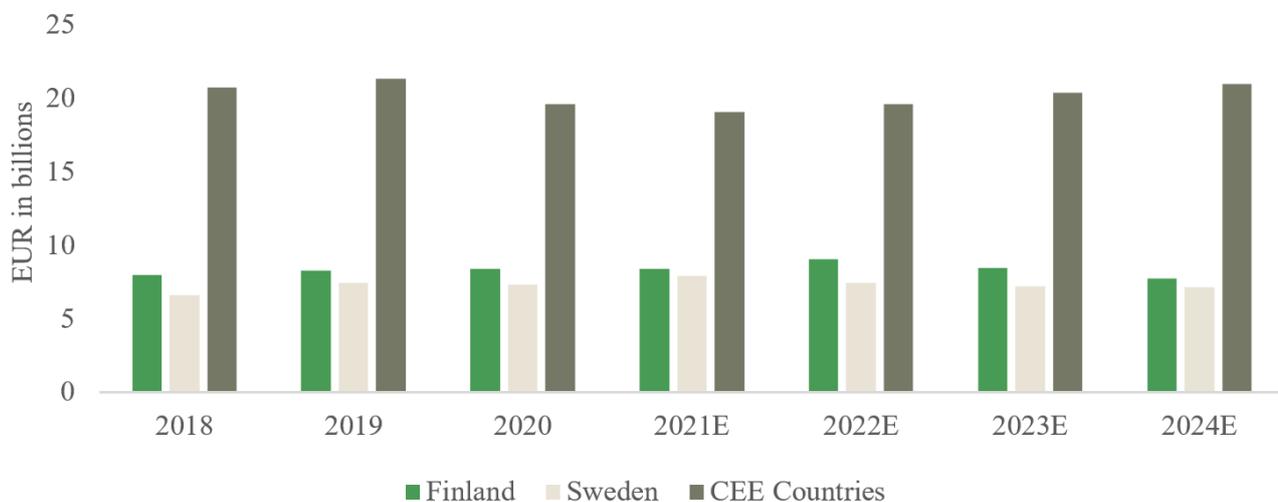


Source: Euroconstruct Reports.
E Estimate.

New Non-residential Construction in Nordec's Main Markets

Overview

The following chart sets forth the market sizes for new non-residential construction in Nordec's main markets for the years indicated:



Source: Euroconstruct Reports; Forecon Baltic Construction Outlook, December 2021.
E Estimate.

Finland

Overview

The outlook for the new non-residential construction market in Finland remains stable and it accounted for approximately 23 percent of Finland's EUR 36.5 billion overall construction market in 2020. The new non-residential construction market is estimated to grow by more than 8 percent as compared to 2021 to EUR 9.1 billion in 2022. In 2023, the Finnish new non-residential construction market is expected to revert closer to the pre-COVID-19 pandemic levels and amount to approximately EUR 8.5 billion. In 2020, the largest segments in the non-residential building construction market in terms of completed floor area were agricultural, storage and industrial buildings. In terms of construction value, industrial buildings represented the largest segment with EUR 1.7 billion in 2020, and the industrial buildings segment is estimated

to have grown to EUR 1.8 billion in 2021, having accounted for 22 percent of the overall new non-residential construction market in Finland. (Source: *Euroconstruct Reports*.)

Industrial Building Construction

New industrial building construction projects and general industrial investment optimism are expected to drive industrial building construction. The construction of new industrial buildings increased significantly in 2019 as several large projects related to, for example, battery factories and data centers were launched. Between 2018 and 2022, the industrial construction market is expected to grow by more than 14 percent annually on average. The new industrial building construction market is estimated to amount to EUR 2.0 billion in 2022, after which production volumes are forecasted to decline despite the expected commencement of major industrial projects. The new industrial building construction market is forecast to amount to approximately EUR 1.5 billion in 2024. The COVID-19 pandemic did not seem to have had a significant effect on the new industrial building construction market as growth continued through 2020 and economic stimulus measures contributed positively to growth. According to the *Euroconstruct Reports*, increased investment activity in the industrial building construction market, together with several pending large projects may, however, still have potential to surpass expectations. (Source: *Euroconstruct Reports*.)

Storage Building Construction

The size of the new storage building construction market in Finland is estimated to have exceeded EUR 1.0 billion in 2021, accounting for 13 percent of the new non-residential construction market in Finland. After strong growth in 2018 and 2019, the new storage building construction market decreased by 20 percent 2020 as compared to 2019. The new storage building construction market is estimated to have grown back to pre-COVID-19 pandemic levels in 2021, driven by the commencement of construction of new large storage buildings and terminals. The new storage building construction market in Finland is forecast to amount to approximately EUR 1.1 billion in 2022, after which the production volumes are forecast to decline despite the expected number of new projects remaining at a reasonably good level. The new storage building market is forecast to amount to approximately EUR 0.9 billion in 2024. (Source: *Euroconstruct Reports*.)

Commercial Building Construction

Of the new non-residential construction segments most adversely affected by the COVID-19 pandemic has been the commercial building construction market. The restrictions related to the COVID-19 pandemic affected, in particular, shopping centers and hotels, and the size of the new commercial building construction market in Finland is estimated to have decreased to historically low level, amounting to approximately EUR 0.9 billion in 2021, accounting for approximately 10 percent of the new non-residential construction market. However, the new commercial building construction market is already showing signs of recovery and is expected to grow by 30 percent by 2024 as compared to 2021. (Source: *Euroconstruct Reports*.) The current high level of new hotel space under construction in the Helsinki Metropolitan area supports the strong growth estimates for 2024, with 14 new hotel developments with a total of approximately 2,600 new hotel rooms having already been confirmed in the Helsinki Metropolitan area despite the prolonged COVID-19 pandemic. (Source: *CBRE: Real Estate Market Outlook 2022 Finland, 2021*.)

Other Construction Segments

Other major new non-residential construction segments in Finland include buildings for healthcare, education, agriculture and offices. The development of the healthcare building construction segment has been strong and has had high number of projects commenced since 2016. Driven by several large hospital projects in regional centers and several hospitals reaching the end of their operational ages, the high level of project commencements is forecast to continue until 2024. The education building construction segment has grown rapidly since 2013 and has developed into a major segment within the Finnish new non-residential construction market, amounting to approximately EUR 1.0 billion in 2020. Growth is expected to continue until 2022 at a high level. In 2023 and 2024, growth in the education building construction segment is expected to decrease due to the increasingly challenging economic situations facing Finnish municipalities. The agricultural building construction market was estimated to represent 8 percent of the new non-residential construction market in Finland in 2021, amounting to approximately EUR 0.7 billion, a 4 percent decrease as compared to 2020. Despite strong growth in new non-residential construction markets of agricultural building between 2018 and 2020, the weakened financial situation of the Finnish agricultural businesses is expected to adversely affect further investments and construction in the market. The office building construction segment has been adversely affected by the challenges related to the COVID-19 pandemic, but postponed office building construction projects are expected to be reflected in increasing volumes. (Source: *Euroconstruct Reports*.) The office building construction market has not, however, accounted for a significant share of Nordec's revenue due to the primarily concrete construction.

Other smaller new non-residential construction segments in Finland that are relevant for Nordec include sports and exhibition hall, transport station and terminal, and parking garage construction. New sports hall development projects have been confirmed in various cities across Finland and new project launches are expected. Transport-related building construction has increased in recent years, but is estimated to decline due to the completion of the new subway stations in

the Helsinki metropolitan region. The ongoing projects related to parking facility and tram depot construction are expected to partially offset the overall decrease in new transport-related building construction. (Source: *Euroconstruct Reports*.)

Bridge Construction

Bridge construction in Finland is driven by investments in transport infrastructure and is part of the civil engineering market instead of the non-residential construction market. In 2021, the Finnish Government decided on the New National Transport System Plan for 2021–2032, which set out a strategic development plan for the future of Finland’s national transport system. An average of more than EUR 2.2 billion was allocated for transport system development on an annual basis, of which approximately an average of EUR 0.5 billion annually was allocated for new improvement projects. (Source: *The Finnish Government: New National Transport System Plan for 2021–2032, 2021*.) According to Traficom, the condition of bridges in Finland is deteriorating in general, as the number of bridges in good condition is decreasing and the number of bridges in poor condition is increasing. In particular, large older bridges suffer from load capacity deficiencies and often require a complete rebuild instead of renovations. According to Traficom, the total demand for bridge construction between 2021 and 2032 is expected to exceed EUR 1.2 billion, of which EUR 0.3 billion is for new bridge construction and the rest is for renovation of existing bridges. In addition, according to Traficom’s estimates, financing of EUR 0.1 billion will be needed for constructing new bridges to replace financially unviable island cable ferries. (Source: *Traficom: Road Network Bridges (Fi: Maantieverkon sillat), 2021*)

Sweden

Overview

In Sweden, industrial and storage buildings boosted investment in the new non-residential construction market in 2021. The variation in outlook between different construction segments has been significant, and growing investments in storage facility construction are expected to mitigate the downturn in commercial and office building construction. The new non-residential markets accounted for approximately 14 percent of Sweden’s total construction output of EUR 51.1 billion in 2020. Therefore, the new non-residential construction market in Sweden represents a smaller share of the overall construction market than in Finland, which is partially explained by the larger role of non-residential renovation of the overall construction market in Sweden. The Swedish new non-residential construction market is estimated to have amounted to approximately EUR 7.9 billion in 2021, representing growth of nearly 8 percent as compared to 2020. After the strong growth in 2021, the new non-residential construction market is expected to decrease to EUR 7.2 billion by 2024. In 2020, the largest market segment was industrial building construction, amounting to approximately EUR 1.4 billion. It is estimated that the new industrial building construction market segment grew to EUR 1.6 billion in 2021, representing 20 percent of the new non-residential construction market. (Source: *Euroconstruct Reports*.)

Industrial Building Construction

The post-COVID-19 pandemic economic recovery is expected to expedite industrial building construction as demand and the manufacturing industry’s confidence continue high. The level of construction is expected to remain high between 2021 and 2024 despite having risen particularly high after a 17 percent production increase in 2021 and subsequently reverting to pre-pandemic levels. (Source: *Euroconstruct Reports*.)

Storage Building Construction

The new storage building construction market in Sweden amounted to EUR 0.7 billion in 2020 and is estimated to have exceeded EUR 0.9 billion in 2021, accounting for 11 percent of the overall new non-residential construction market. The estimated 29 percent increase in new storage construction output in 2021 is expected to take production to a high level where it will remain despite small contraction forecasted for 2022-2024. (Source: *Euroconstruct Reports*.)

Commercial Building Construction

Similar to the development of the commercial building construction market in Finland, the commercial building construction market in Sweden has declined strongly due to the COVID-19 pandemic. Restrictions related to the COVID-19 pandemic affected the retail, hotel, and restaurant sectors in Sweden, which led to decreases of 18 percent in the new commercial building construction market in 2020 and 30 percent in 2021 compared to previous years. The new commercial building construction market is estimated to have amounted to EUR 0.7 billion in 2021, accounting for 9 percent of the overall new non-residential construction market. After declining between 2020 and 2022, the commercial building construction market is expected to return to growth in 2023 and 2024, and is expected to amount to EUR 0.9 billion in 2024. (Source: *Euroconstruct Reports*.)

Other Construction Segments

Construction of buildings for the healthcare sector has decreased rapidly since 2018 in Sweden. The new healthcare building construction market was adversely affected by the COVID-19 pandemic and is estimated to have amounted to

EUR 0.1 billion in 2021, corresponding to a reduction of 64 percent from 2018. However, strong growth is expected between 2022 and 2024, and the new healthcare building construction market is estimated to amount to more than EUR 0.5 billion by 2024. Construction of educational buildings represents a significant share of Sweden's new non-residential construction market, accounting for 18 percent of the overall new non-residential construction market in 2021. The new educational building construction market was estimated to have amounted to EUR 1.4 billion in 2021, representing growth of 17 percent compared to 2020, which indicates a high level of investments in and demand for schools and kindergartens. The number of children expected to start school in Sweden is estimated to increase significantly in the next ten years. However, after particularly high levels in 2021, investments are expected to decrease between 2022 and 2024. Agricultural buildings represented 5 percent, or EUR 0.4 billion, of the new non-residential construction market in Sweden in 2021 and 2020. The size of the market has remained very stable in recent years and is expected to grow at a relatively slow annual growth rate of 2–3 percent between 2022 and 2024. The COVID-19 pandemic and the forecasted increase in the popularity of remote working are estimated to have a significant negative effect on the construction of new office buildings. The new office building construction market was estimated to amount to EUR 1.0 billion in 2021, accounting for 12 percent of the overall new non-residential construction in Sweden, but forecasted to decrease significantly between 2022 and 2024, amounting to approximately EUR 0.5 billion in 2024. Investments in buildings in the miscellaneous construction segment, comprising, for example, sports and cultural buildings, has been at a high level, driven by urbanization, growing shortage of sports and cultural buildings, and an emphasis on sports in Sweden. The level of traffic and communications building construction has been high in recent years, driven by increased overall construction of buildings together with large infrastructure projects. (Source: *Euroconstruct Reports*.)

Bridge Construction

Similar to Finland's national transport system development plan, Sweden has introduced its own national 12-year plan for 2018–2029. According to the plan passed by the Swedish government in 2018, an investment of over SEK 620 billion for the time period was set to secure an effective nationwide transport system. As part of the plan, measures to increase bearing capacity for heavy traffic on the road network will be implemented. Approximately 900 bridges were estimated to be inadequate for the increased capacity classification and are subject to strengthening measures or rebuild. (Source: *Trafikverket: 2018, Förslag till nationell plan för transportsystemet 2018–2029*.)

CEE Countries

The Central and Eastern European countries in which Nordec operates comprise Poland, Czech Republic, Slovakia and Lithuania (*i.e.*, the CEE Countries). In total, the CEE Countries constructed new non-residential buildings in excess of EUR 19.6 billion in 2020 and EUR 19.1 billion in 2021. After two years of declining market size in 2020 and 2021, the construction output is expected to pick up and grow at approximately 3–4 percent annually between 2022 and 2024 to reach the pre-COVID-19 pandemic level of EUR 21.0 billion in 2024. Within the larger picture, specific subsegment growth tracks are illustrated by, for example, industrial building construction in Czech Republic, which is forecasted to grow by a total of 52 percent between the years of 2021 and 2024 and construction of buildings for health in Slovakia which is forecasted to grow by 29 percent in the same period. (Source: *Euroconstruct Reports; Forecon Baltic Construction Outlook, December 2021*.)

Growth Drivers

In addition to the broader market trends, Nordec has identified several potential growth opportunities within new non-construction markets that it believes drive demand for Nordec's offering. Nordec believes that it is well-positioned to respond to developments in these areas of potential growth due to its existing client relationships, strong customer references and capabilities for the types of projects in these areas.

Investments in the Battery Value Chain

Driven especially by the growing electrical vehicle industry, investments in battery manufacturing facilities are taking place at great speed. Introduced in 2019, the European Commission's European Green Deal (the "**European Green Deal**") outlined EU-wide goals for becoming the world's first climate-neutral continent by 2050 (source: *European Commission: A European Green Deal, 2022*). Subsequent EU regulation and policies have driven the demand for electrical vehicles and sustainable batteries. The European battery capacity of 43 GWh in 2021 is expected to grow rapidly in the coming decade as the European battery demand is forecast to be 900 GWh by 2030. Investments in large electric vehicle battery factories (also known as "Gigafactories") have increased across Europe and, in particular, in the Nordic countries, which attract investments due to, for example, green, affordable and stable sources of energy, cold climate, productive workforce, connected logistics, and a supply of raw materials used in battery manufacturing. (Source: *Business Sweden. Report: The Nordic Battery Value Chain, 2021*.)

Notable battery value chain projects in the Nordics include:

- Northvolt AB's ("**Northvolt**") large-scale battery cell production facilities in Skellefteå and Gothenburg, Sweden;

- Scania AB’s battery assembly plant in Södertälje, Sweden;
- Morrow Batteries AS’s battery cell production plant in Arendal, Norway;
- FREYR AS’s battery cell production plant in Mo I Rana, Norway;
- Panasonic Corporation, Norsk Hydro ASA and Eqionor ASA’s planned factory plant in Norway;
- mining company Keliber Oy’s battery-focused lithium mine in Kaustinen-Kokkola, Finland;
- BASF SE’s production plant for battery materials in Harjavalta, Finland; and
- Stora Enso Oyj’s pilot plant for producing renewable bio-based carbon for the Sunila Mill in Kotka, Finland.

Source: Business Sweden. Report: The Nordic Battery Value Chain, 2021.

Other large ongoing battery plant projects in Europe include:

- Northvolt’s factories in Heide, Germany, and Gdańsk, Poland;
- Tesla, Inc’s Gigafactory in Grünheide, Germany;
- Contemporary Amperex Technology Co. Limited’s (CATL) EV battery manufacturing plants in Grundheide and Erfurt, Germany;
- LG Chem Ltd’s (“**LG Chem**”) EV battery manufacturing plant in Wroclaw, Poland;
- Samsung Group’s battery production plant in Göd, Hungary;
- Itavolt, Italy’s first Gigafactory in Scarmagno, Italy;
- Britishvolt, battery cell manufacturing site in Blyth, the United Kingdom;
- SEAT S.A.’s battery plant in Barcelona, Spain; and
- car manufacturer PSA Group’s (Peugeot, Citroen, Opel) battery plant in Douvrin, France.

Source: battery news.de.

The demand for battery production facilities is high, which poses potential for construction companies capable of handling projects of this scale and complexity. Nordec estimates that along with the example cases of Itavolt (approximately 300,000 square meters of factory space required for a 45 GWh factory) and Britishvolt (250,000 square meters for 35 GWh), one square meter facilitates approximately 140–150 kWh for a standard battery factory (*sources: Itavolt: Strategic progress on Itavolt’s 45 GWh gigafactory project, 2021; Pininfarina: Battery manufacturer Britishvolt announces collaboration with iconic design firm Pininfarina to create UK’s first gigaplant, 2020*). The estimated 900 GWh EU-wide demand would, therefore, lead to roughly 6 million square meters in required factory area for battery plants.

Industrial Investments Driven by Green Transition

Initiatives for green transition have become increasingly popular and resulted in vast amounts of industrial building investments as companies seek to open sustainable production facilities. The European Green Deal not only led to increasing regulation related to sustainable industry but also included an investment plan of at least EUR 1,000 billion in sustainable investments over the next decade. (*Source: European Commission: the European Green Deal Investment Plan and Just Transition Mechanism explained, 2020*.)

An example of green transition’s effects is found in Northern Sweden that has developed into a hub for Europe’s newest industrial megaprojects. According to Sweden’s Prime Minister Magdalena Andersson, the total planned investments in Sweden including the battery plants are estimated to exceed SEK 1,000 billion during the next decade (*source: Reuters: Pulling power: the green lure of Sweden’s industrial far north, 2021*).

In addition to the various ongoing battery plant projects, Northern Sweden hosts several sustainability-related industrial projects, including:

- Hybrit, a joint venture between ore miner Luossavaara-Kiirunavaara Aktiebolag (LKAB), state-owned energy company Vattenfall AB and steel-maker SSAB AB (“**SSAB**”), which aims to produce fossil-free steel in Gallivare;
- H2GS AB’s Rival H2 Green Steel, which aims to produce five million tons of fossil-free steel by 2030 in Boden;

- Meta Platforms, Inc's (Facebook) first data center entirely powered by renewable energy is in Lulea;
- Renewcell AB's (Re:newcell) 60 ton/year textile recycling plant under development at Ortviken industrial site in Sundsvall;
- Woolpower AB, a frontrunner in sustainable production techniques that allows residues to be reintroduced in the production line to reduce waste, developing a new factory in Östersund; and
- FlagshipONE, carbon-neutral methanol producer Liquid Wind AB's planned facility capable of producing 50,000 tons of eMethanol in Örnsköldsvik.

Sources: European Commission: Europaforum Northern Sweden's views on Green industrial transition in European regions, 2021; and Reuters: Pulling power: the green lure of Sweden's industrial far north, 2021.

Growing Investments in Logistics Centers

The demand for logistics centers and investments hit an all-time high in Europe in 2021. E-commerce being the main driver in the industry, the COVID-19 pandemic and subsequent changes in consumer behavior supported online shopping and increased its penetration rate, boosting demand for logistics space. In addition, increasing food trade and growing importance of last-mile logistics have supported demand for warehouses. Demand for logistics facilities such as distribution centers, fulfilment centers, cross-docking facilities, cold storage, and last-mile warehouses is estimated higher than current supply and new development projects, increasing the need for new construction. (*Sources: BNP Paribas Real Estate, February 2022; and EUROPE CRE360: Economic Outlook.*)

Examples of major new logistics center projects in Finland and Sweden include:

- Swedish food retailer Axfood AB's distribution centers in Bålsta (100,000 square meters) and Gothenburg, Sweden (11,500 square meters);
- DFDS A/S' logistics centers in Vaggeryd, (37,000 square meters) and Karlshamn, Sweden (23,000 square meters);
- Expansion of fashion group Varner-Gruppen's distribution center Vänersborg, Sweden (19,000 square meters of expansion);
- Eleiko Group's state-of-the-art logistics center in Halmstad, Sweden (18,000 square meters);
- PostNord TPL AB's logistics facility in Helsingborg, Sweden (16,478 square meters);
- Kesko Oyj's logistics center in Hyvinkää, Finland (120,000 floor square meters); and
- Suomen Transval Group Oy's warehouse facility in Sipoo, Finland (30,000 square meters).

Sources: Witron: WITRON realizes food eCommerce DC in Gothenburg; DFDS: DFDS and CH Square sign agreement to build new logistics centers, 2021; PEAB: Peab expands Varner's distribution center in Vänersborg, 2021; Eleiko: Eleiko to build state-of-the-art logistics center in Halmstad, 2021; World Construction Network: Catena to build new logistics facility for PostNord TPL in Sweden, 2021; STT: Kesko suunnittelee suurta logistiikkakeskusta Hyvinkäälle, 2021; and Transval: New Transval Sipoo warehouse delivers efficient and sustainable supply chain services.

Competitive Landscape

Nordec's Competitors

Nordec's competitors are companies providing building and bridge frames and envelopes in the Nordics and the CEE Countries. Nordec estimates that its competition varies between different project types and business areas it operates in. For example, competition in bridge construction is different from competition in multi-story building construction. All-in-all, Nordec considers the leading providers of building frames in especially steel structures in Nordec's operating markets to be its top competitors. In order of decreasing revenues based on the last reported 12-month period in Nordec's operating areas, Consolis Group, Contiga Group, DS Gruppen, UPB Group, Peikko Group, EAB Group AB, Give Steel A/S, Korsbol Invest AB, Maru AS, Prefabsystem Entreprenad Syd AB, Llentab AB, Teräselementti Oy, JPV Engineering Oy, and Promont s.r.o. are considered as Nordec's most important competitors (*sources: Nordec's revenue and publicly available financial reports*). Of these competitors, Nordec situates between UPB Group and Peikko Group as the fifth largest company in its operating area. The number of leading operators in Nordec's field being limited to a handful of companies, major construction projects requiring strong resources and high competency have become centralized among a small group of companies. In addition to Nordec's main competitors, Nordec also considers other companies as relevant competitors in specific market subsegments as detailed below. In addition, Nordec estimates that a large amount of smaller steel structure providers pose competition in smaller construction projects.

Nordec’s competitors include companies focusing on different market subsegments with competencies of different types. Nordec divides its relevant competitors into different segments based on its own business units according to the following:

- Multi-storey: Consolis Group, Contiga Group, UPB Group, Peikko Group, Prefabsystem Entreprenad Syd AB, JPV Engineering Oy;
- Single-storey: Consolis Group, DS Gruppen, EAB Group AB, Give Steel A/S, Korsbol Invest AB, Maru AS, Llentab AB, Teräselementti Oy;
- Heavy Industry & Bridges: Promont s.r.o., MKL Bau sp z o.o., Prefabsystem Entreprenad Svenska AB, Mostostal Warszawa SA, Kavamet-Konepaja Oy;
- Envelope: Teräselementti Oy, Haka pks Oy, Metek OÜ, Metus-EST AS; and
- CEE: Promont s.r.o., Metalstav s.r.o., Metrostav a.s., Konstrukcje Stalowe Hyżyk Sp., Mostostal Warszawa SA, Montuotojas UAB, Litvija UAB.

Steel Structures Compared to Other Building Frame Materials

Nordec specializes in steel structures that are used especially in non-residential buildings such as industrial production facilities, warehouses, and other large buildings that require open spaces with light and adaptable structures. In addition, Nordec is able to complement its offering with other building materials. Steel frames enable construction of buildings without disturbing pillars in center areas as well as those that demand high load bearing capacity. Steel is also used in bridge construction as its benefits include fast construction that minimizes disturbance of traffic. In addition, bridges over water are widely built from steel. (*Source: Finnish Constructional Steelwork Association: Rakentaminen teräksestä, 2022.*)

The most used building frame materials in Finland are concrete, steel and wood. While concrete and wood are widely used in other building types, steel is the most used building frame material in production buildings with an average market share of 40 percent between 2016 and 2020. (*Source: Statistics Finland: Rakentamisen trendit ja muutokset huomioidaan rakennuskustannusindeksin uudistamisessa, 2021.*) According to the Finnish Constructional Steelwork Association, approximately 20 percent of all new buildings in Finland are constructed with a steel frame (*source: Finnish Constructional Steelwork Association: Rakentaminen teräksestä, 2022.*).

The following table sets forth frame materials used in different building types in Finland on average between 2016 and 2020:

	Concrete	Steel (percent)	Wood
Small houses	12	0	85
Apartment buildings	94	0	5
Service buildings	66	12	20
Production buildings	33	40	27

Source: Statistics Finland, Rakentamisen trendit ja muutokset huomioidaan rakennuskustannusindeksin uudistamisessa, 2021.

While global demand for concrete is expected to increase by 12–23 percent between 2014 and 2050, global steel production is forecast to grow by 30 percent in the same period (*source: World Green Building Council: Report: Bringing embodied carbon upfront, 2019*). Steel’s benefits include economic and highest strength-to-weight ratio of any building material, light structures and low volume requirements resulting in lighter buildings requiring less extensive foundations (multi-storey steel-framed buildings are typically 50 percent lighter than equivalent concrete-frame buildings and steel bridges four to eight times lighter than concrete bridges), speedy and efficient on-site installation, easy repairs, modifications and expansion of existing structures, high durability and recyclability with at least an 85 percent recovery rate in addition to future carbon-neutral production. (*Sources: World Steel Association: Steel Facts, 2022; and Finnish Constructional Steelwork Association: Rakentaminen teräksestä, 2022.*)

In Sweden, which was Nordec’s main operating market in 2020 and 2021, a special situation posing potential for steel as a building material has surfaced as a national cement crisis has developed. Sweden’s largest supplier of cement, Cementa AB (“**Cementa**”), was not granted an extension for its lime quarry permit in Slite, Gotland. Cementa’s ten-year permit ending in 2021 implied the end for production facilities in Slite that account for approximately 60 percent of all cement used in Sweden. The decision was later overruled by the Swedish Government, which gave Cementa until the end of 2022 more time to operate its Slite quarry. (*Source: Swedish Government: Regeringens arbete med cementförsörjning, 2022*) However, the fate of the Slite lime quarry in Gotland poses a risk for cement supply in Sweden and is expected to have consequences in terms of structural material decisions for construction targets (*source: Euroconstruct Reports*).

BUSINESS

This section contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Nordec's business and markets. The information is based on several sources and Nordec's estimates. See "Certain Matters—Market and Industry Information."

Overview

According to the Nordec management estimate, it is, measured by revenue, one of the leading providers of steel frame structure and envelope solutions for construction projects in the Nordics with a strong position in the CEE Countries. Nordec has a long experience in designing, manufacturing and installing frame structures, envelopes and bridges. The main raw material used by Nordec in its construction structures is steel, however, Nordec is able to complement its offering with other elements and materials, such as concrete and wood, when needed through its external partners. Nordec has experienced personnel and flexible in-house production with a wide production range, which together enable the execution of complex projects.

Nordec operates in a large market with potential growth opportunities, in which growth is, according to Nordec, driven by large investments in, for example, the battery supply chain, logistics premises, and facilities required for the industrial green transition. Nordec has a strong presence and established customer relationships in these areas and they are also key focus areas in Nordec's current strategy (see "*—Nordec's Strategy*" below). Nordec has one operating segment that comprises five business areas: Multi-storey, Single-storey, Heavy Industry & Bridges, Envelope and CEE. Each business area is formed to have the most capable resources to meet customer needs and to execute specific types of construction projects. Installation personnel is a general resource that is used in all business areas. It is common for the business areas to have cross-operational projects, in which several business areas are engaged in a single project. In addition, the production capacity in Nordec's production facilities serves the whole business. Project management personnel and other personnel are also transferred between Nordec's business areas based on utilization needs. Nordec's business is largely project-based and, therefore, capable personnel and established processes in project management are essential for Nordec. Nordec puts significant emphasis on constantly improving its project management capabilities by focusing on the development of its personnel and project management processes.

Nordec's customer base primarily comprises construction companies, industrial companies and real estate investment companies, of which construction companies accounted for 61 percent of Nordec's revenue, industrial companies accounted for 24 percent and real estate investment companies accounted for 14 percent for the financial year ended December 31, 2021. Geographically, Sweden is currently the most significant market for Nordec, having accounted for approximately 70 percent of Nordec's revenue for the financial year ended December 31, 2021. However, Nordec's geographical revenue split varies from year to year depending on the overall number of projects in the countries in which Nordec operates.

Nordec is headquartered in Helsinki, Finland. Nordec has offices and production facilities in Alavus, Peräseinäjoki and Ylivieska, Finland, Gargždai, Lithuania, and Oborniki, Poland, as well as offices in Helsinki, Pietarsaari, Turku and Vaasa, Finland, Stockholm and Öjebyn, Sweden, and Brno and Prague, the Czech Republic.

The Company is a subsidiary of the German company Donges SteelTec GmbH ("**Donges SteelTec**"), which is fully-owned by Mutares.

History

Nordec in its current form is based on the Company's acquisition of Normek (the current Nordec Envelope) in 2019 and the Company's acquisition of Ruukki Building Systems (the current Nordec Oy) in 2020. The integration of Normek and Ruukki Building Systems into Nordec formed a group with a stronger position in the Nordic and the Central and Eastern European markets for frame structure and envelope solutions. The combination of Normek and Ruukki Building Systems provided Nordec with a broader and more efficient manufacturing footprint, synergies in its organization and production facilities as well as larger resources to compete in projects of all sizes.

The history of Nordec dates back to 1979, when Normek, a Finnish company focusing on steel structures, was founded. In 1971, Pohjoismainen Putki- ja Tehdaskuolto Oy (later PPTH Teräs Oy) that began offering similar services was founded. In 1990, PPTH Teräs Oy was jointly acquired by YIT and Rautaruukki Oyj ("**Rautaruukki**") and its name was changed to PPTH-Norden Oy ("**PPTH-Norden**"). In 1999, CapMan Capital Management Oy ("**CapMan**") and PPTH-Norden's management together acquired 59 percent of the shares in PPTH-Norden. Rautaruukki and YIT remained as owners with 22 percent and 19 percent of the shares, respectively. Later YIT sold all its remaining shares to CapMan and PPTH-Norden's management. In 2005, Rautaruukki acquired all the shares from PPTH-Norden's management and CapMan. PPTH-Norden was thereafter merged into Rautaruukki as part of its construction division.

In 2011, Rautaruukki's construction division business was transferred into a newly-established independent company, Ruukki Construction Oy ("**Ruukki Construction**"). In 2019, Ruukki Construction's building project related businesses,

comprising the supply of frames and envelopes for buildings as well as bridge structures, was separated by a partial demerger into an independent company, Ruukki Building Systems. Mutares acquired Normek in 2019 and Ruukki Building Systems in 2020 through Donges Teräs Oy (“**Donges Teräs**”) (later Nordec Group Oy), the subsidiary of its fully-owned subsidiary, Donges SteelTec.

Key Strengths

According to the Nordec Management Estimate, It Is, Measured by Revenue, One of the Leading Companies in the Nordic Steel Structures Market with a Strong Position in the CEE Countries

Nordec estimates that it is one of the largest and leading companies in the Nordic steel structures market in terms of revenue with a strong position in the CEE Countries. In addition, Nordec is able to complement its steel structures offering with additional elements and materials, such as wood and concrete, through its external partners in order to expand the scope of its projects and to simplify the project implementation process of its customers. Furthermore, Nordec estimates that it has one of the widest service offerings among its competitors in the steel structure and envelope markets in the Nordics and the CEE Countries that includes single-storey buildings, multi-storey buildings, heavy industrial buildings, bridges, and envelope structures.

Nordec Operates in Large and Stable Markets with Potential Growth Opportunities

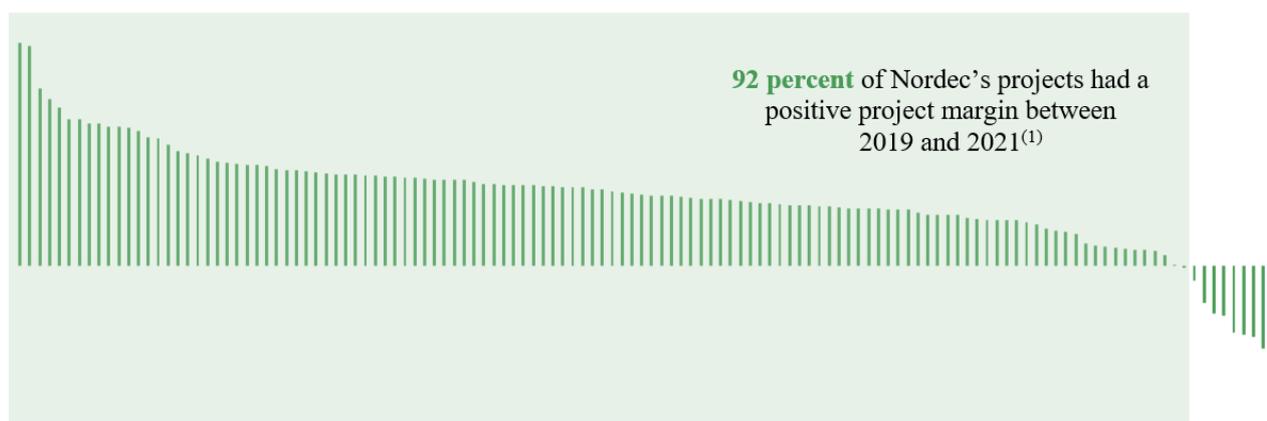
Nordec operates in large and stable new non-residential construction markets with substantial growth opportunities in certain sub-segments in which Nordec also focuses on (*source: Euroconstruct Reports*). Nordec operates primarily in Finland, Sweden and the CEE Countries. The size of the new non-residential construction market in 2020 was approximately EUR 8.4 billion in Finland, approximately EUR 7.2 billion in Sweden and approximately EUR 19.6 billion in the CEE Countries (*source: Euroconstruct Reports*). The new non-residential construction markets in Nordec’s target markets of the Nordics have generally been growing since the beginning of the COVID-19 pandemic in 2020, but are expected to revert to pre-COVID-19 pandemic levels after 2022 (*source: Euroconstruct Reports*). Nordec’s target markets in Central and Eastern Europe, Poland, the Czech Republic, Slovakia and Lithuania (*i.e.*, the CEE Countries) are expected to grow annually between 2022 and 2024 (*source: Euroconstruct Reports*). Nordec estimates that the potential growth opportunities of these markets driven by large investments in, for example, the battery supply chain, logistics premises and facilities and industrial construction required for the industrial green transition provide Nordec with growth opportunities in the future. There are currently many projects launched or in the planning stage related to the industrial green transition in the Nordics and in the CEE Countries (for more information, see “*Industry and Market Overview*”). Nordec estimates that it has a strong position in the markets for new non-residential construction as well as within the markets’ potential growth areas. The ongoing war in Ukraine may have an effect on market development, but Nordec estimates that fundamental drivers for its targeted growth segments of industrial green transition, logistics facilities and battery supply chain remain the same. However, timing of some of the related investments may be affected by the war in Ukraine and result in turbulence in the supply chains relevant for project execution. For more information on Nordec’s target markets, see “*Industry and Market Overview*.”

Experienced Personnel and Flexible Own Production Enable Completion of Complex Projects

Nordec believes that its highly talented and experienced personnel is one of its key competitive advantages in the markets in which it operates. In addition, Nordec believes that it has efficient production facilities with wide production capabilities that enable it to compete for tenders for various project types and sizes. In addition, Nordec believes it has strong in-house capabilities in project design, which it believes give it a competitive advantage against many of its competitors.

In recent years, Nordec has focused on developing its project management processes, which has significantly improved its forecasting capabilities and the profitability of its construction projects. Of finished projects that commenced between 2019 and 2021 and that had sales over EUR 0.1 million, 92 percent had a positive project margin, which Nordec believes is a strong figure. Project margin is calculated from a project’s revenue, less the amount of costs allocated to that project. Project purchases are recorded directly on the projects, and the manufacturing costs of the production facilities and the work done for projects by project managers and designers are transferred to the projects through worked hours and hourly rates.

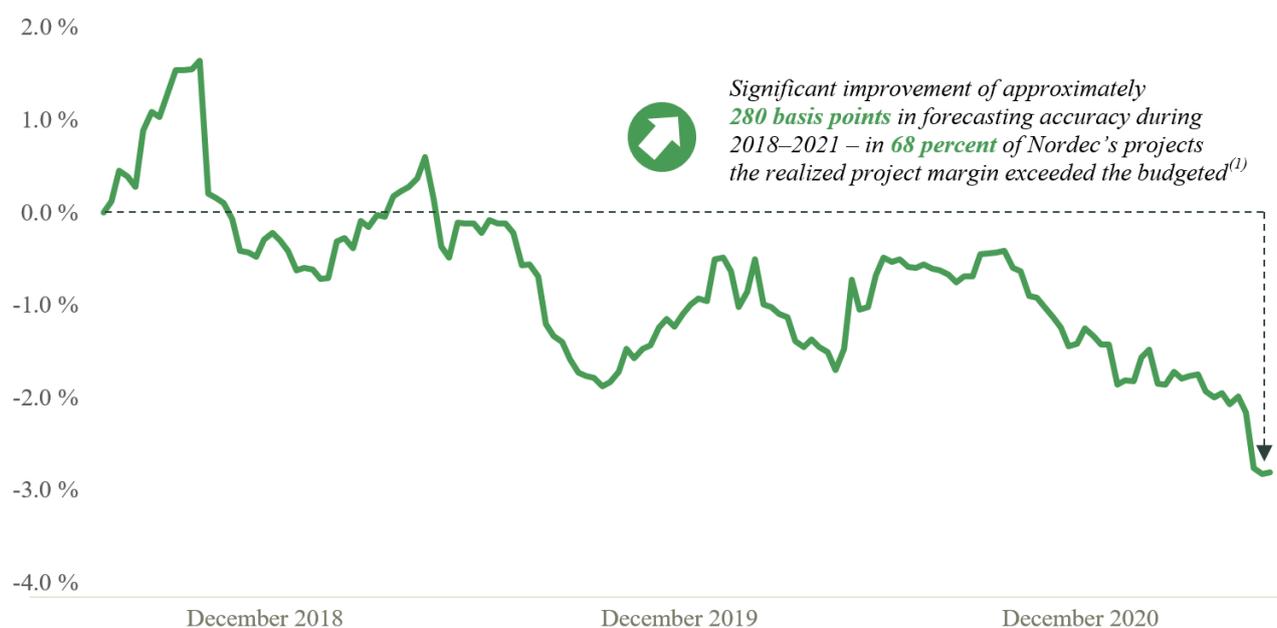
The following chart illustrates Nordec’s project margin percentages for completed projects that commenced between 2019 and 2021:



(1) Including completed projects that had revenue over EUR 0.1 million that commenced between 2019 and 2021.

Nordec’s project margin forecasting has improved and the difference between the budgeted project margin and the actual project margin decreased by approximately 280 basis points from the average of the first 50 projects in 2018, to the average of the last 50 projects in 2021. During the period under review, in 68 percent of Nordec’s projects the realized project margin exceeded the budgeted.

The following chart illustrates the development of Nordec’s project margin forecasting between 2018 and 2021:



Note: The chart illustrates the change in the absolute difference between the budgeted and the actual project margin percentages for projects between 2018 and 2021 (*i.e.*, projects that commenced between January 1, 2018, and December 31, 2021, and were completed by the end of 2021). The chart illustrates the change from the first rolling average data point (a rolling average of last 50 projects with the first data point as at October 25, 2018, and the last as at September 1, 2021) (the chronological order of the projects is determined by the start date of the project). Data is also presented for the period prior to the combination of Normek and Ruukki Building Systems based on project information intended for Nordec’s internal use.

(1) Including completed projects that had revenue over EUR 0.1 million.

Nordec believes that the improvement in performance is due to Nordec continuously striving to develop its project management operations and the competence of its employees.

Strong Customer Relationships with Major Construction, Industrial and Real Estate Investor Companies

Nordec’s customer base includes major construction companies, industrial companies and real estate investment companies in the Nordics and in the CEE Countries. Nordec believes it has strong and established customer relationships with its main customers. For the financial year ended December 31, 2021, 61 percent of Nordec’s revenue was generated from construction companies, 24 percent from industrial companies, 14 percent from real estate investment companies and

1 percent from others. For the financial year ended December 31, 2021, Nordec’s largest customers included TAB, Northvolt, YIT, IN3PRENÖR AB (“**IN3PRENÖR**”), Hent AB (“**Hent**”), NCC, Peab, Skanska, Handelsbolaget Logistic Contractor i Göteborg (“**HB Logistic Contractor**”) and Nordic Real Estate Partners A/S (“**NREP**”). For the financial year ended December 31, 2021, Nordec’s top five largest customers accounted for 56 percent of Nordec’s revenue. Nordec believes that due to its success in past projects, most of Nordec’s largest customers are repeat customers and have been among its largest customers from year to year. During its history, Nordec has been able to repeatedly win tender processes from its largest customers, which Nordec believes indicates a high level of customer satisfaction with Nordec’s services.

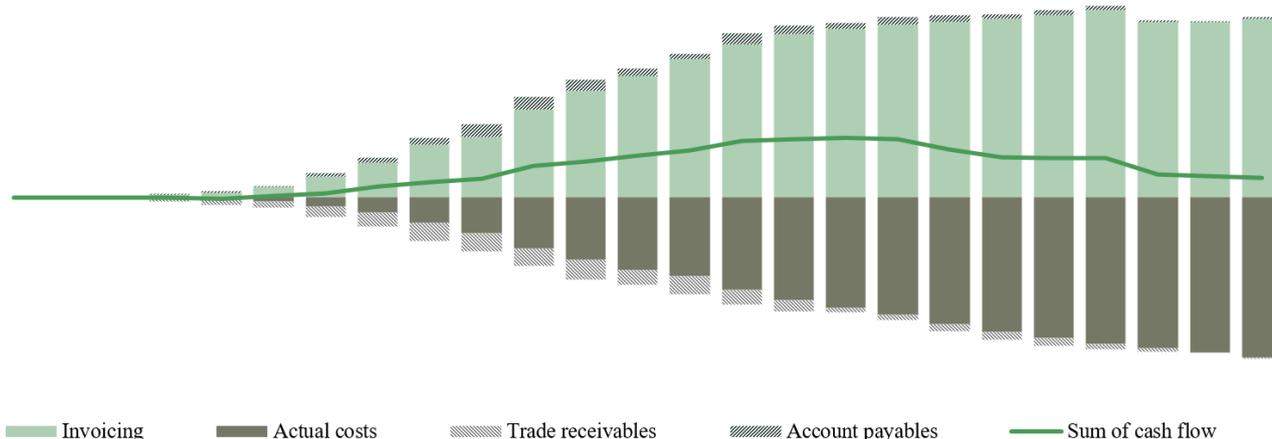
Strong Presence and Solid References in All Key Markets, Segments and Growth Areas

Nordec has strong customer references from variety of its completed projects ranging from small and simple projects to challenging landmark projects in the Nordics and the CEE Countries. Nordec believes that it is particularly strong in large and complex projects in which only a few of its competitors have the ability to operate. In addition, Nordec has strong customer references in market growth areas with recently successfully completed projects in industrial green transition related facility construction, battery supply chain facilities and logistics premises. Nordec believes that strong customer references will also be a competitive advantage in the markets in which it operates due to operating in an industry in which past references are important in tender processes. For examples of Nordec’s projects, see “—Characteristics and Management of Nordec’s Projects—Examples of Nordec’s Large Projects” below.

Strong Cash Flow Profile

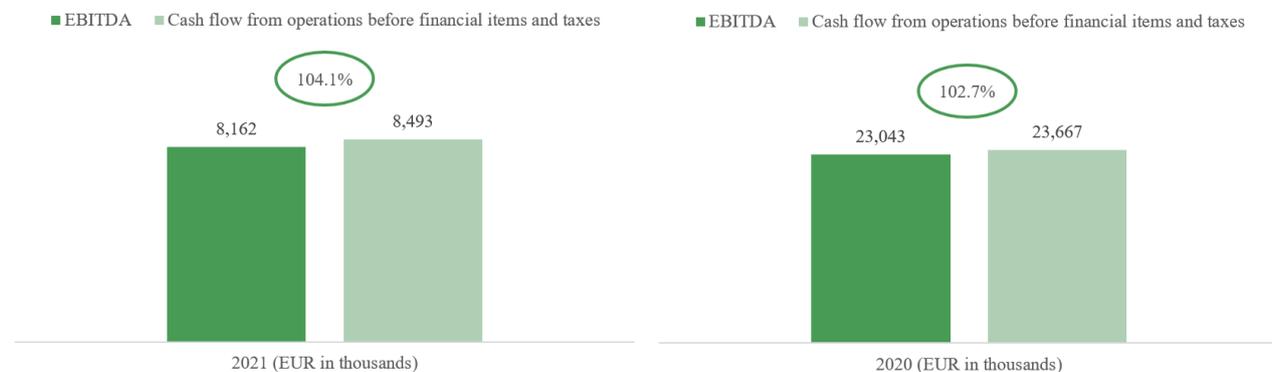
Nordec believes it has a strong cash flow profile due to its projects typically financing themselves through front-loaded cash flow. In the initial planning stage of each project, Nordec strives to structure invoicing schedules so that the project’s cumulative cash flow is positive throughout the project. According to Nordec, a front-loaded cash flow profile lowers Nordec’s project-related financial risks and makes its cash flows more predictable.

The following illustrative chart sets forth the development of Nordec’s monthly cash flows for a typical project:



Historically, Nordec’s cash conversion rate has been high. For the financial year ended December 31, 2021, Nordec’s cash conversion rate was 104.1 percent and for the financial year ended December 31, 2020, Nordec’s cash conversion rate was 102.7 percent.

The following chart sets forth Nordec’s cash conversion rate for the periods indicated:



Nordec's Strategy

Focus on Growing Market Segments

Nordec is strongly positioned in its target markets and strives growth through market growth drivers that include investments in the battery supply chain, logistics premises and facilities and industrial construction required for the industrial green transition. Nordec has already been involved in projects in these market segments and its order backlog includes multiple large projects based on these themes.

Internationalization

Nordec strives for growth in Central and Eastern Europe, including Germany, where it currently has only a limited presence. Growth in Eastern European countries is primarily pursued in the CEE Countries. Nordec has capabilities to operate in these markets and already has its own production facilities in Lithuania and Poland supporting its growth efforts. In addition, Nordec strives to further expand bridge sales to infrastructure projects in Sweden and Norway.

Increased Presence of the Envelope Business Area

Nordec estimates envelope structures to be one of its key growth areas in Sweden. Nordec has historically been strong in envelope sales in Finland and is currently striving to increase its envelope sales in Sweden as well. Nordec estimates that an expansion of the Envelope business area would also increase the sales of its other business areas as envelopes and other structures are typically procured from the same supplier.

Operational Excellence

In recent years, operational excellence has been one of Nordec's key focus areas, and it will also remain as a key focus area for the current strategy period of 2022–2025. Nordec's operational excellence programs include a structure design standardization program, which Nordec believes is important for increasing its profitability as standardized designs can be used in different projects more efficiently. Nordec's operational excellence program also includes a goal to increase in-house design capabilities and strengthen its project schedule management. Nordec believes that increased in-house design capabilities and strengthened project schedule management will enable Nordec to take greater responsibility in a greater number of projects, which Nordec expects to increase its profitability. In addition, Nordec believes that increased in-house design capabilities enable a more efficient use of its standardized structure designs due to the greater control it would have in choosing the structure types used for its projects. In addition, Nordec aims to strengthen the pricing of materials and contracts.

Investments in Production

Nordec plans to invest in the modernization of its production equipment in order to support its structure design standardization program and to increase the production automation and production capacity at its production facilities. Nordec believes that structure design standardization and increased production capacity are essential growth enablers. Nordec has assessed potential investment targets in its production, and the prioritized investment plan has been refined to comprise investments in the production facilities of Peräseinäjoki and Ylivieska in Finland as well as in the production facility of Oborniki in Poland. The prioritized investments focus on increasing the production's degree of automation and also on the insourcing of certain currently outsourced functions into Nordec's own functions. Nordec estimates that, among other things, the prioritized investments bring direct cost savings, increase production capacity, decrease production disturbances and delays as well as shorten the total delivery time of production. In addition, Nordec has other investment opportunities, which can potentially be carried out in a later stage of the strategy period. By means of prioritized investments together with increased in-house design capabilities, improved project management as well as strengthened pricing, Nordec aims to achieve approximately a 2.0 percent to 3.3 percent estimated improvement at project margin level. According to Nordec's estimate, the prioritized production long-term investments require investments of approximately EUR 10.5 million from the Company. In addition, Nordec strives to efficiently respond to the sustainability needs of the market through growth from product development in greener steel structures. Further growth potential for steel structures is driven by the availability of recycled and fossil-free steel as a raw material. For example, one of Nordec's main steel suppliers, SSAB, has announced a large investment program to convert its steel production fossil-free, which Nordec believes will directly benefit both Nordec's and its customers' sustainability efforts.

Inorganic Growth

In addition to organic growth, Nordec aims to execute carefully selected acquisitions that would target growth and synergies through expansion into complementary product ranges in the European frame and envelope markets, production capabilities and services.

Personnel and Safety Journey to Zero Lost Time Injuries

Nordec believes that talented and experienced personnel are one of its key competitive advantages. Therefore, in order to attract new talent and retain current talent, Nordec will focus on personnel satisfaction and development. Nordec uses the Quality of Working Life (“QWL”) index to measure personnel satisfaction. Nordec’s QWL score was 72 percent in the fall of 2021 and 69 percent in the spring of 2020, and both these results are above the 60 percent average of organizations using the QWL index for measuring personnel satisfaction (*source: Vibecatch*). Nordec strives to increase its personnel satisfaction even further. Safety of its personnel is in a central role in Nordec’s operations, and Nordec has launched the Safety Journey to Zero Lost Time Injuries program. The program includes implementation of certain processes and practices to improve general safety management and systems as well as ongoing work to engage the whole organization, especially operational personnel, to pursue improvements to achieve targeted level of zero lost time injuries (“LTIs”). For the financial years ended December 31, 2021 and 2020, Nordec’s lost time injury frequency rate was 14.2 and 16.4, respectively.

Financial Targets

The Board of Directors of the Company has adopted the following medium term financial targets for Nordec:

- Revenue to reach EUR 300 million by the end of 2025.
- EBITDA margin to reach the level of at least 6 percent by the end of 2025.

The statements set forth above include forward-looking statements and are not guarantees of Nordec’s financial performance in the future. Nordec’s actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under “Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements,” “Risk Factors,” and “Operating and Financial Review—Factors Affecting Results of Operations.” Nordec cautions prospective investors not to place undue reliance on these forward-looking statements.

For the financial year ended December 31, 2021, Nordec’s revenue was EUR 225.5 million and EBITDA margin was 3.6 percent. For the three months ended March 31, 2022, Nordec’s revenue was EUR 54.6 million and EBITDA margin was 1.7 percent.

Nordec’s Business

General

According to the Nordec management estimate, it is, measured by revenue, one of the leading providers of steel frame structure and envelope solutions for construction projects in the Nordics with a strong position in the CEE Countries. Nordec has a long experience in designing, manufacturing and installing frame structures, envelopes and bridges. Nordec has five business areas: Multi-storey, Single-storey, Heavy Industry & Bridges, Envelope and CEE.

The following table sets forth Nordec’s revenue by geography for the periods indicated:

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited)		
	(EUR in thousands)				
Finland	14,990	10,025	49,249	56,838	27,199
Sweden	34,337	37,310	157,268	77,017	9,279
Central and Eastern Europe (CEE)	4,898	1,684	14,712	5,332	652
Others	413	1,825	4,247	2,555	—
Total	<u>54,638</u>	<u>50,843</u>	<u>225,475</u>	<u>141,742</u>	<u>37,130</u>

For the financial year ended December 31, 2021, 70 percent of Nordec’s revenue was generated from Sweden, 22 percent from Finland, 7 percent from Central and Eastern Europe and 1 percent from others, compared to 54 percent from Sweden, 40 percent from Finland, 4 percent from Central and Eastern Europe and 2 percent from others for the financial year ended December 31, 2020. Nordec’s revenue split by geography can vary considerably between financial periods due to the project-based nature of Nordec’s operations.

Business Areas

Four of Nordec's business areas, Multi-storey, Single-storey, Heavy Industry & Bridges and Envelope, operate in the Nordics providing services and structures related to their targeted market sectors to a large variety of customers. CEE is geographically organized business area and provides similar services and structures in the CEE Countries that other business areas offer in the Nordics while also supporting Nordec's operations in the Nordics. Nordec's strengths are in large and complex construction projects requiring specialized knowledge of steel structure design, production and installation. Nordec offers a variety of services extending from assuming overall responsibility for a certain part of a customer's project, from design to production, subcontractor management and installation, to delivering certain steel structures or products to parts of a project only. The main raw material used by Nordec in its construction structures is steel, however, Nordec typically complements its offering with other elements and materials, such as concrete, sandwich panels, load-bearing sheets and wood, when needed through its external partners. Nordec has the capabilities to act in various roles throughout the value chain of construction projects, including being in charge of the overall design of a project and the details of the structures used, as well as of the production and installation of the structures, and Nordec believes that this drives cost efficiency, reliability and shorter delivery times, enabling an efficient overall execution of a project.

Nordec divides its operations into five business areas:

- Multi-storey;
- Single-storey;
- Heavy Industry & Bridges;
- Envelope; and
- CEE.

Multi-storey

The Multi-storey business area focuses on the complete design and delivery of frame structures, including concrete elements and integrated envelopes for projects in which a steel frame, or a hybrid frame combining steel with complementary materials, is the optimal solution. The Multi-storey business area accounted for 13 percent of Nordec's revenue for the financial year ended December 31, 2021. Examples of projects of the Multi-storey business area are the Kamppi and Redi shopping centers in Helsinki, Finland, office and retail buildings in the Perhelä complex in Järvenpää, Finland, the OOPS – Oasis of Professionals office building in Espoo, Finland, the Kv Platinan office and hotel building and the Gårda Vesta office building in Gothenburg, Sweden, the Life City office building in Stockholm, Sweden, and the Lagunen Storsenter shopping center in Bergen, Norway.

Single-storey

The Single-storey business area focuses on the complete design and delivery of frame structures and integrated envelopes for projects with single-storey large-scale buildings, such as logistics halls, sports facilities and warehouses. The Single-storey business area accounted for 44 percent of Nordec's revenue for the financial year ended December 31, 2021. Examples of projects of the Single-storey business area are the DLS Bålsta logistics facility and the ongoing Dahl Bålsta logistics facility in Bålsta, Sweden, the Coop Logistics Center in Eskilstuna, Sweden, the DSV Logistics Center in Rosersberg, Sweden, the Nokia Arena sports arena in Tampere, Finland, the Vuokatti Arena sports arena in Vuokatti, Finland, the Snø indoor winter sports arena in Lørenskog, Norway, and the Coop Logistics Center in Gardermoen, Norway.

Heavy Industry & Bridges

The Heavy Industry & Bridges business area focuses on the complete delivery of frame structures and integrated envelopes for tall and large industrial buildings and steel bridges. The Heavy Industry & Bridges business area accounted for 31 percent of Nordec's revenue for the financial year ended December 31, 2021. Examples of projects of the Heavy Industry & Bridges business area are the ongoing Crown Bridges project (*Kruunusillat*) in Helsinki, Finland, several battery supply chain related building projects within the Northvolt Ett facility in Skellefteå, Sweden, the Kalix bridge in Kalix, Sweden, Metsä Group's projects in Äänekoski and Kemi, Finland, the Isoisänsilta bridge in Helsinki, Finland, two mine buildings in Kevitsa, Finland, and a battery chemical plant in Sotkamo, Finland.

Envelope

The Envelope business area focuses on the complete design and delivery of aluminum and glass facades and thermo elements. In addition to pure envelope solution deliveries, the Envelope business area complements Nordec's other business areas, as envelopes are to an extent needed for all buildings. Therefore, the importance of the Envelope business area for Nordec is higher than what its share of Nordec's total revenue would indicate. The Envelopes business area accounted for 4 percent of Nordec's revenue for the financial year ended December 31, 2021. Examples of projects of the Envelope

business area are Next office building in Espoo, Finland, the West Terminal 2 of the Port of Helsinki in Helsinki, Finland, Terminal 2 of the Helsinki-Vantaa airport in Vantaa, Finland and the OOPS – Oasis of Professionals office building in Espoo, Finland.

CEE

The CEE business area comprises Nordec's operations in Central and Eastern Europe, where it mainly focuses on single-storey and heavy industrial buildings, but still covers the other project types provided by Nordec's other business areas as well. In addition, the CEE business area manufactures steel structure products for Nordec's projects in other business areas. In addition to products, the CEE business area supplies a part of the installation personnel used in the Nordics through Nordec's Lithuanian subsidiary, UAB Nordec. The CEE business area accounted for 8 percent of Nordec's revenue for the financial year ended December 31, 2021. Examples of projects of the CEE business area are the OC Nivy shopping mall in Bratislava, Slovakia, EKOVA Electric a.s.'s production facility in Ostrava, the Czech Republic, LG Chem's battery factory in Wrocław, Poland, the Korputorg hall data center in Reykjavík, Iceland, HOMANIT Holding GmbH's production facility in Vilnius, Lithuania, and UAB KJKK BEGA's storage facility in Klaipėda, Lithuania.

Production

For the financial year ended December 31, 2021, Nordec produced in-house most of its steel frame structure solutions. In-house production is a cornerstone of Nordec's operations, providing it with control over quality and the health and environmental aspects of its production and projects. Nordec has extensive production capabilities, and its production facilities are customized to accommodate the production of different types and sizes of construction structures. Nordec has five production facilities of which three are located in Finland, one in Lithuania and one in Poland. Nordec's steel structure production facilities are located in Ylivieska and Peräseinäjoki, Finland, Gargždai, Lithuania, and Oborniki, Poland. In addition, Nordec has a production facility in Alavus, Finland, for glass aluminum façade structures. Nordec's production facilities complement each other and the production capacity and the production facilities can also be flexibly used to provide backup capacity between production facilities when necessary.

Nordec's production facilities in Finland are particularly important for its projects in the northern parts of the Nordics, where large structures, such as heavy welded structures, including bridge beams, can be delivered as specialty transport through road transportation. On the other hand, Nordec's production facilities in Lithuania and Poland are able to complement the offering of Nordec's Finnish production facilities by manufacturing lighter structures that can be delivered by sea or land. The selection of a production facility for a product is dynamically determined based on Nordec's overall order backlog and workload situation as well as on the availability of space and the size and type of the structure being manufactured. In addition, Nordec utilizes outsourced production, which provides flexibility with respect to its cost base and the ability to respond to any fluctuations in demand rapidly.

As at the date of this Prospectus, Nordec's production facilities primarily operate two shifts a day and, therefore, Nordec could potentially increase its production capacity to some extent by switching to a three-shift system. The actual capacity and output of Nordec's in-house production is dependent on the number of shifts worked and on the type of structures being manufactured. A well-functioning subcontracting chain is important for Nordec, as outsourcing the production of certain small and simple construction structures provides flexibility and improves efficiency by allowing Nordec's in-house production to focus on the production of more complex construction structures.

Production Facilities

Ylivieska, Finland

Nordec's production facility in Ylivieska, Finland, primarily focuses on the production of heavy welded beam structures and bridge structures, and it has a total annual production capacity of approximately 12,000 tonnes. The Ylivieska production facility primarily uses steel plates and sheets as raw materials and it has welding lines for different types and sizes of beams as well as assembly workstations for equipment welding. The surface treatment process stages available at the Ylivieska production facility are shot blasting, drying, painting and fire protection.

Peräseinäjoki, Finland

Nordec's production facility site in Peräseinäjoki, Finland, focuses on the production of trusses and related structural components, and it has a total annual production capacity of approximately 7,000 tonnes. The Peräseinäjoki production facility primarily uses cold-rolled steel tubes and hot-rolled beams as raw materials and it has lines for shot blasting, cutting and drilling, as well as assembly workstations for equipment welding. The surface treatment process stages available at the Peräseinäjoki production facility are shot blasting, painting and drying.

Alavus, Finland

Nordec's production facility in Alavus, Finland, is solely dedicated to the production of envelope structures providing envelopes for Nordec's projects in both the Nordics and the CEE Countries, with a total annual production capacity of approximately 20,000–25,000 square meters. The Alavus production facility mainly uses steel, glass and aluminum as its raw materials. The main products manufactured at the Alavus production facility include thermo elements, glass-aluminum façades and hybrid thermos.

Gargždai, Lithuania

Nordec's production facility in Gargždai, Lithuania, primarily focuses on the production of lighter steel structures for Nordec's operational needs in both the Nordics and CEE Countries. The Gargždai production facility has a total annual capacity of approximately between 3,000 tonnes and 4,000 tonnes. The Gargždai production facility primarily uses hot-rolled steel profiles and cold-formed tubes as raw materials. The surface treatment process stages available at the Gargždai production facility are shot blasting and painting.

Oborniki, Poland

Nordec's production facility in Oborniki, Poland, primarily focuses on the production of steel beams and pillars, but also produces trusses. The Oborniki production facility also serves Nordec's business in the Nordics. The Oborniki production facility has a total annual capacity of approximately between 8,000 tonnes and 9,000 tonnes. The Oborniki production facility primarily uses hot-rolled steel profiles and plates as well as cold-rolled tubes as raw materials and it has lines for shot blasting, cutting, drilling, welded beams and portal welding, as well as assembly workstations for equipment welding. The surface treatment process stages available at the Oborniki production facility are shot blasting, drying and painting.

Machinery and Equipment

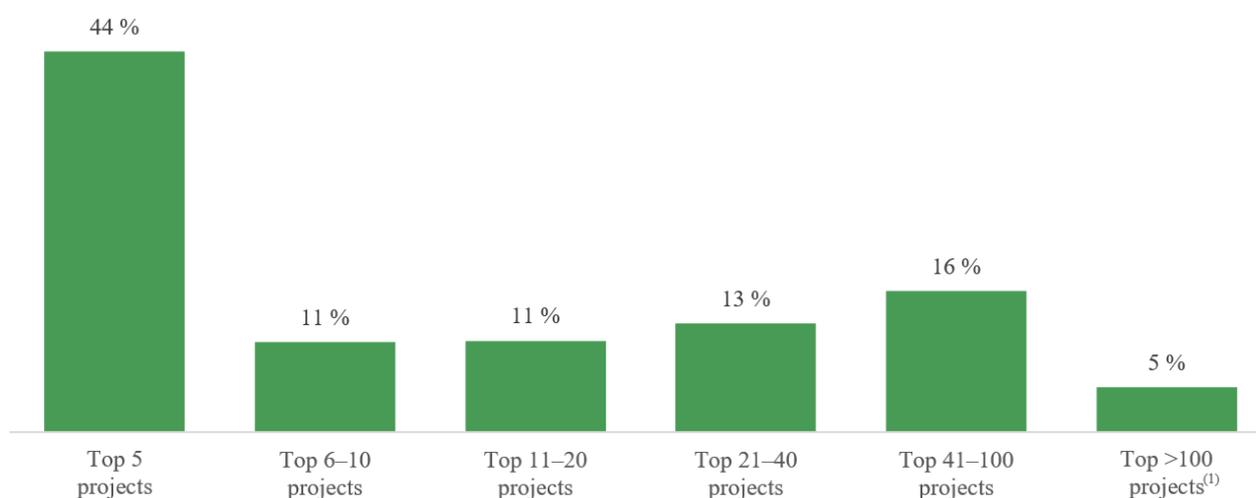
Nordec's machinery and equipment is mostly production facility and installation related. Machinery and equipment used at Nordec's production facilities primarily includes fabrication machinery related to cutting, sawing, drilling and welding steel, and is mostly owned by Nordec. Installation machinery and equipment primarily includes machinery used at construction sites, such as cranes and lifting equipment, which are mainly leased from external providers.

Characteristics and Management of Nordec's Projects

General

Nordec's business is largely project-based, and Nordec offers a variety of services extending from assuming overall responsibility for a certain part of a customer's project, from design to production, subcontractor management and installation, to delivering certain steel structures or products to parts of a project only. While Nordec's strengths are in large and complex projects, Nordec carries out projects in various size categories. In a given year, Nordec typically has a few large projects worth over EUR 20 million and a large variety of smaller projects ranging from approximately EUR 1 million to EUR 5 million.

The following chart sets forth the distribution of Nordec's revenue to its projects for the financial year ended December 31, 2021:



(1) Projects outside the top 100 largest projects also included certain small invoices from projects primarily completed in 2020.

Large projects are usually multi-year projects while smaller projects can be short-time deliveries of structures. While the structures between projects typically differ to an extent, Nordec's cumulative experience from a wide range of projects in terms of production and design of structures provides synergies between projects. Standardizing its structure offering even further is also a part of Nordec's current strategy.

Before commencing work on a project, a written contract between Nordec and the customer is executed setting out the basic terms and conditions for the execution of the project. Typically the contract sets out, among others: (i) the work to be performed, (ii) the types of structures to be manufactured, which are typically non-standard and manufactured based on the customer's specifications, and therefore, involve design work, (iii) the responsibilities of each party throughout the different stages of the project, (iv) basis of pricing, that is, whether the project is executed on a "fixed price" or a "cost plus" basis, (v) conditions under which Nordec is entitled to receive payment, and (vi) delivery times.

Project Management

Project personnel is organized into Nordec's business areas and they have expertise in the sector in which their business area operates. Within Nordec's business areas, personnel is selected for the projects based on project characteristics and complexity. Personnel is mainly working in one or two focus countries where they have the required knowledge of local requirements and the required language skills. Personnel can be utilized in other countries in which Nordec operates based on market changes and needs. Projects are managed and executed according to Nordec's integrated project management system, the PBC. Projects' financials, time schedule and quality are followed and lead by the project manager and supported by business area managers and directors (for more information on the PBC, see "*—Project Risk Management*" below).

Project Management Office

Nordec has a Project Management Office (the "**PMO**"). The PMO's role is to function as a support organization that helps Nordec's business areas to develop their operations and performance in the following areas:

- environment;
- health and safety;
- quality and process development;
- building information modeling; and
- technology and sustainability.

The PMO is also responsible for developing and maintaining the PBC (see "*—Project Risk Management*" below).

Project Risk Management

Nordec's risks are for the most part related to the individual construction projects. To systematically manage project risks, Nordec has its own integrated project management system, the PBC. The PBC is an internal tool that provides process descriptions, instructions, guidance and templates for Nordec's personnel to be used during all phases of a project. The PBC functions as a handbook and contains instructions and tools for project management and project risk management. In addition, the PBC includes a project risk analysis tool that is used from the contract negotiations phase onwards for managing project risks both internally and with respect to the contract party. The first version of the PBC was introduced in 2007 for the project business of Rautaruukki's construction division (later Ruukki Building Systems) and it has been continuously developed under the supervision of Nordec's management.

Tender Review Process

Projects with a value over EUR 1.5 million are subject to a centralized review before the tender is submitted. Projects with a value less than EUR 1.5 million similar tender review documents are generally prepared to ensure an adequate review of the project. Tenders for projects with a value over EUR 1.5 million are reviewed in weekly tender review meetings where the person responsible for the tender presents the project and the tender to Nordec's management. Offers are presented using Nordec's standardized tendering report. Submitting tenders with a value over EUR 1.5 million into a competitive tendering process requires approval of Nordec's Chief Executive Officer at a tender review meeting prior to the submission. Submitting tenders with a value over EUR 20 million requires the approval of the Board of Directors of the Company.

At the tender review meeting, the following risks are assessed:

- client risks, including the client's financial position and credit risk, competence of the client's project organization and the client's resources;
- technical risks, including the scope of work, manner of execution and technical solutions;

- resources risks, including the availability of competent personnel, sufficient workshop resources and materials;
- financing risks, including cash flow, need of funding, currency risk and hedging; and
- price risk (*i.e.*, the appropriate price level to win the tender while still being profitable).

Nordec's legal team provides support for the project personnel on handling risk in all phases of Nordec's projects. According to Nordec, the threshold for Nordec's project personnel to contact the legal team is low. Nordec believes that its organization is also agile and in case a threat or a major risk is realized, an *ad hoc* management task force can be set up rapidly.

Project Steering Groups for Large Projects

As part of its project management, Nordec establishes project steering groups to monitor large projects with a value over EUR 10 million, and to handle any major issues that may occur. Nordec's project steering groups typically consist of the relevant project manager, the relevant business area manager or business area director, the Chief Executive Officer, the Chief Financial Officer or Finance Manager and, in some case, the Head of Legal.

Examples of Nordec's Large Projects

DLS Logistics Center, Bålsta, Sweden

Nordec was responsible for the design and build of the entire frame and envelope for the DLS logistics center in Bålsta, Sweden, with a total gross area of approximately 123,000 square meters. Nordec's work at the DLS logistics center was completed in the end of 2021.

Coop Logistics Center, Eskilstuna, Sweden

Nordec was responsible for the design and build of the entire frame and envelope for the Coop Logistics Center in Eskilstuna, Sweden, with a total gross area of approximately 112,000 square meters. Nordec's work at the Coop Logistics Center was completed in 2021.

Crown Bridges, Helsinki, Finland

Nordec is responsible for the fabrication and installation of all steel structures for the ongoing Crown Bridges project in Helsinki, Finland. Nordec's work for the Crown Bridges project is expected to be completed in 2025. The Crown Bridges will be the longest bridge built in Finland to date. The Crown Bridges project has high technical requirements as well as particularly high sustainability requirements.

Isoisänsilta Bridge, Helsinki, Finland

Nordec was responsible for the fabrication, delivery and installation of all the steel elements for the Isoisänsilta Bridge in Helsinki, Finland. Nordec's work at the Isoisänsilta Bridge was completed in 2016.

West Terminal 2, Helsinki, Finland

Nordec was responsible for the detail design, fabrication and installation of the steel frame and the glass and aluminum façades for the West Terminal 2 of the Port of Helsinki in Helsinki, Finland. The building's challenging design necessitated separate drawings for the façade implementation. Nordec's work at the West Terminal 2 was completed in 2016.

Helsinki Central Library Oodi, Helsinki, Finland

Nordec was responsible for the fabrication and delivery of the large, special-purpose steel structures for the Helsinki Central Library Oodi in Helsinki, Finland. The Helsinki Central Library Oodi was a challenging project since the structure supports two 100-meter-long heavy-weight arches. Helsinki Central Library Oodi's steel structures were awarded the Award of Excellence by the European Convention for Constructional Steelwork at the European Steel Design Awards 2019. Nordec's work at the Helsinki Central Library Oodi was completed in 2017.

Redi Shopping Center, Helsinki, Finland

Nordec was responsible for the complete manufacturing, supply and installation of steel structures for the Redi shopping center in Helsinki, Finland. The pillars and sills dimensions were abnormally large in the Redi shopping center. In addition, the project's logistics posed challenges due to the large amount of cargo that had to be transported through Finland in a tight time schedule. Nordec's work at the Redi shopping center was completed in 2017.

Kv Platinan, Gothenburg, Sweden

Nordec was responsible for the design, delivery and installation of the frame structure consisting of steel beams, concrete slabs, concrete columns, wall elements and prefabricated stairs for the office and hotel building Kv Platinan in Gothenburg, Sweden, with a total gross area of approximately 70,000 square meters in the nineteen storey building. Nordec's work at Kv Platinan was completed in 2021.

Mall of Scandinavia, Solna, Sweden

Nordec was responsible for the design and build of the entire steel frame, including all types of steel columns, steel trusses and steel beams as well as all loadbearing sheets and sandwich panels, for the Mall of Scandinavia, in Solna, Sweden. The Mall of Scandinavia is one of largest shopping malls in the Nordics, with a total gross area of approximately 300,000 square meters. Nordec's work at the Mall of Scandinavia was completed in 2015.

DSV Logistics Center, Rosersberg, Sweden

Nordec was responsible for the design and build of the entire frame and envelope for the DSV Logistics Center in Rosersberg, Sweden, with a total gross area of approximately 82,000 square meters. Nordec's work at the DSV Logistics Center was completed in 2021.

Dahl Logistics Center, Bålsta, Sweden

Nordec is responsible for the design and build of the entire frame and envelope for the Dahl Logistics Center in Bålsta, Sweden, with a total gross area of approximately 72,000 square meters. Nordec's work at the Dahl Logistics Center is expected to be completed in 2022.

Oslo Opera House, Oslo, Norway

Nordec was responsible for the detail design, delivery and installation of the steel frame for Oslo Opera House, Oslo, Norway. The Oslo Opera House was a challenging project since it was built partly on the water. Nordec's work at the Oslo Opera House was completed in 2006.

Arlanda Porten, Arlanda, Sweden

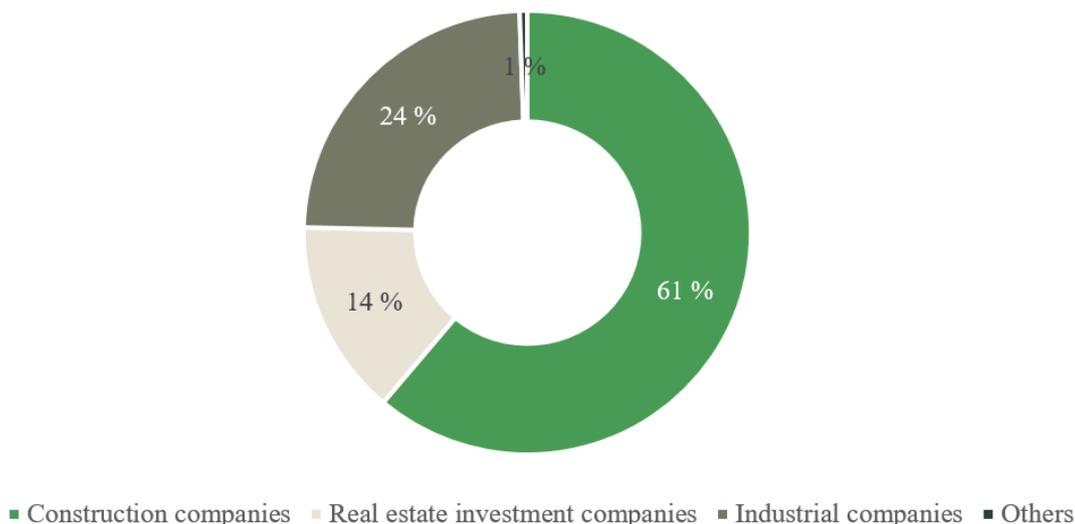
Nordec is responsible for the design, delivery and installation of the reinforced concrete frame, wall panels and roofing sheets for the ongoing Arlanda Porten in Arlanda, Sweden.

Customers

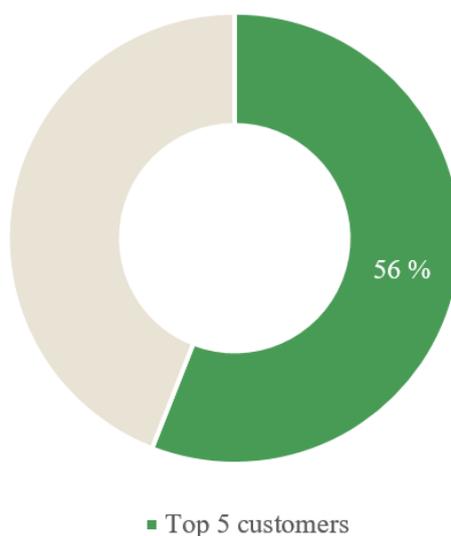
Nordec's customers primarily consists of private sector customers, including construction companies, industrial companies and real estate investment companies. For the financial year ended December 31, 2021, 61 percent of Nordec's revenue was generated from construction companies, 24 percent from industrial companies, 14 percent from real estate investment companies and 1 percent from others. Nordec's project contracts are typically awarded following a competitive tendering process. Since most of Nordec's clients are private companies, tender processes are also private. Due to Nordec's position as one of the leading companies in its field in the Nordics with a strong position in the CEE Countries, Nordec estimates that Nordec receives an invitation to tender in the majority of tender processes relevant for Nordec. In general, Nordec seeks to take part in the tender process directly with the end customer, even though in many cases other parties tendering for the same project, such as construction companies, may ask for quotes from Nordec for relevant parts of the project. Due to strong customer references and customer relationships, Nordec believes that large and complex projects are its strengths.

As Nordec's business is largely project-based, its customers vary every year, however, certain major direct and end-customers customers, such as NCC, Peab, Skanska, SRV and YIT have historically formed a large portion of Nordec's business and have provided opportunities of repeat business for Nordec. Nordec's largest customers in 2021 included TAB, Northvolt, YIT, IN3PRENÖR, Hent, NCC, Skanska, HB Logistic Contractor and NREP. For the financial year ended December 31, 2021, Nordec's top five largest customers accounted for 56 percent of Nordec's revenue.

The following chart sets forth Nordec’s revenue by customer type for the financial year ended December 31, 2021:



The following chart sets forth the share of revenue of Nordec’s top five largest customers for the financial year ended December 31, 2021:



Sourcing, Purchasing and Subcontracting

Nordec’s head of sourcing together with its sourcing and purchasing managers are responsible of Nordec’s procurement. Planning for sourcing is carried out at the business unit level to ensure clear responsibilities between sourcing, manufacturing and project management in order to maximize volume benefits in project business. Nordec’s purchase planning involves the preparation of purchase plans for all projects and production units based on the sourcing strategies for main sourcing categories. Data for purchase planning is gathered through the analysis of purchasing needs, supplier market situation and past volumes by price and quantity. Nordec maintains a sourcing database for accepted and identified suppliers.

Nordec is dependent on third-party suppliers and subcontractors in the execution of its projects and selecting the right third-party suppliers and subcontractors is key to successful project execution. Nordec procures steel and other materials from established suppliers in Western and Northern Europe. Nordec’s key third-party service providers consist of designers, suppliers of construction materials and raw materials and subcontractors used for both manufacturing certain project-specific construction structures as well as installation. Certain parts of Nordec’s production are generally outsourced to have flexibility to respond to changes in demand and to increase the efficiency of production by focusing on products that utilize Nordec’s own production facilities in the most efficient manner. In addition, Nordec currently subcontracts certain parts of its design work to external consulting companies. As part of its current strategy, Nordec aims to increase the level of in-house design. Certain parts of Nordec’s installation work are also subcontracted when subcontracting is considered to be the most efficient solution. For the financial year ended December 31, 2021, Nordec’s ten largest suppliers accounted for 26 percent of Nordec’s purchases and no individual supplier had a share of more than

7 percent of Nordec's purchases. All new direct suppliers are audited before use and engaged in limited scope before taking in more significant roles in Nordec's projects. During project execution, own or third-party quality control is used on spot basis to make sure subcontractors follow their own quality systems and that goods and services are delivered on agreed schedules and correct quality.

Provisions concerning conduct and execution are typically built into each of Nordec's contracts, which set out rules that should be followed when operating on a construction site, and, in addition, Nordec has certain internal supervision practices in place, such as audits, quality controls and other procedures to ensure such rules are complied with.

Research and Development

Nordec's R&D operations focus on the development of its project management, production processes and designs for its structures. Nordec has also made certain innovations regarding steel structures that have led to patented solutions. In addition, before their combination to form Nordec, both Normek and Ruukki Building Systems were developing their operations to improve their project management abilities. Development is continuous and Nordec aims to further improve its project management capabilities in the coming years.

Sustainability

General

Nordec operates in a market in which sustainability is expected to be one of the focus areas in the future. Nordec's sustainability focus areas are the environment and personnel.

Environment

Currently, the environment is a focus area for Nordec. Nordec has an ongoing Road-to-Zero project planned in cooperation with an external consulting company. Key targets for the Road-to-Zero project are to calculate a baseline for Nordec's organizational carbon footprint, to set up environmental data collection processes and to find the necessary means to reduce carbon emissions. The Road-to-Zero project also aims to utilize data for environmental reporting and to support the development of new low-carbon products in order to expand Nordec's sustainable offering to its customers. The environmental impact in Nordec's operations has been minimized by optimizing material usage, transportation and waste, and with standardized solutions.

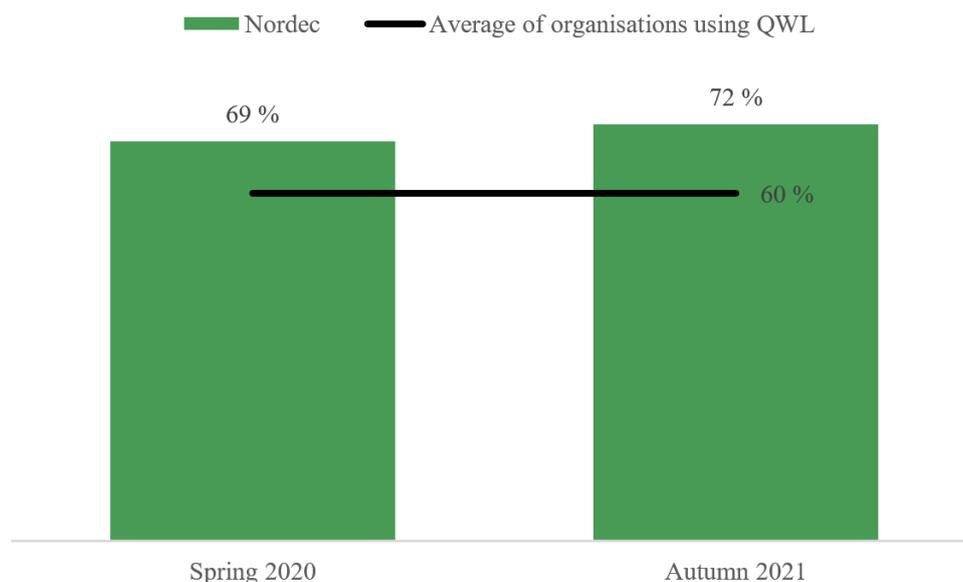
Nordec's primary working material is steel, which, in general, as a material, can be recycled multiple times without the loss of its attributes, in addition to which steel has a long usage age in structures. In the future, Nordec expects that steel structures will be re-used as such. The steel markets are continuously pursuing a transition towards greener materials and steel manufacturers have recently been announcing major investment plans for making steel manufacturing processes greener.

In addition, Nordec is supporting its customers in the so-called green transition by being involved in their green investment projects as a project supplier. Such green transition investments include, for example, investments in the battery supply chain in the Nordics and Central and Eastern Europe as well as green conversion investments in steel and other factories.

Personnel

Nordec is a significant employer and employs personnel especially outside growth centers. During the past two years, there have been several changes in Nordec's ways of working and in its organization resulting from the combination of Normek and Ruukki Building Systems that created Nordec. According to the QWL index that Nordec uses to measure personnel satisfaction, these changes have not affected Nordec's personnel satisfaction negatively, on the contrary, Nordec's QWL score has improved.

The following chart sets forth Nordec’s QWL index in the spring 2020 and autumn 2021:



Both these results are above the 60 percent average of organizations using the QWL index for measuring personnel satisfaction (*source: Vibecatch*). Nordec acknowledges the importance of personnel for its business and aims to provide its employees sufficiently challenging tasks and an overall excellent work environment.

Personnel development is also a focus area for Nordec. Nordec has arranged project management, leadership and other training for its personnel. Nordec also encourages its personnel to continue their education by providing financial incentives and paid study leave for personnel pursuing professional degrees. In addition, the capabilities of Nordec’s personnel are developed by providing them more complex projects to lead and ensuring wider roles based on their performance.

Intellectual Property Rights

Nordec’s registered intellectual property rights include trademarks and patents related to production and treatment of structures. As at the date of this Prospectus, Nordec has four registered patents.

Information Technology

Nordec believes that it has an efficient, integrated and scalable IT infrastructure and applications that support its business and its development covering all the essential aspects of its current business. Nordec uses IT applications and products that cover essential aspects of its business, such as ERP, finance, payroll and human resources and project and document management. In addition, Nordec has customary software applications in place. Nordec is also currently implementing a CRM system and the implementation process is expected to be ready during the summer of 2022. Nordec’s IT personnel is mostly outsourced and it has five in-house IT employees. Due to the relatively recent combination of Normek and Ruukki Building Systems, IT architecture is not yet fully harmonized and there are some differences at subsidiary and country level. Nordec’s information and communications technology (“ICT”) infrastructure, information security environment and ICT processes were mostly built from scratch in 2020 and 2021 during the creation of Nordec as an independent company. Nordec’s IT environment is secured by modern information security protection and detection tools and Nordec has an outsourcing partner, that is responsible for dealing with any information security incidents.

Nordec Group’s Legal Structure

General

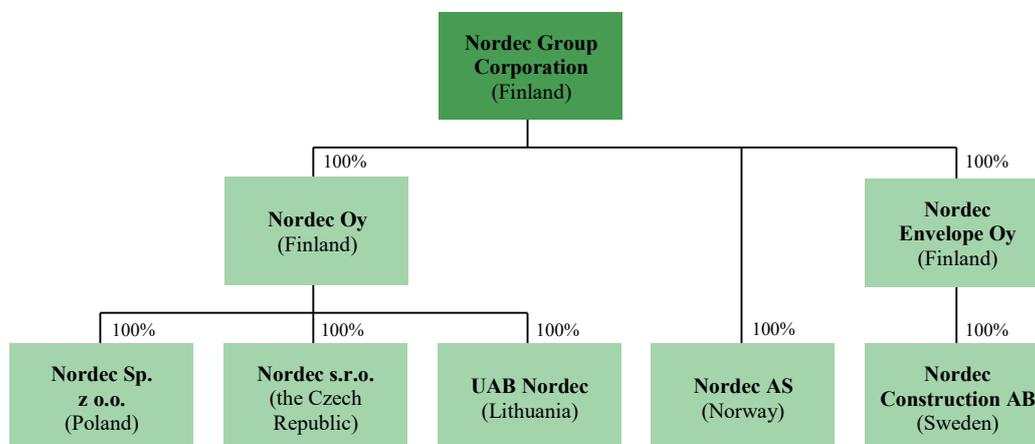
The name of the Company is Nordec Group Corporation and it is domiciled in Helsinki, Finland. Nordec is a public limited liability company incorporated under the laws of Finland. Nordec’s postal address is Eteläinen Makasiinikatu 4, FI-00130 Helsinki, Finland, and its telephone number is +358 20 420 7000. Nordec’s business identity code is 2941137-2 and its LEI code is 7437009NFZ57QT86T947.

According to Article 3 of the Company’s articles of association, its line of business is to either directly or through its subsidiaries or affiliate companies, construct by utilizing solutions based on metal or other materials as well as to produce services required for construction and to manufacture and trade materials, structures, building elements and products used in construction. In addition, the company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the company may attend to the organization,

financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Legal Structure

Nordec Group Corporation is the parent company of Nordec group that conducts business primarily through its subsidiaries. The following chart sets forth Nordec group's legal structure as at the date of this Prospectus:



Organization and Personnel

General

The following table sets forth the number of Nordec's employees by geography as at the dates indicated:

	As at March 31,		As at December 31,		
	2022	2021	2021 (unaudited)	2020	2019
Blue-collar employees					
Finland	160	202	157	202	111
Poland	85	93	84	94	–
Lithuania	60	66	63	65	–
Sweden	4	4	4	4	5
The Czech Republic	–	–	–	–	–
Norway	–	–	–	–	–
Total blue-collar employees	309	365	308	365	116
White-collar employees					
Finland	178	196	180	202	69
Poland	22	21	22	20	–
Lithuania	28	24	26	25	–
Sweden	16	13	16	13	7
The Czech Republic	16	17	16	19	–
Norway	1	1	1	1	–
Total white-collar employees	261	272	261	280	76
Total employees	570	637	569	645	192

As at the date of this Prospectus, Nordec has a total of 599 employees. In addition to permanent employees, Nordec employs some workers on temporary contracts at its production facilities. Personnel is mainly working in one or two focus countries where they have the required knowledge of local requirements and the required language skills. Personnel can be utilized in other countries in which Nordec operates based on market changes and needs.

Incentive Programs

Nordec is also considering a share-based incentive program for Nordec's management team and key employees that would be launched after the First North Listing. The objective of the incentive program would be to incentivize the participants to implement Nordec's growth strategy, improve shareholder's value, stay engaged and motivate them to improve their performance. The Board of Directors of the Company has a right to determine the terms and conditions of the contemplated incentive program.

Insurance

Nordec believes that it and its subsidiaries maintain insurance coverage that reflects the requirements and the size of the group, businesses and subsidiaries concerned and is consistent with the industry practice. Nordec's insurance policies

include, among others, insurance for property damage and personnel injuries resulting from accidents, as well as contractors' all risks (CAR) and general and product liability insurance for loss and damage that may occur due to accidents and mistakes during project execution. There are still certain types of contractual liabilities that cannot be insured, such as consequences of delay, including delay penalties, and cost for repairing defective work, which Nordec takes into consideration when drafting project contracts.

Real Estate and Leases

Nordec is headquartered in Helsinki, Finland. Nordec has production facilities with office spaces in Alavus, Peräseinäjoki and Ylivieska, Finland, Gargždai, Lithuania, and Oborniki, Poland, as well as offices in Helsinki, Pietarsaari, Turku and Vaasa, Finland, Stockholm and Öjebyn, Sweden, and Brno and Prague, the Czech Republic. Nordec's production facilities are located on land that is owned by either Nordec or by its property companies that it controls, except for the property in Oborniki, Poland, the control of which is based on a long-term and permanent lease agreement entered into with a public entity (*perpetual usufruct*). Nordec's headquarters and offices are primarily located on leased properties. The lease agreements vary from agreements that are valid until further notice to fixed-term agreements of up to six years, the average term being approximately three to six years. The majority of the lease agreements contain provisions for renewal beyond the initial contract period, and Nordec has historically been able to renew its lease agreements on favorable terms, irrespective of whether the renewed lease agreement contained a renewal option.

Material Contracts

Except as set forth below, there are no contracts (other than contracts entered into in the ordinary course of business) to which Nordec is a party that: (i) are, or may be, material to it and that have been entered into in the two financial years immediately preceding the date of this Prospectus; or (ii) contain any obligations or entitlements that are, or may be, material to Nordec as at the date of this Prospectus.

Placing Agreement

The Company and the Global Coordinator are expected to enter into a placing agreement on or about June 22, 2022, in respect of the Offering (the "**Placing Agreement**"). For additional information, see "*Plan of Distribution—Placing Agreement*."

Purchase Agreement Related to the Acquisition of Ruukki Building Systems

On July 18, 2019, Donges Teräs (later the Company) entered into a share purchase agreement with Rautaruukki to acquire all the issued and outstanding shares in Ruukki Building Systems. The acquisition was conditional upon, among other things, the approval of the Finnish Competition and Consumer Authority. As part of the Finnish Competition and Consumer Authority's decision on the acquisition, Donges Teräs (later the Company) gave an undertaking to divest the Company's production facility in Oulu for the purpose of carrying out the acquisition. On April 22, 2021, Nordec Envelope entered into a business purchase agreement with Andament Group Oy for the sale of the production facility in Oulu. In the business purchase agreement, Nordec Envelope undertook to purchase a total of 36,000 hours of engineering work from the production facility in Oulu for the next 12 months. As of the date of this Prospectus, Nordec Envelope has fulfilled its commitment to purchase the engineering work, but is yet to have used all of its hours of engineering work. The share acquisition of Ruukki Building Systems was completed on April 30, 2020. For more information on the acquisition of Ruukki Building Systems, see note 3.1 to the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

Regulation

Nordec must comply with laws and regulations enacted on both a national and EU level concerning its operations in relation to matters including health, safety, environment, climate change, employment, contractor's liability, construction and construction permits, competition, company law, data protection, international trade and taxation in all of the countries in which Nordec operates. Construction is a regulated industry and authorities, such as municipalities, have the jurisdiction to prepare plans for land use that steer construction companies' operations. In addition, the actual construction work entails cooperation with various authorities and inspections to be carried out by such authorities at different stages of construction.

Legal and Arbitration Proceedings

General

Except as set forth below, Nordec has no pending governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Nordec is aware) which may have, or have had, in the past 12 months, a significant effect on the Company or the financial position or profitability of the Company and/or its subsidiaries.

Nordec is occasionally a party to claims processes and lawsuits in the normal course of its business. Such legal proceedings typically include claims by customers related to work conducted by Nordec or its subcontractors, possible defects in its work or products, delays in the delivery of its products or execution of work, or on the other hand, claims by Nordec for compensation of additional costs due to disruptions or changes in project execution caused by a customer.

Umeå Bridge Accident Arbitration

In May 2021, Nordec Construction AB (“**Nordec Construction**”) received a claim for damages from GRK related to an accident during the construction of a bridge over the Ume River in Umeå, Sweden. The accident resulted in significant damage to the bridge and supporting structures as well as disruptions in the construction project. In January 2022, Nordec Construction received a request for arbitration in Sweden pertaining to the accident. The arbitration request includes total claims to Nordec amounting to nearly EUR 13 million.

After GRK terminated the subcontract for the construction of the bridge, GRK claimed for damages both from Nordec Construction and Nordec Envelope. The claim against Nordec Envelope was based on the fact that, as required by the subcontract, Nordec Envelope had provided GRK with a guarantee equaling the value of the subcontract (*i.e.*, EUR 7.76 million), in order to secure the fulfillment of Nordec Construction’s performance under the subcontract. In June 2021, at the request of GRK, the Helsinki district court issued an interim precautionary measure against Nordec Envelope in order to secure GRK’s claim amounting to EUR 7.76 million, as a result of which Nordec Envelope requested a bank to provide a bank guarantee in the amount of EUR 7.76 million as a protective guarantee to prevent the execution of the precautionary measure. For more information on the guarantee, see “*Operating and Financial Review—Off-balance-sheet Liabilities.*” In January 2022, Nordec Envelope received a claim regarding the guarantee from GRK in the Helsinki district court, but the court later made a decision to suspend the claim until the arbitral tribunal in Sweden has rendered a final decision in the matter.

Nordec believes that GRK’s claim is without merit and intends to defend itself in the arbitration proceedings. Nordec has not recorded any provisions in the Consolidated Financial Information related to GRK’s claim.

Andromeda Legal Proceeding

On December 17, 2018, Rautaruukki received a claim for damages from Rakennus-Salama Oy (“**Rakennus-Salama**”) related to defects in a building project known as Andromeda in Turku, Finland. The building project was completed in June 2010, after which Rakennus-Salama sold the building to a new buyer. Due to condense problems in the building’s cold storage area, the new owner of the building claimed for damages from Rakennus-Salama. Rakennus-Salama lost the dispute and claimed for damages from Rautaruukki. The building project belonged to the construction division of Rautaruukki’s business, which was later transferred to an independent company, Ruukki Construction. The business activities related to Ruukki Construction’s building project were later transferred to an independent company, Ruukki Building Systems (later Nordec Oy). Nordec has taken responsibility for the legal proceeding despite Rautaruukki being the formal defendant of the legal proceeding. Nordec believes that Rakennus-Salama’s claim is without merit, since Rautaruukki was not responsible for the design and functionality of the building’s cold storage, its ventilation or cooling system. The legal proceeding includes total claims to Rautaruukki amounting to EUR 1.14 million. The main hearings of the legal proceeding will be held in June 2022 in the Helsinki district court, Finland.

SELECTED FINANCIAL INFORMATION

The following tables set forth selected consolidated financial information for the Company as at and for the three months ended March 31, 2022 and 2021, and as at and for the financial years ended December 31, 2021, 2020 and 2019. The financial information presented below has been derived from the Interim Consolidated Financial Information and Audited Consolidated Financial Statements, prepared in accordance with IFRS.

The selected financial information presented herein should be read together with “*Certain Matters—Presentation of Financial Information,*” “*Operating and Financial Review*” and the Consolidated Financial Information incorporated by reference into this Prospectus.

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited, unless otherwise indicated)		
(EUR in thousands, unless otherwise indicated)					
CONSOLIDATED STATEMENT	COMPREHENSIVE	INCOME			
Revenue.....	54,638	50 843	225,475	141,742	37,130
Other operating income.....	342	299	1,272	18,222	318
Materials and services.....	(40,059)	(35,051)	(164,264)	(96,632)	(27,404)
Employee benefit expenses.....	(9,145)	(8,486)	(32,395)	(25,367)	(9,963)
Other operating expenses.....	(4,851)	(4,800)	(21,928)	(14,923)	(5,941)
EBITDA.....	924	2,805	8,162	23,043	(5,859)
Depreciations, amortizations and impairment.....	(1,361)	(2,102)	(6,155)	(4,753)	(1,672)
Operating profit (EBIT).....	(437)	703	2,007	18,290	(7,531)
Financial income.....	710	256	1,789	2,095	82
Financial expenses.....	(825)	(565)	(2,552)	(3,609)	(644)
Profit before tax.....	(552)	394	1,244	16,776	(8,092)
Income tax.....	46	58	(279)	41	264
Profit for the period.....	(506)	452	965	16,817	(7,828)
Profit for the period attributable to:					
Equity-holders of the parent.....	(506)	452	965	16,817	(7,828)
Non-controlling interests.....	–	–	–	–	–
Earnings per Share, basic ⁽¹⁾ , EUR.....	(0.07)	0.06	0.13 ⁽²⁾	2.24 ⁽²⁾	(1.04) ⁽²⁾
Earnings per Share, diluted ⁽³⁾ , EUR.....	(0.07)	0.06	0.13 ⁽²⁾	2.24 ⁽²⁾	(1.04) ⁽²⁾
Consolidated statement of other comprehensive income					
Profit for the period.....	(506)	452	965	16,817	(7,828)
Items that may be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translation of foreign operations, net of tax.....	(118)	(239)	105	146	–
Items that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Unrealized derivatives, net of tax.....	268	(2,851)	81	(3,348)	–
Income tax related to items that will not be reclassified to profit or loss in subsequent periods.....	(54)	570	(16)	670	–
Other comprehensive income/(loss) for the period, net of tax.....	97	(2,520)	170	(2,533)	–
Total comprehensive income for the period.....	(409)	(2,067)	1,135	14,285	(7,828)
Total comprehensive income for the period attributable to:					
Equity-holders of the parent.....	(409)	(2,067)	1,135	14,285	(7,828)
Non-controlling interests.....	–	–	–	–	–

(1) The Earnings per Share, basic, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, basic, for all periods indicated was 7,500,000. As at the date of this Prospectus, the number of Shares is 7,500,000.

(2) Unaudited.

(3) The Earnings per Share, diluted, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, diluted, for all periods indicated was 7,500,000. In addition, the Earnings per Share, diluted, figure for the three months ended March 31, 2022, has been adjusted retrospectively for the effects of the issuances of option rights as resolved by the shareholder of the Company as at March 7, 2022, and May 13, 2022. Taking into account the abovementioned issuances of option rights, the Weighted average number of issued option rights during the period used to calculate Earnings per Share, diluted, for the three months ended March 31, 2022, was 153 000. As at the date of this Prospectus, the number of Shares is 7,500,000 and the number of issued option rights is 354,000. For more information on option rights, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors.*”

	As at March	As at December 31,		
	31, 2022	2021	2021	2020
	(unaudited)	(audited)		
		(EUR in thousands)		
CONSOLIDATED BALANCE SHEET				
Assets				
<i>Non-current assets</i>				
Intangible assets	12,850	13,125	14,554	7,838
Tangible assets	15,695	15,784	16,911	2,495
Right-of-use assets	1,828	1,973	2,472	1,483
Other non-current receivables	1,531	1,602	1,864	23
Deferred tax assets	901	613	976	789
Total non-current assets.....	32,806	33,096	36,777	12,629
<i>Current assets</i>				
Inventory	12,737	10,886	6,217	379
Trade and other receivables.....	30,450	25,759	26,187	6,209
Contract assets.....	12,273	9,472	7,901	2,743
Income tax receivables	414	578	330	0
Cash and cash equivalents.....	10,305	9,575	14,393	2,321
Assets held for sale.....	—	—	809	—
Total current assets.....	66,179	56,271	55,837	11,652
Total assets.....	98,984	89,368	92,614	24,280
Equity and liabilities				
<i>Equity</i>				
Share capital.....	3	3	3	3
Translation differences.....	133	251	146	—
Fund for unrestricted equity	19,141	19,141	19,141	11,131
Retained earnings.....	10,360	10,210	5,820	(8,187)
Equity attributable to equity-holders of the parent	29,637	29,604	25,109	2,946
Total equity.....	29,637	29,604	25,109	2,946
<i>Non-current liabilities</i>				
Provisions.....	363	363	368	557
Interest-bearing loans and borrowings.....	1,841	2,052	2,188	902
Trade and other payables.....	46	46	87	87
Deferred tax liabilities	2,260	2,325	3,071	1,655
Total non-current liabilities	4,510	4,786	5,714	3,201
<i>Current liabilities</i>				
Provisions.....	20	26	469	1,738
Trade and other payables.....	37,673	29,870	26,595	10,248
Contract liabilities	24,089	24,121	29,002	3,479
Interest-bearing loans and borrowings.....	2,945	894	4,615	2,206
Income tax payable.....	112	64	879	461
Liabilities held for sale.....	—	—	232	—
Total current liabilities	64,838	54,977	61,792	18,133
Total liabilities	69,348	59,763	67,505	21,334
Total equity and liabilities.....	98,984	89,368	92,614	24,280

As at
December
31, 2019,
and for the
financial
year from
September
12, 2018, to
December
31, 2019

	As at and for the three		As at and for the financial		
	2022	2021	2021	2020	
	(unaudited)		(audited)		
	(EUR in thousands)				

CONSOLIDATED STATEMENT OF CASH FLOWS DATA

Net cash flow from operating activities.....	(154)	4,738	6,815	23,207	(1,869)
Net cash flow from investing activities	(826)	(437)	(3,639)	(9,558)	(895)
Net cash flow from financing activities.....	1,710	(2,007)	(7,993)	(1,577)	4,100
Net increase (+) / net decrease (-) in cash and cash equivalents	730	2,295	(4,817)	12,072	1,336
Cash and cash equivalents at the beginning of the period.....	9,575	14,393	14,393	2,321	—
Cash and cash equivalents at the end of the period.....	10,305	16,687	9,575	14,393	1,336

As at
December
31, 2019,
and for the
financial
year from
September
12, 2018, to
December
31, 2019

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		
	2022	2021	2021	2020	
	(unaudited)		(unaudited, unless otherwise indicated)		
(EUR in thousands, unless otherwise indicated)					
KEY FIGURES					
Revenue.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
Change in revenue from previous period ⁽²⁾ , percent	7.5	n/a	59.1	281.7	n/a
Adjusted EBITDA ⁽³⁾	1,871	3,036	11,833	8,637	(2,225)
Adjusted EBITDA margin ⁽⁴⁾ , percent	3.4	6.0	5.2	6.1	(6.0)
EBITDA	924	2,805	8,162 ⁽¹⁾	23,043 ⁽¹⁾	(5,859) ⁽¹⁾
EBITDA margin ⁽⁵⁾ , percent	1.7	5.5	3.6	16.3	(15.8)
Adjusted EBITA ⁽⁶⁾	1,262	2,242	9,181	6,149	(3,163)
Adjusted EBITA margin ⁽⁷⁾ , percent	2.3	4.4	4.1	4.3	(8.5)
EBITA ⁽⁸⁾	315	2,011	5,509	20,556	(6,798)
EBITA margin ⁽⁹⁾ , percent	0.6	4.0	2.4	14.5	(18.3)
Operating profit (EBIT).....	(437)	703	2,007 ⁽¹⁾	18,290 ⁽¹⁾	(7,531) ⁽¹⁾
Profit for the period	(506)	452	965 ⁽¹⁾	16,817 ⁽¹⁾	(7,828) ⁽¹⁾
Adjusted profit for the period before amortizations of intangibles from business combinations ⁽¹⁰⁾	826	1,673	6,660	3,999	(5,479)
Earnings per Share, basic ⁽¹¹⁾ , EUR	(0.07)	0.06	0.13	2.24	(1.04)
Earnings per Share, diluted ⁽¹²⁾ , EUR.....	(0.07)	0.06	0.13	2.24	(1.04)
Adjusted earnings per Share ⁽¹³⁾⁽¹⁴⁾ , EUR.....	0.11	0.22	0.89	0.53	(0.73)
Net debt ⁽¹⁵⁾	(5,520)	(13,902)	(6,664) ⁽¹⁾	(9,625) ⁽¹⁾	787 ⁽¹⁾
Net debt to EBITDA ⁽¹⁶⁾ , ratio	(0.88)	n/a	(0.82)	(0.42)	n/m
Net debt to adjusted EBITDA ⁽¹⁷⁾ , ratio	(0.52)	n/a	(0.56)	(1.11)	n/m
Equity ratio ⁽¹⁸⁾ , percent	39.6	38.9	45.4 ⁽¹⁾	39.5 ⁽¹⁾	14.2 ⁽¹⁾
Net working capital ⁽¹⁹⁾	(6,020)	(18,987)	(7,386)	(16,310)	(6,596)
Cash flow from operations before financial items and taxes	130	4,649	8,493 ⁽¹⁾	23,667 ⁽¹⁾	(1,321) ⁽¹⁾
Cash conversion rate ⁽²⁰⁾ , percent.....	63.3	n/a	104.1	102.7	n/m
Return on equity ⁽²¹⁾ , percent	0.0	n/a	3.5	119.9	n/a
Return on capital employed ⁽²²⁾ , percent	4.8	n/a	10.4	190.3	n/a
Order backlog ⁽²³⁾	165,683	113,838	177,565	129,517	26,559
Factory tonnes ⁽²⁴⁾ , tonnes.....	7,900	9,600	29,800	32,700	n/a
Lost time injury frequency rate ⁽²⁵⁾	12.9	15.4	14.2	16.4	n/a
Number of employees at the end of the period	570	637	569	645	192

(1) Audited.

(2) Change in revenue from previous period, percent = $\frac{\text{Revenue for the period} - \text{Revenue for the previous period}}{\text{Revenue for the previous period}} \times 100$

Change in revenue from previous period presents the percentage change in the monetary volume of Company's business as compared to the same period in previous financial year.

(3) Adjusted EBITDA = EBITDA + Items affecting comparability⁽²⁶⁾
Adjusted EBITDA is an internal measure used to assess Nordec's profitability.

(4) Adjusted EBITDA margin, percent = $\frac{\text{Adjusted EBITDA}}{\text{Revenue}} \times 100$

Adjusted EBITDA margin is an internal measure used to assess Nordec's profitability.

(5) EBITDA margin, percent = $\frac{\text{EBITDA}}{\text{Revenue}} \times 100$

EBITDA margin is an internal measure used to assess Nordec's profitability.

(6) Adjusted EBITA = EBITA + Items affecting comparability⁽²⁶⁾
Adjusted EBITA is an internal measure used to assess Nordec's profitability.

(7) Adjusted EBITA margin, percent = $\frac{\text{Adjusted EBITA}}{\text{Revenue}} \times 100$

Adjusted EBITA margin is an internal measure used to assess Nordec's profitability.

(8) EBITA = Operating profit (EBIT) + Amortizations and impairment
EBITA is an internal measure used to assess Nordec's profitability.

(9) EBITA margin, percent = $\frac{\text{EBITA}}{\text{Revenue}} \times 100$

EBITA margin is an internal measure used to assess Nordec's profitability.

(10) Adjusted profit for the period before amortizations of intangibles from business combinations = Profit for the period - Items affecting comparability⁽²⁶⁾ + Amortization of intangibles from business combinations

Adjusted profit for the period before amortizations of intangibles from business combinations is an internal measure used to assess Nordec's profitability.

- (11) The Earnings per Share, basic, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, basic, for all periods indicated was 7,500,000. As at the date of this Prospectus, the number of Shares is 7,500,000.
- (12) The Earnings per Share, diluted, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, diluted, for all periods indicated was 7,500,000. In addition, the Earnings per Share, diluted, figure for the three months ended March 31, 2022, has been adjusted retrospectively for the effects of the issuances of option rights as resolved by the shareholder of the Company as at March 7, 2022, and May 13, 2022. Taking into account the abovementioned issuances of option rights, the Weighted average number of issued option rights during the period used to calculate Earnings per Share, diluted, for the three months ended March 31, 2022, was 153 000. As at the date of this Prospectus, the number of Shares is 7,500,000 and the number of issued option rights is 354,000. For more information on option rights, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors.*”
- (13) The Adjusted earnings per Share figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Adjusted earnings per share for all periods indicated was 7,500,000. As at the date of this Prospectus, the number of Shares is 7,500,000.
- (14) Adjusted earnings per Share, EUR =
$$\frac{\text{Adjusted profit for the period before amortizations of intangibles from business combinations}}{\text{Weighted average number of Shares outstanding during the period}}$$
 Adjusted earnings per Share is an internal measure used to assess Nordec’s profitability.
- (15) Net debt = Interest-bearing liabilities (excluding liabilities related to derivatives) - Cash and cash equivalents
Net debt provides information on Nordec’s external debt financing.
- (16) Net debt to EBITDA, ratio =
$$\frac{\text{Net debt}}{\text{EBITDA (rolling 12 months)}}$$
 Net debt to EBITDA reflects Nordec’s indebtedness.
- (17) Net debt to adjusted EBITDA, ratio =
$$\frac{\text{Net debt}}{\text{Adjusted EBITDA (rolling 12 months)}}$$
 Net debt to adjusted EBITDA reflects Nordec’s indebtedness.
- (18) Equity ratio =
$$\frac{\text{Total equity}}{\text{Total equity and liabilities - Contract liabilities}}$$
 Equity ratio reflects the relative proportion of equity used to finance Nordec’s assets.
- (19) Net working capital = Inventory + Trade receivables + Contract assets + Other current assets - (Trade and other payables + Contract liabilities + Other non-interest-bearing current liabilities)
Net working capital reflects the amount of cash tied to Nordec’s day-to-day operations.
- (20) Cash conversion rate, percent =
$$\frac{\text{Cash flow from operations before financial items and taxes (rolling 12 months)}}{\text{EBITDA (rolling 12 months)}} \times 100$$
 Cash flow conversion is an internal measure used to assess the amount of cash flow generated from Nordec’s operations.
- (21) Return on equity, percent =
$$\frac{\text{Profit for the period (rolling 12 months)}}{\text{Average total equity}} \times 100$$
 Return on equity reflects the amount of return Nordec can generate on its equity.
- (22) Return on capital employed, percent =
$$\frac{\text{Operating profit (EBIT)}}{\text{Average total equity + Average net debt}} \times 100$$
 Return on capital employed reflects the amount of return Nordec can generate on its capital employed.
- (23) Order backlog = Amount of unrecognized revenue from customer contracts at the end of the period
Order backlog reflects the revenue that Nordec expects that will be realized in the future.
- (24) Factory tonnes = Quantity of steel products manufactured at Nordec’s production facilities
Factory tonnes reflects production volumes at Nordec production facilities.
- (25) Lost time injury frequency rate =
$$\frac{\text{The number of lost time injuries resulting in absences (rolling 12 months)}}{\text{1 million person-hours worked (rolling 12 months)}}$$
 Lost time injury frequency rate reflects the safety of working conditions in Nordec’s operations.
- (26) Items affecting comparability are material items or transactions, which are relevant for understanding the financial performance of Nordec when comparing the profit for the period with that of previous periods. Items affecting comparability may include the following items and their respective calculated impact on Nordec’s income taxes:
- capital gains and/or losses, impairments and transaction, integration and carve-out costs related to mergers, acquisitions, and divestments;
 - restructuring expenses; and
 - other items that, according to Nordec’s assessment, are not related to Nordec’s normal business operations.

Reconciliation of Alternative Performance Measures

The following table sets forth a reconciliation of the Alternative Performance Measures as at the dates and for the periods indicated:

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		As at
	2022	2021	2021	2020	December 31, 2019,
	(unaudited)		(unaudited, unless otherwise indicated)		and for the financial year from September 12, 2018, to December 31, 2019
	(EUR in thousands, unless otherwise indicated)				
Change in revenue from previous period					
Revenue for the period.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
Revenue for the previous period.....	50,843	n/a	141,742 ⁽¹⁾	37,130 ⁽¹⁾	n/a
Change in revenue from previous period ⁽²⁾ , percent.....	7.5	n/a	59.1	281.7	n/a
Adjusted EBITDA					
EBITDA.....	924	2 805	8,162 ⁽¹⁾	23,043 ⁽¹⁾	(5,859) ⁽¹⁾
Income and costs related to mergers, acquisitions and divestments.....	0	72	2,355	(16,494)	80
Restructuring costs.....	0	159	1,317	2,088	3,554
Other.....	947	—	—	—	—
Adjusted EBITDA.....	<u>1,871</u>	<u>3,036</u>	<u>11,833</u>	<u>8,637</u>	<u>(2,225)</u>
Adjusted EBITDA margin					
Adjusted EBITDA.....	1,871	3,036	11,833	8,637	(2,225)
Revenue.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
Adjusted EBITDA margin, percent.....	3.4	6.0	5.2	6.1	(6.0)
EBITDA margin					
EBITDA.....	924	2,805	8,162 ⁽¹⁾	23,043 ⁽¹⁾	(5,859) ⁽¹⁾
Revenue.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
EBITDA margin, percent.....	1.7	5.5	3.6	16.3	(15.8)
Adjusted EBITA					
EBITA.....	315	2,011	5,509	20,556	(6,798)
Income and costs related to mergers, acquisitions and divestments.....	0	72	2,355	(16,494)	80
Restructuring costs.....	0	159	1,317	2,088	3,554
Other.....	947	—	—	—	—
Adjusted EBITA.....	<u>1,262</u>	<u>2,242</u>	<u>9,181</u>	<u>6,149</u>	<u>(3,163)</u>
Adjusted EBITA margin					
Adjusted EBITA.....	1,262	2,242	9,181	6,149	(3,163)
Revenue.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
Adjusted EBITA margin, percent.....	2.3	4.4	4.1	4.3	(8.5)
EBITA					
Operating profit (EBIT).....	(437)	703	2,007 ⁽¹⁾	18,290 ⁽¹⁾	(7,531) ⁽¹⁾
Amortization and impairment of intangible assets and impairments.....	752	1,308	3,502 ⁽¹⁾	2,266 ⁽¹⁾	733 ⁽¹⁾
EBITA.....	<u>315</u>	<u>2,011</u>	<u>5,509</u>	<u>20,556</u>	<u>(6,798)</u>
EBITA margin					
EBITA.....	315	2,011	5,509	20,556	(6,798)
Revenue.....	54,638	50,843	225,475 ⁽¹⁾	141,742 ⁽¹⁾	37,130 ⁽¹⁾
EBITA margin, percent.....	0.6	4.0	2.4	14.5	(18.3)
Adjusted profit for the period before amortizations of intangibles from business combinations					
Profit for the period.....	(506)	452	965 ⁽¹⁾	16,817 ⁽¹⁾	(7,828) ⁽¹⁾
Income and costs related to mergers, acquisitions and divestments.....	—	519	2,346	(16,242)	64
Restructuring costs.....	—	127	1,053	1,670	2,843
Other ⁽²⁾	758	—	—	—	—
Amortizations resulting from acquisitions.....	718	718	2,870	2,193	(698)
Calculated income tax effect of amortizations resulting from acquisitions.....	(144)	(144)	(574)	(439)	140
Adjusted profit for the period before amortizations of intangibles from business combinations.....	<u>826</u>	<u>1,673</u>	<u>6,660</u>	<u>3,999</u>	<u>(5,479)</u>
Earnings per Share, basic					
Profit for the period.....	(506)	452	965 ⁽¹⁾	16,817 ⁽¹⁾	(7,828) ⁽¹⁾
Weighted average number of Shares outstanding during the period ⁽³⁾ , in thousands.....	7,500	7,500	7,500	7,500	7,500
Earnings per Share, basic ⁽³⁾ , EUR.....	(0.07)	0.06	0.13	2.24	(1.04)

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		As at December 31, 2019, and for the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(unaudited, unless otherwise indicated)		
	(EUR in thousands, unless otherwise indicated)				
Earnings per Share, diluted					
Profit for the period.....	(506)	452	965 ⁽¹⁾	16,817 ⁽¹⁾	(7,828) ⁽¹⁾
Weighted average number of Shares outstanding during the period ⁽³⁾ , in thousands.....	7,500	7,500	7,500	7,500	7,500
Weighted average number of option rights issued during the period ⁽⁴⁾ , in thousands.....	153	–	–	–	–
Earnings per Share, diluted ⁽⁴⁾ , EUR.....	(0.07)	0.06	0.13	2.24	(1.04)
Adjusted earnings per Share					
Adjusted profit for the period before amortizations of intangibles from business combinations.....	826	1,673	6,660	3,999	(5,479)
Weighted average number of Shares outstanding during the period ⁽³⁾ , in thousands.....	7,500	7,500	7,500	7,500	7,500
Adjusted earnings per Share ⁽³⁾ , EUR.....	0.11	0.22	0.89	0.53	(0.73)
Net debt					
Current interest-bearing loans and borrowings.....	2,945	1,969	894 ⁽¹⁾	4,615 ⁽¹⁾	2,206 ⁽¹⁾
Non-current interest-bearing loans and borrowings.....	1,841	2,139	2,052 ⁽¹⁾	2,188 ⁽¹⁾	902 ⁽¹⁾
Liabilities related to the fair value of derivatives.....	0	1,322	34 ⁽¹⁾	2,036 ⁽¹⁾	0 ⁽¹⁾
Cash and cash equivalents.....	10,305	16,687	9,575 ⁽¹⁾	14,393 ⁽¹⁾	2,321 ⁽¹⁾
Net debt.....	(5,520)	(13,902)	(6,664) ⁽¹⁾	(9,625) ⁽¹⁾	787 ⁽¹⁾
Net debt to EBITDA					
Net debt.....	(5,520)	(13,902)	(6,664)	(9,625)	787
EBITDA (rolling 12 months).....	6,280	n/a	8,162	23,043	(5,859)
Net debt to EBITDA, ratio.....	(0.88)	n/a	(0.82)	(0.42)	n/m
Net debt to adjusted EBITDA					
Net debt.....	(5,520)	(13,902)	(6,664)	(9,625)	787
Adjusted EBITDA (rolling 12 months).....	10,668	n/a	11,833	8,637	(2,225)
Net debt to adjusted EBITDA, ratio.....	(0.52)	n/a	(0.56)	(1.11)	n/m
Equity ratio					
Total equity.....	29,637	25,852	29,604 ⁽¹⁾	25,109 ⁽¹⁾	2,946 ⁽¹⁾
Total equity and liabilities.....	98,984	98,710	89,368 ⁽¹⁾	92,614 ⁽¹⁾	24,280 ⁽¹⁾
Contract liabilities.....	24,089	32,247	24,121 ⁽¹⁾	29,002 ⁽¹⁾	3,479 ⁽¹⁾
Equity ratio, percent.....	39.6	38.9	45.4 ⁽¹⁾	39.5 ⁽¹⁾	14.2 ⁽¹⁾
Net working capital					
Inventory.....	12,737	5,492	10,886 ⁽¹⁾	6,217 ⁽¹⁾	379 ⁽¹⁾
Trade and other receivables.....	30,450	31,441	25,759 ⁽¹⁾	26,187 ⁽¹⁾	6,209 ⁽¹⁾
Contract assets.....	12,273	8,645	9,472 ⁽¹⁾	7,901 ⁽¹⁾	2,743 ⁽¹⁾
Income tax receivables.....	414	338	578 ⁽¹⁾	330 ⁽¹⁾	0 ⁽¹⁾
Current provisions.....	20	184	26 ⁽¹⁾	469 ⁽¹⁾	1,738 ⁽¹⁾
Trade and other payables.....	37,673	31,759	29,870 ⁽¹⁾	26,595 ⁽¹⁾	10,248 ⁽¹⁾
Contract liabilities.....	24,089	32,247	24,121 ⁽¹⁾	29,002 ⁽¹⁾	3,479 ⁽¹⁾
Income tax payable.....	112	713	64 ⁽¹⁾	879 ⁽¹⁾	461 ⁽¹⁾
New working capital.....	(6,020)	(18,987)	(7,386)	(16,310)	(6,596)
Cash conversion rate					
Cash flow from operations before financial items and taxes (rolling 12 months).....	3,973	n/a	8,493 ⁽¹⁾	23,667 ⁽¹⁾	(1,321) ⁽¹⁾
EBITDA (rolling 12 months).....	6,280	n/a	8,162 ⁽¹⁾	23,043 ⁽¹⁾	(5,859) ⁽¹⁾
Cash conversion rate, percent.....	63.3	n/a	104.1	102.7	n/m
Return on equity					
Profit for the period (rolling 12 months).....	7	n/a	965 ⁽¹⁾	16,817 ⁽¹⁾	(7,828) ⁽¹⁾
Total equity, opening balance.....	25,852	n/a	25,109 ⁽¹⁾	2,946 ⁽¹⁾	n/a ⁽¹⁾
Total equity, closing balance.....	29,637	25,852	29,604 ⁽¹⁾	25,109 ⁽¹⁾	2,946 ⁽¹⁾
Return on equity, percent.....	0.0	n/a	3.5	119.9	n/a

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		As at December 31, 2019, and for the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(unaudited, unless otherwise indicated)		
	(EUR in thousands, unless otherwise indicated)				
Return on capital employed					
Operating profit (EBIT) (rolling 12 months)	867	n/a	2,007 ⁽¹⁾	18,290 ⁽¹⁾	(7,531) ⁽¹⁾
Total equity, opening balance	25,852	n/a	25,109 ⁽¹⁾	2,946 ⁽¹⁾	n/a ⁽¹⁾
Total equity, closing balance	29,637	25,852	29,604 ⁽¹⁾	25,109 ⁽¹⁾	2,946 ⁽¹⁾
Net debt, opening balance	(13,902)	n/a	(9,625)	787	n/a
Net debt, closing balance	(5,520)	(13,902)	(6,664)	(9,625)	787
Return on capital employed, percent	4.8	n/a	10.4	190.3	n/a

(1) Audited.

(2) The line item Other includes the costs of the option rights for the three months ended March 31, 2022. For more information on the option rights, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors*” and “*Description of Shares and Share Capital—Outstanding Options*.”

(3) The Earnings per Share, basic, Weighted average number of Shares outstanding during the period and Adjusted earnings per Share figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, basic, Earnings per Share, diluted, and the Adjusted earnings per Share for all periods indicated was 7,500,000. As at the date of this Prospectus, the number of Shares is 7,500,000.

(4) The Earnings per Share, diluted, figures for the three months ended March 31, 2022, and March 31, 2021, and for the financial years ended December 31, 2021, 2020 and 2019, have been adjusted retrospectively for the effects of the share issue without consideration as resolved by the shareholder of the Company as at May 13, 2022. Taking into account the abovementioned share issue without consideration, the Weighted average number of Shares outstanding during the period used to calculate Earnings per Share, diluted, for all periods indicated was 7,500,000. In addition, the Earnings per Share, diluted, figure for the three months ended March 31, 2022, has been adjusted retrospectively for the effects of the issuances of option rights as resolved by the shareholder of the Company as at March 7, 2022, and May 13, 2022. Taking into account the abovementioned issuances of option rights, the Weighted average number of issued option rights during the period used to calculate Earnings per Share, diluted, for the three months ended March 31, 2022, was 153 000. As at the date of this Prospectus, the number of Shares is 7,500,000 and the number of issued option rights is 354,000. For more information on the option rights, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors*” and “*Description of Shares and Share Capital—Outstanding Options*.”

For additional information on Alternative Performance Measures, see “*Certain Matters—Presentation of Financial Information*.”

OPERATING AND FINANCIAL REVIEW

The following discussion of Nordec's financial condition and results of operations should be read together with the Consolidated Financial Information and the information relating to Nordec's business included elsewhere in this Prospectus. For information on the basis of preparation of the Consolidated Financial Information, see "Certain Matters—Presentation of Financial Information."

The following discussion includes forward-looking statements that reflect the current view of Nordec's management and involve inherent risks and uncertainties. Nordec's actual results of operations or financial condition could differ materially from those contained in such forward-looking statements as a result of many factors discussed below and elsewhere in this Prospectus, particularly in "Risk Factors." See "Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements."

Overview

According to the Nordec management estimate, it is, measured by revenue, one of the leading providers of steel frame structure and envelope solutions for construction projects in the Nordics with a strong position in the CEE Countries. Nordec has a long experience in designing, manufacturing and installing frame structures, envelopes and bridges. The main raw material used by Nordec in its structures is steel, however, Nordec is able to complement its offering with other elements and materials, such as concrete and wood, when needed through its external partners. Nordec has experienced personnel and flexible in-house production with a wide production range, which together enable the execution of complex projects.

Nordec's customer base primarily comprises construction companies, industrial companies and real estate investment companies, of which construction companies accounted for 61 percent of Nordec's revenue, industrial companies accounted for 24 percent and real estate investment companies accounted for 14 percent for the financial year ended December 31, 2021.

Nordec's revenue was EUR 54.6 million for the three months ended March 31, 2022, EUR 225.5 million for the financial year ended on December 31, 2021, EUR 141.7 million for the financial year ended December 31, 2020, and EUR 37.1 million for the financial year ended on December 31, 2019.

Key Factors Affecting Results of Operations

Nordec's results of operations have been, and are expected to continue to be, affected by a number of internal and external factors, some of which are beyond Nordec's control. During the periods presented in the below discussion and analysis, the following key factors have affected, and may continue to affect, Nordec's results of operations:

External factors that have affected, and may continue to affect, Nordec's results of operations:

- general macroeconomic conditions;
- demand for steel construction project deliveries; and
- currency exchange rate fluctuations.

Internal factors that have affected, and may continue to affect, Nordec's results of operations:

- project and market mix;
- project management;
- operating cost management;
- mergers and acquisitions;
- capital expenditures; and
- working capital management.

However, Nordec's past performance may not be indicative of its future results of operations and investors should also consider risks and uncertainties discussed in "Risk Factors" that may affect Nordec's results of operations.

External Factors

General Macroeconomic and Political Conditions

General macroeconomic conditions, particularly in Nordec's core markets of Finland and Sweden, affect demand for Nordec's products and services and, therefore, Nordec's results of operations. For the financial year ended December 31, 2021, 70 percent of Nordec's revenue was generated from Sweden, 22 percent from Finland, 7 percent from Central and Eastern Europe and 1 percent from other countries. In general, the construction sector is cyclical in nature and construction volumes and profitability may vary as a result of economic conditions, political environment and financial markets. Accordingly, the level of general economic activity and investments made in fixed assets affect the overall demand and profitability of the construction industry. Construction projects commissioned by the public sector, such as the state or municipalities, are also dependent on the amount of public spending and tax revenue, as well as on political decisions.

As the construction industry is investment related, construction activity depends largely on companies' confidence in the general trends in the economy and the prospects of their business as well as consumers' confidence in their own finances. In addition, the construction industry may be affected by various additional events that are unforeseeable and/or beyond Nordec's control, such as natural disasters, epidemics (e.g., the outbreak of COVID-19), political developments and geopolitical tensions. For example, the ongoing war in Ukraine has caused uncertainty and sudden shifts in the market, which has resulted in delays and postponements of new projects, supply chain interruptions, increases in the price of and shortages of raw materials, such as steel materials and other commodities, and overall economic and financial market instability. Furthermore, the economic sanctions imposed on Russia and Russia's counter-sanctions or other retaliatory measures and the heightened tensions between Russia and the rest of Europe and the United States over events in Ukraine could have a material adverse effect on global macroeconomic conditions and the economy for a long period of time.

Although the COVID-19 pandemic has affected Nordec's activities and the progress of certain projects, such effects have been rather limited thus far. With respect to the ongoing war in Ukraine, Nordec does not trade directly with any companies or entities in Russia, Ukraine or Belarus. However, the ongoing war in Ukraine has caused disruptions to, for example, the steel supply chain in Europe, resulting in increasing prices and lower availability of Nordec's key raw materials. Similarly, the ongoing war in Ukraine has lengthened customers' investment decision-making processes to an extent, causing delays or postponements in the commencement of projects.

Demand for Steel Construction Project Deliveries

The new non-residential construction market is expected to be relatively stable in Nordec's main markets of Finland, Sweden and the CEE Countries. In Nordec's main markets in the Nordics, non-residential construction is expected show mixed development in the next few years, with slight growth expected in 2022 followed by a moderate decline in 2023 and 2024 for the market as a whole. Nordec's main markets in the CEE Countries in total, in contrast, are expected to grow moderately between 2022 and 2024. However, there is some country-to-country variation in the growth projections. (Source: *Euroconstruct Reports*.)

While some of Nordec's business areas (e.g., Multi-storey and Bridges) are expected by Nordec to follow stable growth at par with the market, Nordec believes that other business areas (e.g., Single-storey and Heavy Industry) will benefit from faster growth in specific subsegments of the non-residential construction market. Such growing subsegments include, for example, construction of battery production facilities, logistics centers and industrial investments related to the industrial green transition. Construction of battery production facilities is driven by the rapid growth in demand for batteries for electric vehicles, especially in the automotive industry. Construction of logistics centers is mainly driven by the growth in e-commerce and cross-border trade and logistics. The industrial green transition is driven by sustainability-related initiatives, such as the European Green Deal and the objectives therein with respect to reductions in greenhouse gas emissions. (Sources: *European Commission: A European Green Deal, 2022; Business Sweden. Report: The Nordic Battery Value Chain, 2021; BNP Paribas Real Estate; and EUROPE CRE360: Economic Outlook.; Reuters: Pulling power: the green lure of Sweden's industrial far north, 2021; and European Commission: the European Green Deal Investment Plan and Just Transition Mechanism explained, 2020.*)

Nordec mainly serves private sector customers. Construction companies accounted for approximately 61 percent of Nordec's revenue, industrial companies accounted for approximately 24 percent and real estate investment companies accounted for approximately 14 percent for the financial year ended December 31, 2021. Nordec also provides its services to public sector customers, but primarily through private sector main contractors.

General economic development and economic cycles have a material effect on the demand for Nordec's services. However, Nordec believes that the identified megatrends driving growth in Nordec's main market segments are strong, and as such are expected prevail beyond short term fluctuations in demand caused by economic cycles or periods of economic uncertainty.

The competitive environment may also affect the demand for steel construction projects in general and the demand for Nordec's services in particular. Steel structures provided by Nordec face competition from alternative building materials,

including concrete and wood. While Nordec believes that steel is a highly competitive material in certain segments of building construction due to its high strength-to-weight ratio, ease of fabrication and installation, and high durability and recyclability, in other segments, such as smaller buildings, alternative materials may be more competitive. In addition, Nordec competes with a number of small and medium-sized competitors in local markets, which may affect Nordec's ability to win new contracts and, therefore, the demand for Nordec's services. Nordec believes that its experience in complex steel constructions, strong relationships with key customers, design capabilities and flexible own production give Nordec competitive advantages in the specific customer and project segments that it is actively pursuing.

The level of overall demand for new non-residential construction may affect Nordec's negotiating power and the pricing of Nordec's services, which may affect Nordec's results of operations. Although the level of demand may change, and the number of new construction projects may increase or decrease in line with general economic development, Nordec's level of activity in the short term is secured by the existing order backlog. Nordec's order backlog typically provides a good level of activity for the following 3–6 months, with some projects extending more than 12 months into the future. As at December 31, 2021, Nordec's order backlog amounted to EUR 177.6 million, of which EUR 151.6 million is expected to be recognized as revenue for the year ending December 31, 2022. As at April 30, 2022, Nordec's order backlog amounted to EUR 240.7 million.

Currency Exchange Rate Fluctuations

Due to the international nature of its business, Nordec is exposed to transactional and translation risks resulting from currency exchange rate fluctuations. Transactional risks arise when the trade currency of products is other than the domestic currency of the Company and its subsidiaries. Translation risks arise when the funds of the subsidiaries held in different currencies are translated into the Company's operating currency, the euro. Nordec is exposed to transaction risk and translation risk related mainly to the Swedish krona, the Polish złoty, the Czech koruna, and the Norwegian krone. Nordec systematically protects itself against risks related to exchange rate fluctuations and uses currency hedging instruments when the effects of currency fluctuations are not passed on to customers to mitigate the impact of exchange rate fluctuations (*i.e.*, transactional risk).

Internal Factors

Project Management

Nordec's business is largely project based, and Nordec offers a variety of services extending from assuming overall responsibility for a certain part of a customer's project, from design to production, subcontractor management and installation, to delivering certain steel structures or products to parts of a project only. Before commencing work on a project, a written contract between Nordec and the customer is executed setting out the basic terms and conditions for the execution of the project. Typically the contract sets out, among others: (i) the work to be performed, (ii) the types of structures to be manufactured, which are typically non-standard and manufactured based on the customer's specifications, and therefore, involve design work, (iii) the responsibilities of each party throughout the different stages of the project, (iv) basis of pricing, that is, whether the project is executed on a "fixed price" or a "cost plus" basis, (v) conditions under which Nordec is entitled to receive payment, and (vi) delivery times.

In the project tendering phase, it is important that Nordec makes accurate calculations and estimations that set the basis for competitive yet profitable pricing of its projects. In addition, it is important that the project contract is formulated in a manner that does not expose Nordec to any unnecessary risks related to, for example, costs or the project timetable. In the project execution phase, it is important that Nordec effectively manages its customer projects in order to, *inter alia*, manage the costs, especially in the case of fixed-price contracts. Furthermore, Nordec must ensure compliance with agreed timetables in order to avoid potential contractual penalties.

In recent years, Nordec has focused on developing its project management processes, which has improved its project forecasting and management capabilities and, therefore, the profitability of its construction projects. As a result of the improvements in its project management processes, Nordec's project margin forecasting has improved and the difference between the budgeted project margin and the actual project margin decreased from approximately 7.5 percent (average of the last 50 projects) to approximately 4.7 percent (average of the last 50 projects) between 2018 and 2021 (*i.e.*, in projects that commenced between January 1, 2018, and December 31, 2021, and were completed by the end of 2021 (a rolling average of last 50 projects with the first data point as at October 25, 2018, and the last as at September 1, 2021) with revenue over EUR 0.1 million). Over the same period, the average variance has turned from negative to positive (*i.e.*, for an average project, the realized project margin is higher than the budgeted project margin). Overall, 92 percent of Nordec's completed projects with revenue of more than EUR 0.1 million started between 2019 and 2021 have been profitable.

Project and Market Mix

Changes in Nordec's project mix affect its results of operations. Currently, Nordec's projects are organized under its five business areas: Single-storey, Multi-storey, Heavy Industry & Bridges, Envelope and CEE. Projects delivered by Nordec vary in size from small projects of approximately EUR 1–5 million to large projects of approximately EUR 20–50 million.

Changes in Nordec's project mix may result from, among others, fast growth in demand in specific segments of Nordec's operations, expansion into new geographies within existing business areas, or entering into completely new geographic areas. Nordec sees opportunities for growth in, for example, the construction of battery production facilities, logistics centers and projects related to the industrial green transition within, for example, the steel industry. Expansion into new business areas and geographies, such as Germany, or the expansion of Nordec's existing business areas, such as expanding bridge sales to infrastructure projects in Sweden and Norway and expanding envelope solutions to Sweden, may cause Nordec to incur additional costs. Such additional costs may be caused by investments in new steel fabrication capacity or the recruitment of competent personnel.

Changes in the types of projects executed by Nordec may also affect the margins of its projects. The project margin levels are affected by, for example, the size and complexity of projects, the contract model as well as the degree of Nordec's involvement in the overall project, from design to production and installation, and whether Nordec is operating directly with the customer or through a contractor. Changes in these factors may have either a positive or a negative impact on Nordec's results of operations.

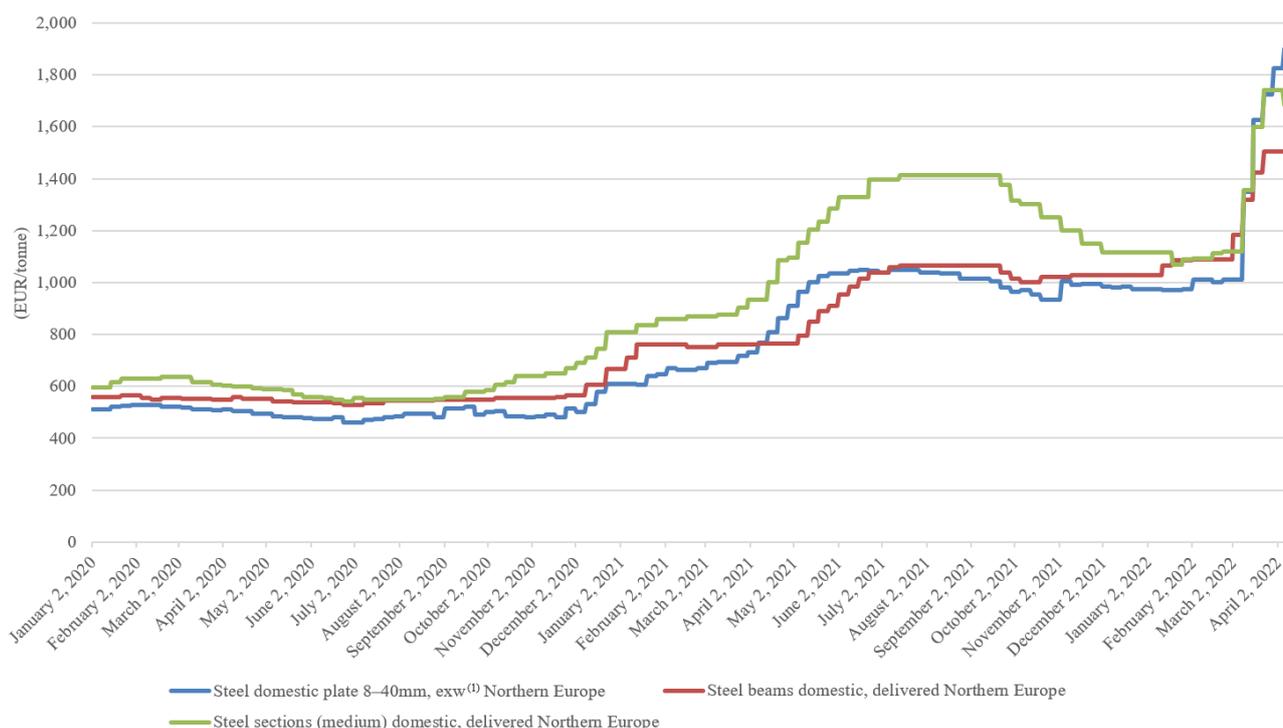
Operating Cost Management

Nordec's most significant operating costs are material costs (primarily comprising purchases of steel and other materials and components), services costs (primarily comprising subcontracting) and personnel costs. For the financial year ended December 31, 2021, Nordec's materials and services expenses amounted to EUR 164.3 million and employee benefit expenses amounted to EUR 32.4 million (for the financial year ended December 31, 2020: EUR 96.6 million and EUR 25.4 million, respectively).

Nordec procures steel and other materials from established suppliers in Western and Northern Europe. Nordec also has a number of subcontracting partners in each of the geographical markets it operates in. Nordec orders materials for specific customer projects and aims to minimize materials price risks by contractual means, such as fixing prices back-to-back with customers and suppliers or agreeing on price indexation clauses or open-book contracts. Although Nordec does not purchase materials from Russian or Ukrainian suppliers, the ongoing war in Ukraine has affected the availability and prices of materials, particularly steel.

Steel prices started to rise in early 2021 due to rapidly increasing demand resulting from an economic recovery from the slowdown caused by the COVID-19 pandemic. The steel industry was slow to respond to the recovering demand, which caused supply shortages and increasing prices. As available production capacity and the supply of steel increased towards the end of 2021, market prices started to level out. However, the ongoing war in Ukraine that started in February 2022 caused new disruptions in the steel market due to reduced steel flows from Russia, Belarus and Ukraine to Western Europe. The drop in the supply of steel has caused steel prices to increase further in the early part of 2022. While Nordec was able to pass on part of the impact of the price increases to its customers, steel price increases nevertheless had an adverse effect on Nordec's profitability in the second half of 2021 and in the first quarter of 2022.

The following chart sets forth the development of steel prices between January 2, 2020, and April 11, 2022:



Source: Fastmarkets MB, April 2022.

(1) Exw denotes the price paid for the product ex-works (*i.e.*, when it leaves the factory) and is a widely used international shipping term. The ex-works price includes the value of all the materials used and all other costs related to its production, less any internal taxes, which are, or may be, repaid when the product obtained is exported.

Nordec also actively controls its personnel and other expenses. The number of Nordec’s employees increased to 712 in May 2020 as a result of the acquisition of Ruukki Building Systems, but has since decreased to 569 at as at December 31, 2021. The decrease in the number of employees has resulted primarily from restructuring carried related to the integration of Ruukki Building Systems, as well as the divestment or closure of production facilities that were deemed redundant after the acquisition. In addition, Nordec’s production facility in Oulu, Finland, was divested in early 2021, based on a decision by the Finnish Competition and Consumer Authority, which also contributed to the decrease in the number of employees and operating costs.

Mergers and Acquisitions

One component of Nordec’s strategy is carefully selected acquisitions that would target growth and synergies through expansion into complementary product ranges in the European frame and envelope markets, production capabilities and services. Nordec reviews opportunities for strategic acquisitions to complement its market presence, or design and fabrication capabilities. Nordec only aims to acquire companies or businesses that Nordec believes will provide it with new special know-how or new capabilities, or complement Nordec’s existing capabilities, and, as such, widen Nordec’s service offering and/or market presence and facilitate Nordec’s profitable growth. In 2019, Normek was acquired as the first step to build Nordec in its current form. The Normek acquisition was further complemented by the acquisition of Ruukki Building Systems in 2020, which provided a strategic fit with Normek in terms of presence in geographic markets, production facility capacity and market segments.

When assessing acquisition targets and implementing business acquisitions, the key factors include the commitment of the target’s management and key employees to Nordec, the competence base of the target’s personnel and its compatibility with Nordec’s strategy, values and culture, as well as the successful integration of the target into Nordec. Nordec expects to finance potential acquisitions with cash flow from operating activities or external financing or, after the Listing, potentially by utilizing funding from capital markets. Failure in the identification of suitable acquisition targets, integration of acquired businesses or commitment of their personnel and shortcomings in the personnel’s skills or problems in aligning the internal operating procedures of the acquired businesses with Nordec’s operating model and principles may affect Nordec’s revenue or profitability. Therefore, Nordec strives to ensure the successful integration of acquired businesses by, for example, ensuring unified processes and ways of working and, in the long run, unified systems.

Capital Expenditures

The most significant share of Nordec's capital expenditures comprises investments in tangible assets, which primarily consist of machinery and equipment related to steel fabrication processes. Nordec believes that further investments into production capacity as well as machinery and equipment will be needed to support Nordec's growth targets. In addition, Nordec expects investments to yield improvements in production efficiency, which may result in increased throughput and profitability.

Capital expenditures require careful planning and funding either through operating cash flow or debt or equity financing. Investment commitments and related cash outflows may temporarily put stress on Nordec's liquidity and balance sheet. Delays or unexpected changes in investment projects may incur additional costs.

Nordec's capital expenditures in tangible and intangible assets, including business combinations, amounted to EUR 2.2 million for the financial year ended December 31, 2021, and EUR 25.4 million for the financial year ended December 31, 2020.

Efficiency of Working Capital

Efficient working capital management has a significant effect on Nordec's results of operations. Accordingly, Nordec seeks to always manage the working capital needs of its operations efficiently. Nordec's goal is to ensure that each project is cumulatively cash flow positive at all times. This is achieved by setting front-loaded payment schedules for Nordec's customer projects, ensuring that all required steps are taken to expedite customer invoicing for completed work and actively collecting on the outstanding receivables from customers.

Due to the changes in working capital requirements resulting from the cyclical nature of its business, Nordec must carefully plan its working capital management. Cyclicity in the construction industry is caused by general economic cycles and project-level cash flow cycles. While Nordec aims to keep its projects' cash flow positive at all times, front-loaded project payment schedules mean that cash flow from a specific project is typically more positive in the early stages of the project and decreases towards the end of the project. This, in turn, means that, in particular, larger projects going through the various project stages affect Nordec's cash flow. The efficient management of working capital ensures sufficient liquidity for Nordec.

Nordec's working capital comprises the difference between trade and other receivables and inventories on one hand and trade and other liabilities on the other. Nordec's net working capital amounted to negative EUR 7.4 million as at December 31, 2021, and negative EUR 16.3 million as at December 31, 2020.

Recent Events

Except as set forth below, there have not been any significant changes in the financial position or performance of Nordec between March 31, 2022, and the date of this Prospectus.

As at April 30, 2022, Nordec's order backlog amounted to EUR 240.7 million as compared to EUR 165.7 million as at March 31, 2022. The increase in order backlog was primarily attributable to a new project order.

The shareholder of the Company resolved on May 13, 2022 to authorize the Board of Directors of the Company to resolve upon a maximum of EUR 9.0 million distribution of dividends and/or return of unrestricted capital from the Company's fund for unrestricted equity, conditional on the First North Listing being completed by June 30, 2022. Based on this authorization, the Board of Directors of the Company resolved upon a return of unrestricted capital to the shareholder of the Company on May 31, 2022, conditional on the First North Listing being completed by June 30, 2022.

On May 31, 2022, Nordec entered into a EUR 10.0 million credit limit with Danske Bank A/S, Finland Branch (the "**Loan Agreement**"). See "*Liquidity and Capital Resources—Interest-bearing Liabilities*" below.

Short-term Outlook

Trend Information

Nordec expects the new non-residential construction market to be relatively stable in Nordec's main markets, however, there is some country-to-country variation in the growth projections. Nordec believes that Single-storey, Heavy Industry and CEE business areas will benefit from faster growth in specific subsegments of the non-residential construction market. Such growing subsegments include, for example, construction of battery production facilities, logistics centers and industrial investments related to the industrial green transition. On the other hand, Nordec expects its Multi-storey, Bridges and Envelope business areas to follow stable growth at par with the market. Especially the COVID-19 pandemic and the ongoing war in Ukraine have caused uncertainty in the market. The prices of raw materials, particularly steel, have increased in the second half of 2021 and in the early part of 2022, which is somewhat reflected in the average margin of Nordec's order backlog and the profitability of operations also in the first quarter of 2022. However, the impact of higher

prices has been taken into account on new orders received in the early part of 2022, which is expected to have a positive impact on the profitability during the rest of the year.

Profit Forecast

Nordec estimates that its revenue and adjusted EBITDA will increase clearly in 2022 compared to levels in 2021. Nordec estimates revenue to reach between EUR 250 million and EUR 280 million and adjusted EBITDA to reach between EUR 12 million and EUR 15 million in 2022.

Nordec's profit forecast is based on the estimates and assumptions of the Company's management regarding the development of the Company's revenue, profit and operating environment. The profit forecast is based in particular on the Company's order backlog as at the date of this Prospectus and on the estimated development of sales and expenses in the second half of 2022 based on the market data available to the Company. Key factors affecting the forecasts, that the Company may affect, are project management, project and market mix, cost management, implementation of acquisitions, the amount of capital expenditures and working capital management. Factors beyond the Company's control relate, in particular, to general economic development, demand for steel construction project deliveries and currency exchange rate fluctuations. Uncertainty, both in terms of revenue and costs, is exacerbated by the ongoing COVID-19 pandemic and, in particular, the war in Ukraine.

The above profit forecast has been prepared on a basis that is comparable to historical financial information and is consistent with the Company's accounting policies.

The statements set forth above under “—Trends” and “—Profit Forecast” include forward-looking statements and are not guarantees of Nordec's financial performance in the future. Nordec's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under “Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements,” “Risk Factors,” and “—Key Factors Affecting Results of Operations” above. Nordec cautions prospective investors not to place undue reliance on these forward-looking statements.

Explanations of Key Income Statement Items

Revenue

Revenue primarily comprises revenue from steel construction delivery projects, recognized over time as a project delivery. The project delivery typically includes design, material delivery and installation. Nordec recognizes revenue over time using the cost-to-cost input method for steel construction project delivery.

Other Operating Income

Other operating income primarily comprises rental income, gains from sales of assets, income from sale of scrap metal and other income.

Materials and Services

Materials primarily comprise raw materials, consumables and tools related to Nordec's production processes and installation projects, including possible customs duties and import charges. Services primarily comprise purchased external services and subcontracting related to the production and installation processes

Employee Benefit Expenses

Employee benefit expenses comprise wages and salaries and comparable expenses, as well as expenses determined directly based on wage or salary levels, such as social security contributions, statutory and voluntary personal insurance contributions and pension expenses as well as option rights. For more information on option rights, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors.*”

Other Operating Expenses

Other operating expenses comprise cost of premises, sales and marketing costs, consulting costs, IT costs, other personnel-related costs and outsourced administration services.

Depreciations, Amortizations and Impairment

Depreciations, amortizations and impairment primarily comprise depreciation according to plan that is based on the estimated useful life of the underlying asset. Tangible assets mainly comprise machinery and equipment and vehicles. Intangible assets mainly comprise IT development expenses and intangible assets resulting from business combinations, including customer relationships, order backlog and trademarks.

Financial Income

Financial income primarily comprises interest income, gains from the fair valuation of derivative financial instruments and foreign currency exchange gains.

Financial Expenses

Financial expenses primarily comprise interest expenses on loans, interest costs related to the factoring of trade receivables, interest expenses related to lease liabilities, foreign currency exchange losses and losses from the fair valuation of derivative financial instruments.

Income Tax

Income tax comprise of tax recognized on the taxable income for the period as well as deferred taxes.

Results of Operations

Overview

The following discussion sets forth the development of Nordec's business performance during the periods covered by historical financial information. The discussion below under "—Comparison of the Three Months Ended March 31, 2022 and 2021" and "—Comparison of the Financial Years ended December 31, 2021, 2020 and 2019" focuses on Nordec's revenue and profit for the period as shown on Nordec's consolidated income statement, as well as EBITDA and EBITA, which are key figures monitored by Nordec and which, according to Nordec, represent the development of Nordec's business and results of operations for the periods indicated.

The following table sets forth certain information on Nordec's consolidated income statement as well as Nordec's EBITDA and EBITA for the periods indicated:

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited, unless otherwise indicated)		
	(EUR in thousands)				
Revenue.....	54,638	50,843	225,475	141,742	37,130
Other operating income.....	342	299	1,272	18,222	318
Materials and services.....	(40,059)	(35,051)	(164,264)	(96,632)	(27,404)
Employee benefit expenses.....	(9,145)	(8,486)	(32,395)	(25,367)	(9,963)
Other operating expenses.....	(4,851)	(4,800)	(21,928)	(14,923)	(5,941)
EBITDA.....	924	2,805	8,162	23,043	(5,859)
Depreciations, amortizations and impairment.....	(1,361)	(2,102)	(6,155)	(4,753)	(1,672)
Operating profit (EBIT).....	(437)	703	2,007	18,290	(7,531)
Financial income.....	710	256	1,789	2,095	82
Financial expenses.....	(825)	(565)	(2,552)	(3,609)	(644)
Profit before tax.....	(552)	394	1,244	16,776	(8,092)
Income tax.....	46	58	(279)	41	264
Profit for the period.....	(506)	452	965	16,817	(7,828)
EBITA.....	315	2,011	5,509 ⁽¹⁾	20,556 ⁽¹⁾	(6,798) ⁽¹⁾

(1) Unaudited.

Comparison of the Three Months Ended March 31, 2022 and 2021

Revenue

Nordec's revenue for the three months ended March 31, 2022, amounted to EUR 54.6 million, an increase of EUR 3.8 million, or 7.5 percent, as compared to EUR 50.8 million for the three months ended March 31, 2021. The increase was primarily attributable to a volume generated by high order intake at the turn of the year, which was reflected in a positive development, in particular, in Single-storey building projects and in the CEE countries.

EBITDA

Nordec's EBITDA for the three months ended March 31, 2022, amounted to EUR 0.9 million, a decrease of EUR 1.9 million, or 67.1 percent, as compared to EUR 2.8 million for the three months ended March 31, 2021. The decrease was primarily attributable to an increase in material and service costs, which was affected by an increase in raw material and subcontracting costs to the extent that Nordec was not able to pass on the price increases to customers, as well

as to an increase in employee benefit expenses, which was affected by costs related to option rights (354,000 in total) allocated to Petri Rignell, the Chair of the Board of Directors of the Company, and Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. In addition, Nordec's profitability for the three months ended March 31, 2021, was affected by significant projects completed during that period, which generated a positive margin at the end of the projects for the three months ended March 31, 2022.

EBITA

Nordec's EBITA for the three months ended March 31, 2022, amounted to EUR 0.3 million, a decrease of EUR 1.7 million, or 84.3 percent, as compared to EUR 2.0 million for the three months ended March 31, 2021. The decrease was primarily attributable to a decrease in EBITDA, which was partially offset by lower depreciations in fixed assets compared to the three months ended March 31, 2022.

Profit for the Period

Nordec's loss for the period for the three months ended March 31, 2022, amounted to EUR 0.5 million, a change of EUR 1.0 million, as compared to a profit for the financial period of EUR 0.5 million for the period for the three months ended March 31, 2021. The change was primarily attributable to a lower EBITA compared to the three months ended March 31, 2021. In net profit, the impact of the decrease in EBITA was partially offset by lower write-downs of fixed assets related to the sale of Nordec's production facility in Oulu for the three months ended March 31, 2021.

Comparison of the Financial Years Ended December 31, 2021, 2020 and 2019

Revenue

Nordec's revenue for the financial year ended December 31, 2021, amounted to EUR 225.5 million, an increase of EUR 83.7 million, or 59.1 percent, as compared to EUR 141.7 million for the financial year ended December 31, 2020. The increase was primarily attributable to the full-year impact of the acquisition of Ruukki Building Systems, which was consolidated into Nordec as at April 30, 2020. Increased order backlog, which increased based on increases in both volume and prices, also contributed to the increase in Nordec's revenue in 2021. Revenue increased particularly in Sweden and the CEE Countries, whereas revenue decreased in Finland as compared to the financial year ended December 31, 2020.

Nordec's revenue for the financial year ended December 31, 2020, amounted to EUR 141.7 million, an increase of EUR 104.6 million, as compared to EUR 37.1 million for the financial year ended December 31, 2019. The increase was primarily attributable to the full year revenue of the acquisition of Normek, which was consolidated into Nordec as at February 28, 2019, and the eight-month revenue impact of the acquisition of Ruukki Building Systems, which was consolidated into Nordec as at April 30, 2020.

EBITDA

Nordec's EBITDA for the financial year ended December 31, 2021, amounted to EUR 8.2 million, a decrease of EUR 14.9 million, or 64.6 percent, as compared to EUR 23.0 million for the financial year ended December 31, 2020. The decrease was primarily attributable to one-off income of EUR 17.3 million recorded in 2020 related to the acquisition of Ruukki Building Systems. The one-off income was recorded as other operating income based on the purchase consideration, which was lower than the fair value of net assets acquired. Costs and write-downs related to the divestment of Nordec's factory in Oulu, Finland, carve-out costs related to the acquisition of Ruukki Building Systems and restructuring expenses also contributed to the decrease in Nordec's EBITDA in 2021. In addition, the Nordec's EBITDA was negatively affected by the increase in the prices of steel and other raw materials, particularly in the second half of 2021.

Nordec's EBITDA for the financial year ended December 31, 2020, amounted to EUR 23.0 million, a change of EUR 28.9 million, as compared to negative EUR 5.9 million for the financial year ended December 31, 2019. The positive change was primarily attributable to one-off income of EUR 17.3 million recorded in 2020 related to the acquisition of Ruukki Building Systems. The increase in Nordec's operating profit (EBIT) due to the Ruukki Building Systems acquisition as well as cost savings achieved following an integration and restructuring process also contributed to the positive change in Nordec's EBITDA.

EBITA

Nordec's EBITA for the financial year ended December 31, 2021, amounted to EUR 5.5 million, a decrease of EUR 15.0 million, or 73.2 percent, as compared to EUR 20.6 million for the financial year ended December 31, 2020. The decrease was primarily attributable to a corresponding decrease in Nordec's EBITDA. An increase in depreciations resulting primarily from the full-year effect of the acquisition of Ruukki Building Systems also contributed to the decrease in Nordec's EBITA. Depreciations of tangible assets and right-of-use assets for the financial year ended December 31,

2021, amounted to EUR 2.7 million, an increase of EUR 0.2 million, as compared to EUR 2.5 million for the financial year ended December 31, 2020.

Nordec's EBITA for the financial year ended December 31, 2020, amounted to EUR 20.6 million, a change of EUR 27.4 million, as compared to negative EUR 6.8 million for the financial year ended December 31, 2019. The positive change was primarily attributable to a corresponding increase in EBITDA, partially offset by an increase in depreciation resulting from the acquisition of Ruukki Building Systems. Depreciations of tangible assets and right-of-use assets for the financial year ended December 31, 2020, amounted to EUR 2.5 million, an increase of EUR 1.5 million, as compared to EUR 0.9 million for the financial year ended December 31, 2019.

Profit for the Period

Nordec's profit for the period for the financial year ended December 31, 2021, amounted to EUR 1.0 million, a decrease of EUR 15.9 million, or 94.3 percent, as compared to EUR 16.8 million for the financial year ended December 31, 2020. The decrease was primarily attributable to a corresponding decrease in EBITA. An increase in income tax expenses also contributed to the decrease in Nordec's profit for the period. Income tax expenses amounted to EUR 0.3 million for the financial year ended December 31, 2021, as compared to EUR 0.0 million for the financial year ended December 31, 2020.

Nordec's profit for the period for the financial year ended December 31, 2020, amounted to EUR 16.8 million, a change of EUR 24.6 million, as compared to loss for the period of EUR 7.8 million for the financial year ended December 31, 2019. The positive change was primarily attributable to a corresponding increase in EBITA.

Liquidity and Capital Resources

Historically, Nordec's principal source of liquidity has been cash flow from operations, loans and equity investments from the parent company, as well as factoring. See also "*Interest-bearing Liabilities*" below and "*Related Party Transactions*."

As at March 31, 2022, Nordec's cash and cash equivalents amounted to EUR 10.3 million and total interest-bearing liabilities amounted to EUR 4.8 million. As at the date of this Prospectus, Nordec has available EUR 10 million of undrawn committed borrowing facilities.

Cash Flows

The following table sets forth a summary of Nordec's cash flow data as at the dates and for the periods indicated:

	As at and for the three months ended March 31,		As at and for the financial year ended December 31,		As at
	2022	2021	2021	2020	December 31, 2019, and for the financial year from September 12, 2018, to December 31, 2019
	(unaudited)		(audited)		
	(EUR in thousands)				
Net cash flow from operating activities.....	(154)	4,738	6,815	23,207	(1,869)
Net cash flow from investing activities.....	(826)	(437)	(3,639)	(9,558)	(895)
Net cash flow from financing activities.....	1,710	(2,007)	(7,993)	(1,577)	4,100
Net increase (+) / net decrease (-) in cash and cash equivalents....	730	2,295	(4,817)	12,072	1,336
Cash and cash equivalents at the beginning of the period.....	9,575	14,393	14,393	2,321	—
Cash and cash equivalents at the end of the period.....	10,305	16,687	9,575	14,393	1,336

Net Cash Flow from Operating Activities

Nordec's net cash flow used in operating activities for the three months ended March 31, 2022, was EUR 0.2 million, a change of EUR 4.9 million, as compared to net cash flow from operating activities of EUR 4.7 million for the three months ended March 31, 2021. The change in net cash flow from operating activities was primarily attributable to lower operating income and growth in net working capital, especially in terms of inventories and sales and other receivables. Inventories increased mainly due to higher prices of materials, such as steel.

Nordec's net cash flow from operating activities for the financial year ended December 31, 2021, was EUR 6.8 million, a change of EUR 16.4 million, or 70.6 percent, as compared to net cash flow from operating activities of EUR 23.2 million for the financial year ended December 31, 2020. The change in net cash flow from operating activities was primarily attributable to a substantial decrease in net working capital in 2020. The change in net working capital in 2020 was primarily attributable to an expansion of factoring as a means of financing during the year. In addition, net working capital in 2020

changed due to certain large projects, which were in a highly cash positive stages during the year as a result of front-loaded payment schedules.

Nordec's net cash flow from operating activities for the financial year ended December 31, 2020, was EUR 23.2 million, a change of EUR 25.1 million, as compared to net cash flow used in operating activities of EUR 1.9 million for the financial year ended December 31, 2019. The change in net cash flow from operating activities was primarily attributable to the acquisition of Ruukki Building Systems in 2020, the expansion of factoring as a means of financing during 2020 and positive cash flow from certain large projects.

Net Cash Flow from Investing Activities

Nordec's net cash flow used in investing activities for the three months ended March 31, 2022, was EUR 0.8 million, a change of EUR 0.4 million, or 89.0 percent, as compared to net cash flow used in investing activities of EUR 0.4 million for the three months ended March 31, 2021.

Nordec's net cash flow used in investing activities for the financial year ended December 31, 2021, was EUR 3.6 million, a change of EUR 5.9 million, or 61.9 percent, as compared to net cash flow used in investing activities of EUR 9.6 million for the financial year ended December 31, 2020. The change in net cash flow used in investing activities was primarily attributable to the acquisition of Ruukki Building Systems in 2020, resulting in a net cash outflow of EUR 8.9 million for the financial year ended December 31, 2020.

Nordec's net cash flow used in investing activities for the financial year ended December 31, 2020, was EUR 9.6 million, a change of EUR 8.7 million, as compared to net cash flow used in investing activities of EUR 0.9 million for the financial year ended December 31, 2019. The increase in net cash flow used in investing activities was primarily attributable to the acquisition of Ruukki Building Systems in 2020.

Net Cash Flow from Financing Activities

Nordec's net cash flow from financing activities for the three months ended March 31, 2022, was EUR 1.7 million, a change of EUR 3.7 million, as compared to net cash flow used in financing activities of EUR 2.0 million for the three months ended March 31, 2021. The change in net cash flow from financing activities was primarily attributable to increased use of factoring as a means of financing for the three months ended March 31, 2022, and decreased use of it for the three months ended March 31, 2021.

Nordec's net cash flow used in financing activities for the financial year ended December 31, 2021, was EUR 8.0 million, a change of EUR 6.4 million, as compared to net cash flow used in financing activities of EUR 1.6 million for the financial year ended December 31, 2020. The change in net cash flow used in financing activities was primarily attributable to a loan granted by Nordec to its parent company.

Nordec's net cash flow used in financing activities for the financial year ended December 31, 2020, was EUR 1.6 million, a change of EUR 5.7 million, as compared to net cash flow from financing activities of EUR 4.1 million for the financial year ended December 31, 2019. The change in net cash flow from financing activities was primarily attributable to a loan of EUR 4.0 million granted by Nordec to its parent company and EUR 1.0 million return of capital.

Interest-bearing Liabilities

The following table sets forth Nordec's outstanding non-current and current interest-bearing liabilities as at the dates indicated:

	As at March 31, 2022 (unaudited)	As at December 31,		
		2021	2020 (audited)	2019
(EUR in thousands)				
Non-current interest-bearing liabilities				
Interest-bearing loans and borrowings.....	182	182	160	166
Other interest-bearing liabilities	163	208	182	0
Lease liabilities.....	<u>1,495</u>	<u>1,663</u>	<u>1,845</u>	<u>735</u>
Total non-current interest-bearing liabilities.....	1,841	2,052	2,188	902
Current interest-bearing liabilities⁽¹⁾				
Interest-bearing loans and borrowings.....	2,443	395	1,896	1,433
Other interest-bearing liabilities	0	0	0	0
Lease liabilities.....	<u>502</u>	<u>465</u>	<u>684</u>	<u>773</u>
Total current interest-bearing liabilities.....	<u>2,945</u>	<u>860</u>	<u>2,579</u>	<u>2,206</u>
Total interest-bearing liabilities.....	<u>4,785</u>	<u>2,912</u>	<u>4,767</u>	<u>3,108</u>

(1) The current interest-bearing liabilities set forth in the table do not include liabilities related to the fair values of derivatives.

Nordec's interest-bearing liabilities comprise interest-bearing loans and borrowings, other interest-bearing liabilities and lease liabilities. Interest-bearing loans and borrowings consist primarily of loans from the parent company as well as

liabilities related to factoring of trade receivables, to the extent that factoring has been done with recourse. Other interest-bearing liabilities primarily include the negative market value of derivative instruments and other interest-bearing liabilities. Lease liabilities primarily comprise future lease payments related to properties and vehicles.

On May 31, 2022, Nordec entered into the Loan Agreement, which is conditional upon the completion of the First North Listing. According to the Loan Agreement, the loan interest rate consists of Euribor reference rate and a margin. The loan term for amounts raised under the Loan Agreement is a minimum of one month and a maximum of 12 months. In connection with the Loan Agreement, Nordec has pledged the entire share capital in Nordec Envelope and Nordec Oy to secure any amounts drawn. The Loan Agreement includes terms and conditions relating to financial covenants as well as other customary terms and conditions. The financial covenants to be followed after the First North Listing are equity ratio and interest-bearing net debt to EBITDA ratio. Nordec's equity ratio must be at least 30 percent. Interest-bearing net debt to EBITDA ratio may not exceed 2.0x at the end of each review period. A review period is the 12-month period preceding the last day of each half-year period or quarter, depending on the agreed monitoring cycle of the special conditions.

Balance Sheet Data

The following table sets forth certain balance sheet data for Nordec as at the dates indicated:

	As at March 31, 2022 (unaudited)	As at December 31,		
		2021	2020 (audited)	2019
(EUR in thousands)				
Assets				
Total non-current assets.....	32,806	33,096	36,777	12,629
Total current assets.....	66,179	56,271	55,837	11,652
Total assets.....	<u>98,984</u>	<u>89,368</u>	<u>92,614</u>	<u>24,280</u>
Equity and liabilities				
Total equity.....	29,637	29,604	25,109	2,946
Total non-current liabilities.....	4,510	4,786	5,714	3,201
Total current liabilities.....	64,838	54,977	61,792	18,133
Total liabilities.....	69,348	59,763	67,505	21,334
Total equity and liabilities.....	<u>98,984</u>	<u>89,368</u>	<u>92,614</u>	<u>24,280</u>

Assets

Nordec's non-current assets mainly comprise intangible assets and tangible assets, while current assets mainly comprise trade and other receivables, contract assets, inventory and cash and cash equivalents.

Non-current Assets

As at March 31, 2022, Nordec's total non-current assets amounted to EUR 32.8 million, a decrease of EUR 0.3 million, or 0.9 percent, as compared to EUR 33.1 million as at December 31, 2021. The decrease was primarily attributable to amortization according to plan of intangible assets and right-of-use assets for the three months ended March 31, 2022, combined with a relatively low level of investment.

As at December 31, 2021, Nordec's total non-current assets amounted to EUR 33.1 million, a decrease of EUR 3.7 million, or 10.0 percent, as compared to EUR 36.8 million as at December 31, 2020. The decrease was primarily attributable to depreciation and amortization according to plan during the year, combined with a relatively low level of investment.

As at December 31, 2020, Nordec's total non-current assets amounted to EUR 36.8 million, an increase of EUR 24.1 million, as compared to EUR 12.6 million as at December 31, 2019. The increase was primarily attributable to the acquisition of Ruukki Building Systems in 2020.

Current Assets

As at March 31, 2022, Nordec's total current assets amounted to EUR 66.2 million, an increase of EUR 9.9 million, or 17.6 percent, as compared to EUR 56.3 million as at December 31, 2021. The increase was primarily attributable to an increase in trade and other receivables as well as contract assets and inventories.

As at December 31, 2021, Nordec's total current assets amounted to EUR 56.3 million, an increase of EUR 0.4 million, or 0.8 percent, as compared to EUR 55.8 million as at December 31, 2020. The increase was primarily attributable to an increase in inventory and contract assets.

As at December 31, 2020, Nordec's total current assets amounted to EUR 55.8 million, an increase of EUR 44.2 million, as compared to EUR 11.7 million as at December 31, 2019. The increase was primarily attributable to the acquisition of Ruukki Building Systems in 2020.

Equity and Liabilities

Equity

As at March 31, 2022, Nordec's total equity amounted to EUR 29.6 million, an increase of EUR 0.0 million, or 0.1 percent, as compared to EUR 29.6 million as at December 31, 2021. The increase was primarily attributable to an increase in retained earnings for the three months ended March 31, 2022.

As at December 31, 2021, Nordec's total equity amounted to EUR 29.6 million, an increase of EUR 4.5 million, or 17.9 percent, as compared to EUR 25.1 million as at December 31, 2020. The increase was primarily attributable to an increase in retained earnings in 2021.

As at December 31, 2020, Nordec's total equity amounted to EUR 25.1 million, an increase of EUR 22.2 million, as compared to EUR 2.9 million as at December 31, 2019. The increase was primarily attributable to a (net)equity investment by the parent company amounting to EUR 8.0 million and an increase in retained earnings in 2020.

Non-current Liabilities

As at March 31, 2022, Nordec's total non-current liabilities amounted to EUR 4.5 million, a decrease of EUR 0.3 million, or 5.8 percent, as compared to EUR 4.8 million as at December 31, 2021. The decrease was primarily attributable to a decrease in non-current leasing liabilities.

As at December 31, 2021, Nordec's total non-current liabilities amounted to EUR 4.8 million, a decrease of EUR 0.9 million, or 16.2 percent, as compared to EUR 5.7 million as at December 31, 2020. The decrease was primarily attributable to a reduction in deferred tax liabilities.

As at December 31, 2020, Nordec's total non-current liabilities amounted to EUR 5.7 million, an increase of EUR 2.5 million, or 78.5 percent, as compared to EUR 3.2 million as at December 31, 2019. The increase was primarily attributable to the acquisition of Ruukki Building Systems, and the impact of the acquisition mainly on deferred taxes.

Current Liabilities

As at March 31, 2022, Nordec's total current liabilities amounted to EUR 64.8 million, an increase of EUR 9.9 million, or 17.9 percent, as compared to EUR 55.0 million as at December 31, 2021. The increase was primarily attributable to an increase in accounts payables and other current liabilities, as well as an increase in liabilities related to factoring of trade receivables.

As at December 31, 2021, Nordec's total current liabilities amounted to EUR 55.0 million, a decrease of EUR 6.8 million, or 11.0 percent, as compared to EUR 61.8 million as at December 31, 2020. The decrease was primarily attributable to a decrease in contract liabilities and interest-bearing loans and borrowings.

As at December 31, 2020, Nordec's total current liabilities amounted to EUR 61.8 million, an increase of EUR 43.7 million, as compared to EUR 18.1 million as at December 31, 2019. The increase was primarily attributable to the acquisition of Ruukki Building Systems.

Off-balance-sheet Liabilities

The following table sets forth the off-balance-sheet-liabilities of Nordec as at the dates indicated:

	As at March 31, 2022 (unaudited)	As at December 31,		
		2021	2020 (audited)	2019
(EUR in thousands)				
Mortgages and shares given as collateral for loans from financial institutions				
Book value of pledged shares.....	22,292	22,929	–	–
Floating charges given.....	7,760	7,760	–	–
Other contingent liabilities				
Bank guarantee liabilities from project contracts.....	38,553	48,280	29,764	10,982
Lease commitments for from short-term leases and low-value assets.....	245	266	119	103

Related to the claim for damages described in “*Business—Legal and Arbitration Proceedings*,” the bank guarantee of EUR 7.76 million is secured by, among other things, (i) a guarantee by the Company; (ii) the shares in Nordec Oy and Nordec Envelope; (iii) Nordec Envelope's floating charges; and (iv) a bank deposit of EUR 2.0 million.

Except for off-balance-sheet-liabilities set forth above, Nordec has no off-balance-sheet entities or off-balance-sheet arrangements that are reasonably likely to have a material effect on Nordec's business, financial condition, results of operations and/or cash flows.

Investments

The following table sets forth Nordec’s investments for the periods indicated excluding the effect of “IFRS 16 – Leases”:

	For the three		For the financial		For the financial year from September 12, 2018, to December 31, 2019
	months ended March 31,		year ended December 31,		
	2022	2021	2021	2020	
	(unaudited)		(audited)		
	(EUR in thousands)				
Land and buildings	229	0	0	12,979	335
Machinery and equipment	33	121	480	3,347	2,002
Other tangible assets	89	374	264	112	0
Intangible assets from business combinations	0	0	0	8,672	8,131
Other intangible assets	476	63	1,496	317	698
Total	<u>827</u>	<u>558</u>	<u>2,240</u>	<u>25,427</u>	<u>11,166</u>

Nordec’s investments for the three months ended March 31, 2022 and 2021, and for the financial year ended December 31, 2021, related mainly to maintenance investments into its production facilities, production equipment and the development of IT systems. Nordec’s investments for the financial years ended December 31, 2020 and 2019, related mainly to business combinations. For the financial year ended December 31, 2021, investments in land and buildings were EUR 0.0 million and investments in machinery and equipment EUR 0.5 million. For the financial year ended December 31, 2020, investments in land and buildings were EUR 13.0 million and investments in machinery and equipment EUR 3.3 million. For the financial year ended December 31, 2021, investments in intangible assets, including carve-out related costs, and in IT infrastructure were EUR 1.5 million. For the financial year ended December 31, 2020, investments in intangible assets were EUR 0.3 million. For the financial year ended December 31, 2020, investments in intangible assets related to business combinations were EUR 8.7 million. Nordec has financed investments with its existing cash and cash equivalents, cash generated from operating activities, external loans and other debt financing, such as factoring and leasing as means of financing.

Nordec has assessed potential investment targets in its production, and the prioritized investment plan has been refined to include investments in the production facilities of Peräseinäjoki and Ylivieska in Finland as well as in the production facility of Oborniki in Poland. The prioritized investments focus on increasing the degree of automation of the production and also on integrating certain currently outsourced functions into Nordec’s own functions. Nordec estimates that, among other things, the prioritized investments bring direct cost savings, increase production capacity, decrease production disturbances and delays as well as shorten the total delivery time of the production. In addition, Nordec has other investment opportunities, which can potentially be carried out in a later stage of the strategy period. By means of prioritized investments and together with increased in-house design capabilities, improved project management as well as strengthened pricing, Nordec aims to achieve approximately a 2.0 percent to 3.3 percent improvement estimated at project margin level. According to Nordec’s estimate, the prioritized production long-term investments require investments of approximately EUR 10.5 million from the Company. In addition to prioritized investments, Nordec estimates that it will make smaller development investments as well as normal maintenance and replacement investments. Nordec will finance these and other future investments with its existing cash and cash equivalents, cash generated from operating activities, external loans and other debt financing, such as factoring and leasing as means of financing, as well as any proceeds from the Offering.

Except as set forth above, Nordec does not have any significant ongoing investments or plans for any significant new investments outside the normal business operations as at the date of this Prospectus.

Financial Risk Management

Nordec’s business operations expose it to financial risks, such as liquidity risk, credit risk, foreign exchange risk and interest rate risk. The objective of Nordec’s financial risk management is to minimize the uncertainty that the changes in financial markets cause to its financial performance. For more information on Nordec’s financial risk management, see note 4.1 to the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of Nordec’s consolidated financial statements requires Nordec’s management to use judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The actual values may differ from these estimates and assumptions.

In the process of applying the Nordec's accounting policies, Nordec's management has made various judgements. Those which Nordec's management has assessed to have the most significant effect on the amounts recognized in the consolidated financial statements are discussed in the individual notes of the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

For more information on Nordec's significant accounting judgements, estimates and assumptions, see the notes to the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

New Standards and Interpretations

Nordec adopts the new and amended standards and interpretations, if applicable, when they become effective. The new and amended standards that became effective on January 1, 2022, or will become effective later, are not expected to have an impact on Nordec's consolidated financial statements. Nordec intends to adopt the above-mentioned standards, if applicable, as of the date on which they enter into force. For more information on the new and revised standards, see note 1.4 to the Audited Consolidated Financial Statements incorporated by reference into this Prospectus.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

General

The Company is a public limited liability company incorporated and domiciled in Finland. In its decision-making and corporate governance, the Company complies with applicable Finnish legislation, its articles of association and the Company's corporate governance policy approved by the Board of Directors of the Company. The Company follows the First North Rulebook. The Company is not obliged to comply with the Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association.

The governing bodies of the Company (*i.e.*, the general meeting of shareholders of the Company, the Board of Directors of the Company and the Chief Executive Officer of Nordec) have the ultimate responsibility for Nordec's management and its operations. The management team of Nordec reports to the Chief Executive Officer and is responsible for the efficient management of Nordec's operations.

Shareholders participate in the control and management of the Company through resolutions passed at general meetings of shareholders of the Company. General meetings of shareholders of the Company are generally convened upon notice given by the Board of Directors of the Company. In addition, general meetings of shareholders must be convened when requested in writing by an auditor of the Company or by shareholders representing at least one-tenth of all issued and outstanding Shares.

The business address of the members of the Board of Directors of the Company and the management team and the Chief Executive Officer of Nordec is Eteläinen Makasiinikatu 4, FI-00130 Helsinki, Finland.

Board of Directors and Management Team

Board of Directors

The tasks and responsibilities of the Board of Directors of the Company are determined on the basis of the Finnish Companies Act as well as other applicable legislation. The Board of Directors of the Company has general authority to decide and act in all matters not reserved for other corporate governing bodies by law or under the provisions of the Company's articles of association. The general task of the Board of Directors of the Company is to duly organize Nordec's management and operations. In all situations, the Board of Directors of the Company must act in accordance with Nordec's best interest.

The annual general meeting of shareholders of the Company elects the members of the Board of Directors of the Company. The Board of Directors of the Company elects the Chair amongst itself. A member of the Board of Directors of the Company may be removed from office at any time by a resolution passed by a general meeting of shareholders. Proposals to the annual general meeting of shareholders of the Company concerning the election of members of the Board of Directors of the Company, which have been made known to the Board of Directors of the Company prior to the annual general meeting of shareholders, will be made public if such a proposal is supported by shareholders holding a minimum of one-tenth of all the Shares and voting rights and the person being proposed has consented to such nomination.

Under the Company's articles of association, the Board of Directors of the Company is composed of a minimum of three and a maximum of eight members. The term of office of a member of the Board of Directors of the Company expires at the close of the annual general meeting of shareholders following his/her election. The Board of Directors of the Company is quorate when more than one-half of its members are present. A decision by the Board of Directors of the Company is the opinion supported by more than one-half of the members present at a meeting. In the event of a tie, the Chair has the casting vote. The Board of Directors of the Company meets at least 11 times in a year and, when necessary, holds additional meetings. The Board of Directors of the Company may consider establishing committees in the future in order to function effectively taking into account the scope and nature of Nordec's operations and the operating principles of the Board of Directors of the Company. As at the date of this Prospectus, the members of the Board of Directors of the Company are independent of the Company's significant shareholders, except for Johannes Laumann, and of the Company, except for Kalle Luoto.

The following table sets forth the members of the Board of Directors of the Company as at the date of this Prospectus:

	Position	Citizenship	Year of birth
Petri Rignell.....	Chair	Finland	1962
Johannes Laumann.....	Member	Germany	1983
Kalle Luoto	Member	Finland	1967

Petri Rignell has been the Chair of the Board of Directors of the Company since 2021. Mr. Rignell has been the Chair of the Boards of Directors of Consti Plc since 2022, Kreate Group Plc since 2017 and Prirock Oy since 2007, a member of

the Boards of Directors of Arco Oy since 2021, Fimpec Oy since 2019, Sitowise Group Plc since 2019, Setera Communications Oy since 2017, KFS Finland Oy since 2015 and Consti Plc since 2008 and Chief Executive Officer of Prirock Oy since 2007. Previously, Mr. Rignell was the Chair of the Boards of Directors of CTV Properties AB between 2017 and 2022, Normek Oy (currently known as Nordec Envelope) between 2018 and 2019 and Normek Group Oy between 2018 and 2019, a member of the Boards of Directors of Finno Exergy Oy between 2017 and 2019, Minerva Kehitys ja Palvelu Oy between 2014 and 2018 and Kreate Group Plc between 2014 and 2016 and Chief Executive Officer of Kreate Group Plc between 2016 and 2017. Mr. Rignell holds a Master’s degree in Construction Engineering.

Johannes Laumann has been a member of the Board of Directors of the Company since 2022. Mr. Laumann has been a member of the Executive Board of Mutares since 2016 and the Chief Investment Officer of Mutares since 2019. Previously, Mr. Laumann held various management positions at Atlas Copco SE between 2014 and 2016, at Porsche Consulting GmbH between 2011 and 2013 and at Ernst & Young GmbH between 2008 and 2011. Mr. Laumann holds a Master’s degree in Business Law.

Kalle Luoto has been a member of the Board of Directors of the Company since 2020 and the Chief Executive Officer and a member of the management team of Nordec since 2021. For more information on Mr. Luoto’s current and former directorships and partnerships, see below “—*Management Team*.”

Harjavalta, Tirinom and the Selling Shareholder have agreed that Harjavalta and Tirinom may each nominate one member to the Board of Directors of the Company after the Offering. The Selling Shareholder has undertaken to vote at the general meeting in favor of electing these two new members of the Board of Directors of the Company.

Chief Executive Officer

The Chief Executive Officer is responsible for Nordec’s operational management. The Chief Executive Officer prepares matters on which decisions are to be made by the Board of Directors of the Company, develops Nordec’s operations in line with the targets agreed with the Board of Directors of the Company, and ensures proper implementation of decisions of the Board of Directors of the Company. The Chief Executive Officer is also responsible for ensuring that Nordec’s business operations are in compliance with existing legislation and applicable regulations. The Chief Executive Officer chairs meetings of the management team of Nordec.

Management Team

The task of the management team of Nordec is the overall management of Nordec’s business. Members of the management team of Nordec have specific authority in their individual areas of responsibility, and their duty is to develop Nordec’s operations in line with the targets set by the Board of Directors of the Company and the Chief Executive Officer of Nordec. As at the date of this Prospectus, the management team of Nordec consists of ten members, all appointed by the Board of Directors of the Company. The management team of Nordec meets regularly on a monthly basis and whenever needed.

The following table sets forth the members of the management team of Nordec as at the date of this Prospectus:

	Position	Citizenship	Year of birth
Kalle Luoto	Chief Executive Officer	Finland	1967
Jarkko Nurminen	Chief Financial Officer	Finland	1975
Risto Schildt	Head of Operations, Supply Chain & Design	Finland	1972
Timo Alanko	Director of PMO	Finland	1964
Magnus Thelm	Sales & Marketing Director	Sweden	1970
Vesa Vaihtamo	Director, BU Single-Storey	Finland	1968
Pasi Parkkinen	Director, BU Industry & Bridges	Finland	1978
Minna Kuusela-Opas	Director, BU Multi-Storey	Finland	1966
Tommi Raski	Director, BU Envelope	Finland	1975
Jan Samec	Director, BU CEE	Czech Republic	1977

Kalle Luoto has been the Chief Executive Officer and a member of the management team of Nordec since 2021 and a member of the Board of Directors of the Company since 2020. Mr. Luoto has been the Chair of the Boards of Directors of Nordec Oy since 2021 and Nordec UAB since 2020, a member of the Boards of Directors of Nordec s.r.o. since 2021, Kiinteistö Oy Normek Karvia since 2020 and Nordec Envelope since 2020, Chief Executive Officer of Nordec Oy since 2021, Nordec s.r.o. since 2021 and Nordec AS since 2020. Previously, Mr. Luoto was the Chief Financial Officer of Nordec between 2020 and 2021 and OSTP Group between 2011 and 2018. Mr. Luoto holds a Master’s degree in Law and a Master’s degree in International Business Law.

Jarkko Nurminen has been the Chief Financial Officer and a member of the management team of Nordec since 2022. Previously, Mr. Nurminen was the Vice President, Group Business Control, of Caverion Corporation between 2017 and 2022. Mr. Nurminen holds a Master’s degree in Business Administration and a Master’s degree in Economics.

Risto Schildt has been the Head of Operations, Supply Chain & Design and a member of the management team of Nordec since 2020. Previously, Mr. Schildt was a Business Area Manager, Product Sales, of Nordec between 2018 and 2020 and Sales Manager, Finland and Baltics, of Outokumpu EMEA Oy (currently known as Outokumpu Europe Oy) between 2016 and 2018. Mr. Schildt holds a Master's degree in Technology.

Timo Alanko has been the Director of PMO and a member of the management team of Nordec since 2020. Previously, Mr. Alanko was Director of PMO & Design of Ruukki Building Systems Oy (currently known as the Company) between 2019 and 2020 and Director and Business Area Manager at Building Systems business unit of Ruukki Construction Oy between 2011 and 2019. Mr. Alanko holds a Master's degree in Technology.

Magnus Thelm has been the Sales & Marketing Director and a member of the management team of Nordec since 2020. Previously, Mr. Thelm was Business Area Manager, Nordic Sales, and a member of the management team of Ruukki Building Systems Oy (currently known as the Company) between 2019 and 2020 and Business Area Manager, Nordic Sales, and a member of the management team at Building Systems business unit of Ruukki Construction Oy between 2017 and 2019. Mr. Thelm holds a Master's degree in Civil Engineering.

Vesa Vaihtamo has been the Director, BU Single-Storey, and a member of the management team of Nordec since 2020. Mr. Vaihtamo has been a member of the Board of Directors, representing the Company, of the Finnish Constructional Steelwork Association since 2021. Previously, Mr. Vaihtamo was Business Area Manager of Nordec between 2017 and 2020 and project manager, CLT building solutions of Stora Enso Building Solutions Oy between 2015 and 2017. Mr. Vaihtamo holds a Bachelor's degree in Building Construction Engineering.

Pasi Parkkinen has been the Director, BU Industry & Bridges, and a member of the management team of Nordec since 2020. Mr. Parkkinen has been the Chief Executive Officer of Nordec Envelope since 2018. Previously, Mr. Parkkinen was a Project Group Director of Normek Oy (currently known as Nordec Envelope Oy) between 2015 and 2018. Mr. Parkkinen holds a master's degree in Technology.

Minna Kuusela-Opas has been the Director, BU Multi-Storey, and a member of the management team of Nordec since 2020. Ms. Kuusela-Opas has been a member of the Board of Directors, representing the Company, of the Swedish Institute of Steel Construction (SBI) since 2021. Previously, Ms. Kuusela-Opas was Business Area Manager at Building Systems business unit of Ruukki Construction Oy between 2014 and 2020. Ms. Kuusela-Opas holds a Bachelor's degree in Construction Engineering and a specialist vocational qualification in Leadership.

Tommi Raski has been the Director, BU Envelope, and a member of the management team of Nordec since 2020. Previously, Mr. Raski was Country Manager of Sweden and a member of the management team of Normek Oy (currently known as Nordec Envelope Oy) between 2016 and 2020. Mr. Raski holds a Bachelor's degree in Community Development Engineering.

Jan Samec has been the Director, BU CEE, and a member of the management team of Nordec since 2020. Previously, Mr. Samec was CEE Business Director of Ruukki Building Systems Oy (currently known as the Company) between 2019 and 2020 and Business Director of Ruukki Construction Oy between 2012 and 2019. Mr. Samec holds a Doctor of Philosophy degree in Civil Engineering and a Master's degree in Civil Engineering.

Information on the Members of the Board of Directors and the Management Team

As at the date of this Prospectus, none of the members of the Board of Directors of the Company or the management team of Nordec have, during the previous five years:

- been convicted in relation to fraudulent offences;
- held an executive position, been included in the executive management, or been a member of the administrative, management or supervisory bodies of any company or acted as a general partner with individual liability in a limited partnership at the time of bankruptcy, receivership or liquidation (excluding voluntary liquidations which have been carried out in order to dissolve the company under the Finnish Companies Act); or
- been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including any designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

There are no family relations between the members of the Board of Directors of the Company and the management team of Nordec.

Conflicts of Interest

Provisions regarding the conflicts of interest of the management of a Finnish company are set forth in the Finnish Companies Act. Pursuant to Chapter 6, Section 4 of the Finnish Companies Act, a member of the Board of Directors may not participate in the handling of a contract between himself or herself and the company, nor may he or she participate in the handling of a contract between the company and a third-party if he or she may thereby receive a material benefit that may be in contradiction with the interests of the company. This provision also applies to any other legal act, legal proceeding or other similar matter. This provision also applies to the Chief Executive Officer.

Unless otherwise indicated below, as at the date of this Prospectus there are no (i) conflicts of interest between any duties to the Company of any member of the Board of Directors of the Company or the management team of Nordec and their private interests and/or other duties; (ii) arrangements or understandings with major shareholders, members, suppliers or others pursuant to which any member of the Board of Directors of the Company or the management team of Nordec was elected; or (iii) restrictions agreed by any member of the Board of Directors of the Company or the management team of Nordec on the disposal of their holdings in the Company's securities within a certain time:

- legal and/or beneficial interest in the Shares;
- the lock-up agreement regarding the Shares described in “*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Lock-up*”;
- the related-party transactions described in “*Related Party Transactions*”; and
- the Selling Shareholder sells Sale Shares in the Offering.

Compensation of the Board of Directors and the Management Team

Board of Directors

The following table sets forth the salaries and remunerations paid to the members of the Board of Directors of the Company for the periods indicated:

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited)		
Fees of the Board of Directors of the Company	45	–	30	–	–

On March 7, 2022, it was resolved by the shareholder of the Company to issue 118 option rights that entitle their holders to subscribe for maximum of 118 new Shares. It was further resolved to allocate a total of 59 of the issued option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and 59 of the issued option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. In addition, the shareholder of the Company resolved on May 13, 2022 to issue 353,882 option rights that entitle their holders to subscribe for a maximum of 353,882 new Shares. It was further resolved to allocate a total of 176,941 of the issued option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and 176,941 of the issued option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. Therefore, the shareholder of the Company has resolved to issue an aggregate of 354,000 option rights, which entitle their holder to subscribe for a maximum of 354,000 new Shares. The subscription price for the Shares to be subscribed on the basis of the option rights are EUR 0.01 per Share. Each option right will entitle the option holder to subscribe for one Share. The right to subscribe for Shares is conditional upon the completion of the Offering. The share subscription period with each option right will start after the completion of the Offering and end at the latest on October 31, 2031.

Except as set forth above, there have been no material changes in the remuneration of the Board of Directors of the Company between March 31, 2022, and the date of this Prospectus.

Management Team

The Board of Directors determines the remuneration paid and the basic principles of remuneration for the Chief Executive Officer and the other members of the management team. The remuneration paid to the Chief Executive Officer and the other members of the management team consists of a monthly salary and bonus.

The following table sets forth the salaries and fees paid to the Chief Executive Officer of Nordec for the periods indicated:

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited)		
	(EUR in thousands)				
Salaries and fees of the President and Chief Executive Officer of Nordec	58	60	775	123	–

The following table sets forth the salaries and fees paid to the members of the management team of Nordec, excluding the Chief Executive Officer, for the periods indicated:

	For the three months ended March 31,		For the financial year ended December 31,		For the financial year from September 12, 2018, to December 31, 2019
	2022	2021	2021	2020	
	(unaudited)		(audited)		
	(EUR in thousands)				
Salaries and fees of the management team of Nordec	318	352	1,281	862	–

In connection with the Offering, an exit fee, which has been agreed in 2019, shall be paid to certain members of the Company’s management team. In addition, the Company has agreed to pay a one-off exit fee to certain members of the Company’s management team upon the completion of the Offering. The aggregate amount of such fees is approximately EUR 660 thousand (excluding employer contributions).

For information on option rights allocated to the Chief Executive Officer of Nordec, see “—*Board of Directors*” above.

Except as set forth above, there have been no material changes in the remuneration of the members of the management team of Nordec between March 31, 2022, and the date of this Prospectus.

Pension Benefits

Nordec provides pension benefits to its employees in accordance with local statutory regulation.

Termination Benefits

The mutual notice period for the Chief Executive Officer of Nordec is four months and the Chief Executive Officer has a working obligation during the notice period, unless Nordec waives the Chief Executive Officer’s working obligation. Should Nordec waive the Chief Executive Officer’s working obligation, Nordec may, at its own discretion, pay the Chief Executive Officer the salary and benefits for the remaining notice period as a one-off compensation. If Nordec gives notice to the Chief Executive Officer, the Chief Executive Officer is, under certain conditions, entitled to a one-off compensation corresponding to 12 months’ pay. The mutual notice period for other members of the management team is six months. Nordec has the right to waive the working obligation of other members of the management team during a notice period. The working obligation of a member of the management team of Nordec is a maximum of six months, regardless of the party giving notice.

Management Ownership

As at the date of this Prospectus, no Shares are owned by the members of the Board of Directors of the Company and the management team of Nordec. On March 7, 2022 and May 13, 2022, the Company’s shareholder decided to allocate a total of 177,000 option rights to the Chairman of the Company, Petri Rignell, and a total of 177,000 option rights to a member of the Board of Directors of the Company and the Chief Operating Officer of Nordec, Kalle Luoto. Each option right entitles the option holder to subscribe for one Share. The right to subscribe Shares is conditional upon the completion of the Offering. For more information, see “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors.*”

Directorships/Partnerships

The members of the Board of Directors of the Company and the management team of Nordec currently hold or have held the following directorships and/or have been a partner in the following partnerships in the five years prior to the date of this Prospectus:

	<u>Current directorships/partnerships</u>	<u>Former directorships/partnerships</u>
Members of the Board of Directors		
Petri Rignell.....	Arco Oy Consti Plc Fimpec Oy KFS Finland Oy Kreate Group Plc Prirock Oy Setera Communications Oy Sitowise Group Plc	CTV Properties AB Finno Exergy Oy Kreate Group Plc Minerva Kehitys ja Palvelu Oy Normek Oy (currently known as Nordec Envelope Oy) Normek Group Oy
Johannes Laumann.....	Mutares SE & Co. KGaA	Atlas Copco SE Ernst & Young GmbH Porsche Consulting GmbH
Kalle Luoto (see below under “—Members of the management team”)	n/a	n/a
Members of the management team		
Kalle Luoto	Kiinteistö Oy Normek Karvia Nordec AS Nordec Oy Nordec Envelope Oy Nordec s.r.o. Nordec UAB	OSTP Group
Jarkko Nurminen	–	Caverion Corporation
Risto Schildt	–	Outokumpu EMEA Oy (currently known as Outokumpu Europe Plc)
Timo Alanko	–	Ruukki Building Systems Oy (currently known as the Company) Ruukki Construction Oy
Magnus Thelm	–	Ruukki Building Systems Oy (currently known as the Company) Ruukki Construction Oy
Vesa Vaihtamo.....	The Finnish Constructional Steelwork Association	–
Pasi Parkkinen	–	Nordec Envelope Oy Normek Oy (currently known as Nordec Envelope Oy)
Minna Kuusela-Opas	The Swedish Institute of Steel Construction (SBI)	Ruukki Construction Oy
Tommi Raski	–	Normek Oy (currently known as Nordec Envelope Oy)
Jan Samec	–	Ruukki Building Systems Oy (currently known as the Company) Ruukki Construction Oy

Auditors

The Company has appointed EY, Authorized Public Accountants, as its auditor for the year ending December 31, 2022. EY has appointed Jari Karppinen, Authorized Public Accountant, as the auditor with principal responsibility. Jari Karppinen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register. The Audited Consolidated Financial Statements have been audited by EY, Authorized Public Accountants, with Jari Karppinen, Authorized Public Accountant, as the auditor with principal responsibility.

MAJOR SHAREHOLDERS

General

As at the date of this Prospectus, the Company's share capital amounts to EUR 80,000, the total number of Shares issued and outstanding Shares is 7,500,000. As at the date of this Prospectus, the Company does not hold any of its own Shares (treasury Shares).

The following table sets forth the largest shareholder of the Company and its respective holdings immediately prior to the Offering and immediately after the Offering assuming that the Selling Shareholder will sell the preliminary maximum number of Sale Shares, the Over-allotment Option is exercised in full, the Selling Shareholder does not subscribe for Offer Shares and that the Company will issue 960,000 New Shares:

	Before the Offering		After the completion of the Offering	
	Number of Shares	Share of Shares and votes (percent)	Number of Shares	Share of Shares and votes (percent)
The Selling Shareholder	7,500,000	100.0	3,525,600	41.7

All Shares carry equal voting rights. The Company is controlled by the Selling Shareholder, which owns 100.0 percent of the outstanding Shares and the voting rights as at the date of this Prospectus. In addition, the Company has allocated a total of 177,000 option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and a total of 177,000 option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. Each option right will entitle the option holder to subscribe for one Share. The right to subscribe for Shares is conditional upon the completion of the Offering.

The maximum number of New Shares offered in the Share Issue represents 11.3 percent of the Shares after the completion of the Offering. In the event that the existing shareholder of the Company does not subscribe for Shares in the Share Issue, its total holdings in the Company would be diluted by 11.3 percent, assuming that the Company will issue 960,000 New Shares.

As at March 31, 2022, the Company's net asset value per Share was approximately EUR 3.95, when the number of shares takes into account the share issue without consideration registered on May 25, 2022, where 2,999 new Shares were issued for each existing Share. The Subscription Price is EUR 7.36 per Offer Share.

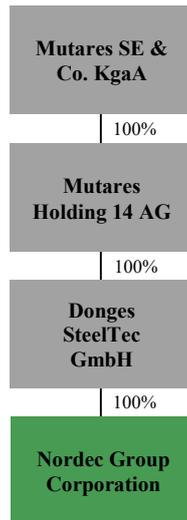
There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

Donges SteelTec

The sole shareholder of the Company is Donges SteelTec GmbH, a limited liability company incorporated under the laws of Germany, with registered address at Mainzer Straße 55, D-64293 Darmstadt, Germany. Donges SteelTec is fully-owned by Mutares. Donges SteelTec, together with its subsidiaries (the "**Donges Group**"), is a leading supplier of steel bridges, steel constructions and roof and façade systems in Europe. The Donges Group has manufacturing facilities and sales offices in over 30 countries.

Donges SteelTec owns 100.0 percent of the Shares and the voting rights as at the date of this Prospectus. After the Offering, Donges SteelTec will own 3,525,600 Shares, which represents 41.7 percent of the Shares and voting rights, assuming that it will sell the preliminary maximum number of Sale Shares, the Over-allotment Option is exercised in full and that the Company will issue 960,000 New Shares.

The following chart sets forth the ownership structure of the Selling Shareholder as at the date of this Prospectus:



RELATED PARTY TRANSACTIONS

Related parties of Nordec consist of the parent company Nordec Group Corporation, the Company’s subsidiaries and the Selling Shareholder. Related parties also include members of the Board of Directors of the Company, the Chief Executive Officer of Nordec and the management team of Nordec and their close family members as well as companies controlled by them. Nordec’s key management personnel include members of the Board of Directors of the Company, the Chief Executive Officer of Nordec and the management team of Nordec.

The following table sets forth Nordec’s related party transactions as at the dates and for the periods indicated:

	<u>Income⁽¹⁾</u>	<u>Expenses</u>	<u>Receivables</u>	<u>Liabilities</u>
	(audited, unless otherwise indicated)			
	(EUR in thousands)			
As at and for the three months ended March 31, 2022				
Ultimate parent company and its subsidiaries ⁽²⁾	180 ⁽³⁾	0 ⁽³⁾	9,494 ⁽³⁾	24 ⁽³⁾
Members of the Board of Directors of the Company and the Management Team of Nordec.....	– ⁽³⁾	(947) ⁽³⁾	– ⁽³⁾	577 ⁽³⁾
As at and for the three months ended March 31, 2021				
Ultimate parent company and its subsidiaries ⁽²⁾	4,113 ⁽³⁾	(353) ⁽³⁾	6,563 ⁽³⁾	2 ⁽³⁾
As at and for the financial year ended December 31, 2021				
Ultimate parent company and its subsidiaries ⁽²⁾	7,886	(2,053)	9,533	138
As at and for the financial year ended December 31, 2020				
Ultimate parent company and its subsidiaries ⁽²⁾	7,110	(2,406)	4,838	204
As at December 31, 2019, and for the financial year from September 12, 2018, to December 31, 2019				
Ultimate parent company and its subsidiaries ⁽²⁾	652	(1,531)	2,004	1,441

(1) Including interest.

(2) Ultimate parent company and its subsidiaries comprise Mutares and its subsidiaries, other than those belonging to the Nordec group.

(3) Unaudited.

Nordec’s related party transactions with its ultimate parent company Mutares and its subsidiaries, other than those belonging to Nordec group, include income from Nordec’s parent company Donges SteelTec mainly during 2021 due to delivered steel structures. These related party transactions are similar to regular business with customers. In addition, Nordec received income from Donges SteelTec due to granted loans. However, the majority of the income during the related party transaction period was from another subsidiary of Donges SteelTec. This business was discontinued during 2021 when Donges SteelTec divested the subsidiary.

Nordec’s related party transactions with its ultimate parent company Mutares and its subsidiaries, other than those belonging to Nordec group, include expenses of administrative and consulting services from parent company Donges SteelTec as well as a part of invoiced expenses. The majority of the consulting services were related to restructurings after the acquisitions of Normek and Ruukki Building Systems.

Nordec’s related party transactions with its ultimate parent company Mutares and its subsidiaries, other than those belonging to Nordec group, include receivables including granted loans and trade receivables to Nordec’s parent company Donges SteelTec as well as liabilities including trade payables to Nordec’s parent company Donges SteelTec.

Nordec’s related party transactions have been carried out on market terms.

The salaries and remuneration of the management, including an exit fee to be paid to certain members of Nordec’s management and certain members of the Board of Directors of the Company upon the completion of the Offering, is presented in “*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team.*” The shareholding of the Selling Shareholder is presented in “*Major Shareholders.*”

DESCRIPTION OF THE SHARES AND SHARE CAPITAL

General

The Company is a Finnish public limited liability company organized under the laws of Finland and domiciled in Helsinki, Finland. The Company was registered in the Trade Register on October 17, 2018, its business identity code is 2941137-2 and its LEI code is 7437009NFZ57QT86T947. The Company's registered address is Eteläinen Makasiinikatu 4, FI-00130 Helsinki, Finland, and its telephone number is +358 20 420 7000.

According to Article 3 of the Company's articles of association, its line of business is to either directly or through its subsidiaries or affiliate companies, construct by utilizing solutions based on metal or other materials as well as to produce services required for construction and to manufacture and trade materials, structures, building elements and products used in construction. In addition, the company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the company may attend to the organization, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Shares and Share Capital

As at the date of this Prospectus, the Company's fully paid up share capital amounts to EUR 80,000, and the total number of Shares issued is 7,500,000. The Shares have no nominal value and are issued under Finnish law. As at the date of this Prospectus, the Company does not hold any treasury Shares. The Shares have been entered into the book-entry securities system maintained by Euroclear Finland on June 1, 2022. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company, and all Shares carry equal rights to dividends and other distributions by the Company (including distributions of assets in the event of the Company's liquidation). There are no voting restrictions related to the Shares. The Shares are freely transferrable.

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market with the trading code NORDEC (ISIN code: FI4000523089). Trading of the Shares on the First North Growth Market is expected to commence on or about June 23, 2022.

History of Share Capital

The following table sets forth a summary of the changes in the Company's share capital and the number of Shares between January 1, 2019, and the date of this Prospectus:

	Number of issued Shares	Number of Shares after the measure	Share capital (EUR)	Registered
Establishment of the Company on September 12, 2018	2,500	2,500	2,500	October 17, 2018
Share issue resolution on May 13, 2022 ⁽¹⁾	7,497,500	7,500,000	80,000	May 25, 2022

(1) A share issue without consideration to the shareholders of the Company in accordance with the pre-emptive rights of shareholders. For each existing Share, 2,999 new Shares were given. The number of Shares prior to the share issue without consideration was 2,500.

Outstanding Options

On March 7, 2022, it was resolved by the shareholder of the Company to issue 118 option rights that entitle their holders to subscribe for maximum of 118 new Shares. It was further resolved to allocate a total of 59 of the issued option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and 59 of the issued option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. In addition, the shareholder of the Company resolves on May 13, 2022 to issue 353,882 option rights that entitle their holders to subscribe for maximum of 353,882 new Shares. It was further resolved to allocate a total of 176,941 of the issued option rights to Petri Rignell, the Chair of the Board of Directors of the Company, and 176,941 of the issued option rights to Kalle Luoto, member of the Board of Directors of the Company and the Chief Executive Officer of Nordec. Therefore, the shareholder of the Company has resolved to issue an aggregate of 354,000 option rights, which entitle their holder to subscribe for maximum of 354,000 new Shares. Each option right will entitle the option holder to subscribe for one Share. The right to subscribe for Shares is conditional upon the completion of the Offering. The share subscription period with each option right will start after the completion of the Offering and end at the latest on October 31, 2031. For more information, see "Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team—Board of Directors."

Current Authorizations

Authorization to Issue the Offer Shares

On May 13, 2022, the Board of Directors of the Company was authorized with the resolution of the shareholder of the Company to resolve upon a directed share issue with consideration. Pursuant to the authorization, up to 1,100,000 New Shares can be issued in one or several instalments in deviation from the shareholders' pre-emptive subscription right. As a part of the Offering, the Shares can be offered to the Personnel at a lower subscription price than to other investors. The authorization of the Board of Directors of the Company will remain in force until December 31, 2022.

On or about June 22, 2022, the Board of Directors of the Company is expected to resolve, pursuant to the above-mentioned authorization, to issue New Shares as set forth in "*Terms and Conditions of the Offering*." The Company will issue preliminarily 960,000 New Shares based on the above-mentioned authorization and the number of the Shares may increase to a maximum of 8,460,000 Shares, assuming that a total of 40,000 New Shares would be subscribed for in the Personnel Offering at the discount applicable to the Personnel Shares.

Authorization to Decide on the Issuance of Shares and the Issuance of Special Rights Entitling to Shares

On May 13, 2022, the Board of Directors of the Company was authorized with the resolution of the shareholder of the Company to resolve upon the issuance of new Shares and the issuance of special rights entitling to Shares referred to in Chapter 10, Section 1 of the Finnish Companies Act. The number of new Shares to be issued on the basis of the authorization shall not exceed an aggregate maximum of 900,000 Shares, which corresponds to approximately 12 percent of all the current Shares in the Company. The Board of Directors of the Company is entitled to decide on all the terms and conditions of the issuance of Shares and special rights entitling to Shares and is entitled to deviate from the shareholders' pre-emptive subscription rights (directed issue). The authorization may be used, for example, for an incentive program for Nordec's management team and key employees (see also "*Business—Organization and Personnel—Incentive Programs*"). The Board of Directors of the Company has a right to determine the terms and conditions of the contemplated incentive program. The authorization of the Board of Directors of the Company will remain in force until May 13, 2027.

Shareholder Rights

Pre-emptive Rights

Pursuant to the Finnish Companies Act, shareholders of a Finnish company have a pre-emptive right, in proportion to their shareholdings, to subscribe for new shares in such company as well as for issues of option rights or convertible bonds unless the decision of the general meeting of shareholders or the Board of Directors of the company authorized by the general meeting of shareholders approving such issue provides otherwise. Pursuant to the Finnish Companies Act, a resolution that deviates from the shareholders' pre-emptive rights must be approved by at least two thirds of all votes cast and shares represented at a general meeting of shareholders. In addition, pursuant to the Finnish Companies Act, such a resolution requires that the company has a weighty financial reason to deviate from the pre-emptive rights of shareholders. Furthermore, pursuant to the Finnish Companies Act, a resolution on a share issue without payment that deviates from the shareholders' pre-emptive rights requires that there is an especially weighty financial reason both for the company and in regard to the interests of all the shareholders in the company.

Certain shareholders resident in, or with a registered address in, certain jurisdictions other than Finland may not be able to exercise pre-emptive rights in respect of their shareholdings unless a registration statement, or an equivalent thereof under the applicable laws of their respective jurisdictions, is effective or an exemption from any registration or similar requirements under the applicable laws of their respective jurisdictions is available.

General Meeting of Shareholders

Pursuant to the Finnish Companies Act, shareholders exercise their decision-making powers at general meetings of shareholders. Pursuant to the Finnish Companies Act, the annual general meeting of shareholders of a company must be held annually within six months from the end of the financial year. At the annual general meeting of shareholders, the financial statements, including the income statement, balance sheet and cash flow statement with notes thereto and consolidated financial statements, are presented to the shareholders for adoption. At the annual general meeting of shareholders, shareholders also make decisions regarding, among other things, the use of profits shown on the balance sheet, the discharge from liability of the members of the Board of Directors and the President and Chief Executive Officer as well as the election of the members of the Board of Directors and auditors and their respective remuneration. An extraordinary general meeting of shareholders in respect of specific matters must be convened when deemed necessary by the Board of Directors, or when requested in writing by an auditor of the company or by shareholders representing at least one tenth of all of the issued and outstanding shares in the company.

Pursuant to the articles of association of the Company, the notice convening the general meeting of shareholders must be delivered to the shareholders by publishing the notice on the Company's website or by a newspaper announcement which

is published in one or more widely circulated daily newspapers chosen by the Board of Directors of the Company no earlier than three months and no later than three weeks before the general meeting, and in any case at least nine days before the record date of the general meeting of shareholders referred to in Chapter 5, Section 6 a of the Finnish Companies Act. In order to be able to attend the general meeting of shareholders, a shareholder must notify the Company at the latest on the date mentioned in the notice, which may be no earlier than ten days before the general meeting of shareholders.

In order to have the right to attend and vote at a general meeting of shareholders, a shareholder must be registered in the register of shareholders maintained by Euroclear Finland no later than eight business days prior to the relevant general meeting of shareholders. See *“The First North Growth Market and the Finnish Securities Markets—Finnish Book-entry Securities System.”* A beneficial owner wishing to attend and vote at the general meeting of shareholders should seek a temporary registration in the register of shareholders maintained by Euroclear Finland by the date announced in the notice to the general meeting of shareholders, which date must be after the record date of the general meeting of shareholders. A notification for temporary registration of a beneficial owner into the shareholder register of the company is considered a notice of attendance at the general meeting of shareholders. There are no quorum requirements for general meetings of shareholders in the Finnish Companies Act or in the articles of association of the Company.

Voting Rights

A shareholder may attend and vote at a general meeting of shareholders in person or by way of proxy representation. Each Share entitles its holder to one vote at the general meeting of shareholders. If a shareholder’s shares are registered in more than one book-entry account, the shareholder has a right to use different proxy representatives for each book-entry account. At a general meeting of shareholders, resolutions are generally passed with the majority of the votes cast. However, certain resolutions, such as any deviations from shareholders’ pre-emptive rights in respect of share offerings and repurchases of own shares, amendments to the articles of association and resolutions regarding mergers, demergers or liquidation of a company, require at least two thirds of the votes cast and the shares represented at the general meeting of shareholders. In addition, certain resolutions, such as amendments to the articles of association that change the respective rights of shareholders holding the same class of shares or increase the redemption rights of a company or its shareholders, require the consent of all shareholders, or where only certain shareholders are affected, the consent of all the shareholders affected by the amendment, in addition to the applicable majority requirement.

Dividends and Other Distributions of Funds

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company’s financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than that for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, the financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorize the Board of Directors to resolve upon payment of dividends and other distributions of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount stipulated by the general meeting of shareholders.

Under the Finnish Companies Act, the equity of a company is divided into restricted and unrestricted equity. Restricted equity consists of the share capital, the fair value reserve and the revaluation reserves according to the Finnish Accounting Act as well as any possible reserve fund and share premium fund formed under the previous Finnish Companies Act (734/1978, as amended) effective prior to September 1, 2006. Pursuant to the current Finnish Companies Act, a company may also distribute funds by reducing its share capital, which requires the approval of the majority of votes cast at a general meeting of shareholders of the company. A decision regarding the share capital reduction must be registered in the Trade Register within one month from the general meeting of shareholders of the company that resolved on such share capital reduction. Following the registration of the share capital reduction, a creditor hearing process may be commenced and the Trade Register will issue, upon application of the company, a notice to the creditors of the company. The reduction of the share capital may be registered if none of the creditors of the company has opposed the reduction of the share capital or the company has received a confirmatory judgment to the effect that the opposing creditors have either received payment for their receivables or a securing collateral has been placed by the company for the payments of such receivables.

The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company after the financial statements have been prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent. Distributable funds include the profit for the preceding

financial year, retained earnings from previous financial years and other unrestricted equity, adjusted for the loss set forth in the balance sheet, the amounts that are to be left undistributed under the articles of association of the company and certain other undistributable funds. A parent company of a consolidated group of companies may not distribute more than the amount of distributable funds shown on the parent company's latest audited and adopted financial statements. The dividend may not exceed the amount proposed or otherwise accepted by the Board of Directors, unless so requested at the general meeting of shareholders by shareholders representing at least one tenth of all of the issued and outstanding shares in the company, in which case, the dividend can be no more than the lesser of (i) at least one half of the profit for the preceding financial year less the amount to be left undistributed under the articles of association of the company (if any) and (ii) the amount of distributable funds as described above. However, in such case, the dividend cannot exceed 8 percent of the total equity of the company and the distributable amount must be adjusted for any dividends paid during the accounting period before the annual general meeting of shareholders.

Dividends and other distributions of funds are paid to shareholders or their nominees entered in the register of shareholders on the relevant record date. Such register is maintained by Euroclear Finland through the relevant book-entry account operators. Under the Finnish book-entry securities system, dividends are paid by account transfers to the accounts of the shareholders appearing in the register. All shares in the Company carry equal rights to dividends and other distributions of funds by the Company (including distributions of assets in the event of the liquidation of the Company).

The right to dividends is forfeited three years from the payment date of the dividends, after which the funds reserved for the payment of the dividends remain in the Company.

For information relating to taxation of dividends, see "*Taxation.*"

Treasury Shares

Pursuant to the Finnish Companies Act, a company can repurchase its own shares. Resolutions regarding the repurchase of a company's own shares must be made by the general meeting of shareholders, unless the general meeting of shareholders has authorized the Board of Directors to resolve upon share repurchases using unrestricted equity. Any such authorization may remain in effect for no more than 18 months. A public limited liability company may not, directly or indirectly, own more than 10 percent of all the shares in the company. As at the date of this Prospectus, the Company does not hold any treasury Shares.

Transfers through the Finnish Book-entry System

Upon a sale of shares through the Finnish book-entry securities system, the relevant shares are transferred from the seller's book-entry account to the purchaser's book-entry account as an account transfer. For the sale, allocation data is recorded into Euroclear Finland's Infinity 2 clearing system and, if necessary, a provision regarding the book-entry security is made to the book-entry account. The sale is registered as an advance transaction until settlement and payment, after which the purchaser is automatically registered in the register of shareholders of the relevant company. If the shares are registered in the name of a nominee and the seller's and purchaser's shares are deposited in the same custodial nominee account, a sale of shares does not require any entries into the Finnish book-entry securities system, unless the nominee changes or the shares are transferred from the custodial nominee account pursuant to the sale.

Redemption Right and Obligation to Purchase Shares

Pursuant to the Finnish Companies Act, a shareholder holding more than 90 percent of all shares and voting rights attached to the shares in a company has a right to redeem all remaining shares in such company for fair value. In addition, a minority shareholder that holds shares that may, under the Finnish Companies Act, be redeemed by a majority shareholder as described above, is entitled to demand such majority shareholder to redeem its shares.

Pursuant to Article 13 of the Company's articles of association, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company's articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 30 percent or 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options.

Notification on the Change of Holdings

Pursuant to Article 12 of the Company's articles of association, a shareholder shall notify the Company of its shareholding and voting rights, when such holdings reach, exceed or decrease below 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 30 percent, 50 percent, 66⅔ percent (two thirds) or 90 percent of the total voting rights in the Company or the total number of Shares registered with the Trade Register. A shareholder shall also make a notification on the change of holdings when it has, on the basis of a financial instrument, the right to receive a number of Shares that would result in the shareholder's holding reaching, exceeding or decreasing below any of the above-mentioned thresholds. The financial

instruments may be physically or cash settled. The obligation to make a notification also arises when a shareholder's combined holdings of the above (shareholding or voting rights and long-position acquired through financial instruments) reach, exceed or decrease below any of above-mentioned thresholds. Article 12 of the Company's articles of association shall be interpreted in accordance with Chapter 9, Sections 5–8 of the Finnish Securities Markets Act.

Foreign Exchange Control

Shares in a Finnish company may be purchased by non-residents of Finland without any separate Finnish exchange control consent. Non-residents may also receive dividends without separate Finnish exchange control consent, the transfer of assets out of Finland being subject to payment by the company of withholding taxes in the absence of an applicable tax treaty preventing the levying of such taxes. Non-residents having acquired shares in a Finnish limited liability company may receive shares pursuant to a bonus issue or through participation in a rights issue without separate Finnish exchange control consent. Shares in a Finnish company may be sold in Finland by non-residents, and the proceeds of such sale may be transferred out of Finland in any convertible currency. There are no Finnish exchange control regulations restricting the sale of shares in a Finnish company by non-residents to other non-residents.

PLAN OF DISTRIBUTION

Placing Agreement

Evli is acting as the Global Coordinator for the Offering. The Company, the Selling Shareholder and the Global Coordinator are expected to enter into the Placing Agreement on or about June 22, 2022. In the Placing Agreement, the Company will agree to issue the New Shares and the Selling Shareholder will agree to sell the Sale Shares to subscribers or purchasers procured by the Global Coordinator, and the Global Coordinator will agree to procure subscribers or purchasers for the New Shares and the Sale Shares, provided certain conditions are fulfilled.

The Placing Agreement will include customary conditions that entitle the Global Coordinator to terminate the Placing Agreement in certain situations and with certain preconditions. Such situations include certain material adverse changes in the Company's conditions (financial, legal or otherwise), results of operations or the Company's prospects, as well as certain changes in, among others, national or international political or economic conditions. Furthermore, the Company and the Selling Shareholder will give customary representations and warranties to the Global Coordinator related to, among others, their respective businesses, compliance with laws and regulations, the Shares and the content of this Prospectus. According to the Placing Agreement, the Company and the Selling Shareholder severally will commit, among others, to indemnify the Global Coordinator for certain costs and liabilities and to reimburse the Global Coordinator for certain costs incurred in connection with the Offering.

The Offering consists of (i) the Public Offering; (ii) the Institutional Offering and (iii) the Personnel Offering. In the Institutional Offering, the Offer Shares are being offered to institutional investors in Finland and, in accordance with applicable laws, internationally in certain other countries outside the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S). The Shares are being offered and sold outside the United States in compliance with Regulation S.

Over-allotment Option

The Selling Shareholder is expected to grant to the Global Coordinator an over-allotment option to purchase a maximum of 643,617 Additional Shares solely to cover over-allotments in connection with the Offering. The Over-allotment Option is exercisable within 30 days from the commencement of trading in the Shares on the First North Growth Market (*i.e.*, on or about the period between June 23, 2022, and July 22, 2022) (the "**Stabilization Period**"). The maximum number of the Additional Shares represents 7.6 percent of the Shares and the number of votes vested by them, assuming that the Company issues 960,000 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.

Stabilization Measures

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. The Stabilizing Manager may allocate a larger number of Shares than the total number of New Shares and Sale Shares, which will create a short position. The short position will be covered if it does not exceed the number of Additional Shares. The Stabilizing Manager is entitled to close the covered short position by exercising the Over-allotment Option and/or by buying Shares on the market. In determining the acquisition method of the Shares to cover the short position, the Stabilizing Manager may consider, among other things, the market price of the Shares in relation to the Subscription price. In connection with the Offering, the Stabilizing Manager may also bid for and purchase Shares in the market to stabilize the market price of the Shares. These measures may raise or maintain the market price of the Shares in comparison with the price levels determined independently on the market or may prevent or delay any decrease in the market price of the Shares. However, stabilization measures cannot be carried out at a price higher than the Subscription price. The Stabilizing Manager has no obligation to carry out these measures, and it may stop any of these measures at any time. The Stabilizing Manager or the Company on behalf of the Stabilizing Manager will publish information regarding the stabilization required by legislation or other applicable regulations at the end of the Stabilization Period. Stabilization measures can be carried out on the First North Growth Market during the Stabilization Period.

Any stabilization measures will be conducted in accordance with the Market Abuse Regulation (as defined below) 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.

The Stabilizing Manager and the Selling Shareholder may enter into a share lending agreement related to stabilization and the Over-allotment Option in connection with the First North Listing. According to the share lending agreement, the Stabilizing Manager may borrow a number of Shares equal to the maximum number of Additional Shares to cover any possible over-allotments in connection with the Offering. To the extent that the Stabilizing Manager borrows Shares pursuant to the share lending agreement, it must return an equal number of Shares to the Selling Shareholder.

Lock-up

The Company and the Selling Shareholder are expected to commit, during the period that will end 180 days from the First North Listing, without the prior written consent of the Global Coordinator, not to issue, offer, hypothecate, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise, or submit to the Company's shareholders a proposal to effect any of the foregoing. There are certain exemptions to the lock-ups of the Company and the Selling Shareholder, including that the lock-ups do not apply to the measures related to the execution of the Offering and that the Company's lock-up does not apply to customary remuneration or incentive programs.

The members of the Board of Directors and the management team of the Company are expected to commit to a lock-up agreement with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing.

According to the terms and conditions of the Personnel Offering, the Personnel participating in the Personnel Offering must agree to comply with the lock-up with similar terms to that of the Company and the Selling Shareholder that will end on the date that falls 360 days from the First North Listing.

In aggregate, the terms of lock-up agreements apply to approximately 49.3 percent of the Shares after the Offering without the Over-allotment Option (approximately 41.7 percent with the Over-allotment Option), assuming that the Selling Shareholder will sell the maximum number of Sale Shares and that all New Shares preliminarily offered in the Offering will be subscribed for in full (proportional share of the lock-up restrictions on the Shares has been calculated before any possible subscriptions of the members of the Board of Directors of the Company and the management team of the Company or Personnel in the Offering).

Subscription Undertakings

The Cornerstone Investors have, subject to certain conditions, each separately, undertaken to participate in the Offering and subscribe for shares with an aggregate amount of not less than EUR 22.4 million provided that the Company raises gross proceeds of at least EUR 7.0 million, and the maximum valuation of all of Nordec's outstanding shares (*i.e.*, excluding treasury shares) (after any proceeds from the Share Issue and taking into account the dilution effect of the Company's outstanding option rights), does not exceed EUR 65.1 million based on the final subscription price. In addition, Harjavalta, Tirinom and the Selling Shareholder have agreed that Harjavalta and Tirinom may each nominate one member to the Board of Directors of the Company after the Offering. The Selling Shareholder has undertaken to vote at the general meeting in favor of electing these two new members of the Board of Directors of the Company. 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:

- Harjavalta at least EUR 9.8 million;
- Tirinom at least EUR 7.2 million;
- Tradeka-sijoitus Oy at least EUR 1.0 million;
- UM-Yhtiöt Oy at least EUR 1.0 million;
- Ronnie Neva-Aho at least EUR 1.0 million;
- Beachfish Invest Oy at least EUR 0.6 million;
- Julius Tallberg Corp. at least EUR 0.5 million;
- Esa Korkeela at least EUR 0.4 million;
- Sami Rantala at least EUR 0.4 million;
- Seppo Valtonen at least EUR 0.4 million; and
- AH Advisory Oy at least EUR 0.1 million.

The subscription undertakings of the Cornerstone Investors represent approximately 70.9 percent of the Offer Shares, assuming that the Over-allotment Option will not be exercised (approximately 61.7 percent, assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholder will sell the maximum number of Sale Shares and that the Company will issue 960,000 New Shares.

Dilution of Ownership

The maximum number of New Shares offered in the Offering corresponds to 11.3 percent of the Shares after the Offering. If the existing shareholders of the Company do not subscribe for the Shares in the Offering, its holding in the Company will be diluted by 11.3 percent, assuming that the Company offers 960,000 New Shares.

As at March 31, 2022, the Company's net asset value per Share was approximately EUR 3.95, when the number of shares takes into account the share issue without consideration registered on May 25, 2022, where 2,999 new Shares were issued for each existing Share. The Subscription Price is EUR 7.36 per Offer Share.

Fees and Expenses

The Company and the Selling Shareholder are committed to paying the Global Coordinator a fixed fee for the services provided in connection with the Offering that shall be determined on the basis of the gross proceeds from the Offer Shares (including Additional Shares). In addition, the Company undertakes to reimburse the Global Coordinator for certain expenses. In connection with the Offering, the Company expects to pay approximately a total of EUR 2.2 million in fees and expenses, of which approximately EUR 1.4 million in advisory fees and arrangement expenses, and approximately EUR 0.8 million in exit fees and related employer contributions to certain key personnel as agreed upon the completion of the Offering, and the Selling Shareholder approximately EUR 1.0 million in fees for the Sale Shares.

Interests Related to the Offering

The fees to be paid to the Global Coordinator are, in part, linked to the gross proceeds from the Offering. The Global Coordinator, as well as other entities in the same group, may purchase and sell the Shares for their own or their customers' account prior to, during and after the Offering subject to applicable legislation and regulations. The Global Coordinator, as well as other entities in the same group, have provided and may in the future provide to the Company investment or other banking services in accordance with their ordinary business. The Selling Shareholder will sell Sale Shares in the Offering.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended, "**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) 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 Offer Shares have been subject to a product approval process. Pursuant to the aforementioned product approval process, the Offer Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer 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 Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

SELLING AND TRANSFER RESTRICTIONS

Selling Restrictions

General

No public offer is being made and no one has taken any action that would, or is intended to, permit a public offering of the Offer Shares to be made in any country or jurisdiction, other than Finland, Sweden or Denmark, where any such action for that purpose is required.

Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material nor advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except in compliance with applicable rules and regulations of such country or jurisdiction. It is the responsibility of any person who receives a copy of this document to satisfy himself or herself as to full observance of the laws of any relevant territory with respect to any actions he or she may take, including the obtaining of any requisite governmental or other consent or the observance of any requisite formalities and the payment of any issue, transfer or other taxes due in such territory.

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Offer Shares are only to be offered and sold outside the United States in offshore transactions in compliance with Regulation S.

European Economic Area

The Offering consists of a public offering in Finland, Sweden and Denmark. In relation to each member state of the European Economic Area (“**EEA**”) (each, a “**Member State**”), no Offer Shares have been offered or will be offered pursuant to the Offering to the public in that Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that offers of Offer Shares may be made to the public in that Member State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinator for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require the Company or the Global Coordinator to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any Offer Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares.

United Kingdom

No Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares that has been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinator for any such offer; or
- (c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the “**FSMA**”),

provided that no such offer of the Offer Shares shall require the Company or the Global Coordinator to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Offer Shares in the United

Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares and the expression “**UK Prospectus Regulation**” means the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In the United Kingdom, this Prospectus is addressed to and directed only at parties who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom this Prospectus may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). The Offer Shares are only available to, and any invitation, offer, or agreement to subscribe for, purchase or otherwise acquire the Offer Shares in the United Kingdom will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

Transfer Restrictions

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Offer Shares are only to be offered and sold outside the United States in offshore transactions in compliance with Regulation S.

Each purchaser of Offer Shares will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is purchasing Offer Shares in an offshore transaction meeting the requirements of Regulation S;
- (2) the purchaser has not purchased the Offer Shares as a result of any “directed selling efforts” as defined in Regulation S;
- (3) the purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;
- (4) the purchaser will not offer, sell, pledge, or transfer any Offer Shares, except in accordance with the U.S. Securities Act and any applicable laws of any state of the United States and any other jurisdictions; and
- (5) the Company will not recognize any offer, sale, pledge or other transfer of the shares made other than in compliance with the above-stated restrictions.

Furthermore, each purchaser in a Member State, other than, in the case of paragraph (a) below, persons receiving offers contemplated in this Prospectus in Finland, Sweden or Denmark who receive any communication in respect of, or who acquire any Offer Shares under, the Offering contemplated in this Prospectus, will be deemed to have represented and agreed that:

- (a) the purchaser is a qualified investor as defined under Article 2 of the Prospectus Regulation; and
- (b) in the case of any Offer Shares acquired by the purchaser as a financial intermediary, (i) the Offer Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of the Global Coordinator has been given to the offer and resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the Prospectus Regulation as having been made to such persons.

THE FIRST NORTH GROWTH MARKET AND THE FINNISH SECURITIES MARKETS

The following summary is a general description of the Finnish securities markets regulations applicable to the First North Growth Market and it is based on the laws of Finland as in effect as at the date of this Prospectus. The following summary is not exhaustive.

The First North Growth Market

The First North Growth Market is Nasdaq Helsinki's Nordic growth market, designed for small and growing companies. Companies listed on the First North Growth Market are subject to less extensive rules than companies listed on a regulated market, such as the Official List of Nasdaq Helsinki. This is intended to allow smaller companies to enjoy the benefits of being publicly traded companies without excess administrative burden. Unlike on the regulated markets, companies listed on the First North Growth Market must engage a Certified Adviser whose role is to ensure that companies comply with applicable requirements and rules.

The First North Growth Market is regulated as a multilateral trading facility as opposed to a regulated market. "Multilateral trading facility" and "regulated market" are classifications for trading venues of securities set out in the Directive on Markets in Financial Instruments. Multilateral trading facilities and the holders and issuers of securities listed on a multilateral trading facility are subject to less stringent rules than regulated markets and the holders and issuers of securities listed on a regulated market. Companies that have applied for their shares to be listed on the First North Growth Market are subject to the First North Rulebook but not the requirements for admission to trading on a regulated market. For more information, see "*—Trading on the First North Growth Market*" and "*—Regulation of the Finnish Securities Markets*" below.

Trading on the First North Growth Market

The First North Growth Market is maintained by Nasdaq Helsinki, a member of the Nasdaq group, which owns and maintains First North Growth Markets also in Stockholm, Copenhagen and Iceland. Pursuant to the First North Rulebook, the trading rules of Nasdaq Helsinki apply on the First North Growth Market as set out in further detail in the First North Rulebook (including Supplement C – Finland).

Trading in the equities market on the First North Growth Market takes place in the automated INET Nordic trading platform in which orders are matched as trades when the price, volume and other conditions match. The main trading sessions in the equities market of the First North Growth Market are pre-trading session, continuous trading session and post-trading session. The currency for trading in, and clearing of, securities on the First North Growth Market is euro, with the tick size for trading quotations depending on the share price. All price information is produced and published only in euro. Trades are normally cleared in Euroclear Finland's Infinity 2 clearing and settlement system on the second business day after the trade date (T+2) unless otherwise agreed by the parties.

Regulation of the Finnish Securities Markets

The securities market in Finland is supervised by the FIN-FSA. The primary statutes governing the Finnish securities markets are the Finnish Securities Markets Act, which contains provisions with respect to, among others, company and shareholder disclosure obligations and public tender offers, the Prospectus Regulation, which contains provisions with respect to, among others, the content and format of prospectuses and the Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (as amended, the "**Market Abuse Regulation**"), which contains regulations with respect to, among others, insider dealing, unlawful disclosure of inside information, market manipulation and public disclosure of inside information. The regulation governing the admission of securities and other financial instruments into public trading and the trading in listed financial instruments is compiled under the Act on Trading in Financial Instruments (1070/2017, as amended). The FIN-FSA may issue more detailed regulation pursuant to the Finnish Securities Markets Act and other acts. The role of the FIN-FSA is to monitor compliance with these regulations.

The Finnish Securities Markets Act and the Market Abuse Regulation specify minimum disclosure requirements for companies applying to have their securities listed on a multilateral trading facility or who offer their securities to the public in Finland. The information provided must be sufficient to enable a potential investor to make a sound evaluation of the securities being offered and the issuing company as well as of matters that may have a material effect on the value of the securities. The issuer of securities subject to trading on the First North Growth Market has an obligation to disclose any matters likely to have a significant effect on the value of the securities. The First North Rulebook also includes an obligation to regularly publish financial information concerning the company and other requirements regarding continuous disclosure obligations. Information disclosed must be kept accessible to the public. Pursuant to the Market Abuse Regulation, the issuer of a publicly traded security has the obligation to disclose any matters concerning the company that, if made public, would be likely to have a material effect on the prices of the financial instruments of the company. Insider information

must be made public in a manner that enables fast access and complete, correct and timely assessment of the information by the public.

The requirements of the Finnish Securities Markets Act that are only applied on regulated markets, such as provisions relating to the flagging obligation, do not apply to securities subject to trading on the First North Growth Market. However, certain provisions of the Finnish Securities Markets Act, such as provisions relating to market abuse and certain rules on public tender offers, also apply to securities subject to trading on the First North Growth Market.

The Finnish Securities Markets Act regulates takeover bids for shares subject to public trading on a regulated market or securities entitling to such shares. The provisions concerning mandatory takeover bids do not apply on the First North Growth Market. However, the provisions concerning voluntary takeover bids apply partially to shares subject to trading in a multilateral trading facility or securities entitling to shares. For example, a person, who publicly offers to purchase shares admitted to trading in a multilateral trading facility upon the issuer's application or securities entitling to such shares, cannot place the holders of the securities subject to a takeover bid in an unequal position. The offeror must provide the holders of the target company's securities with material and sufficient information, on the basis of which the holders of the securities can make an informed assessment of the bid. The bid must be made public and notified to the holders of the securities, the organizer of a multilateral trading facility and the FIN-FSA. Before publishing the bid, the offeror must ensure that it is able to fully pay the possibly offered cash consideration and carry out all reasonable measures required to secure the implementation of any other type of consideration. The legal requirements regarding the determination of type and amount of offer consideration and provisions regarding an increasing obligation and a compensation obligation of offer consideration are applied also to a takeover bid made for shares subject to trading in a multilateral trading facility.

The provisions of the Finnish Companies Act on the redemption of minority shares are applicable to shares subject to trading on the First North Growth Market. For more information on the redemption right and obligation to purchase Shares, see "*Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to Purchase Shares.*"

In addition to the above-mentioned applicable regulations, the Company has included in its articles of association, an obligation to notify the Company of a change of holdings and an obligation to purchase Shares if certain criteria are met. For more information on the notification obligation regarding a change of holdings and the obligation to purchase Shares, see "*Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to Purchase Shares*" and "*Description of the Shares and Share Capital—Shareholder Rights—Notification on the Change of Holdings*" as well as the articles of association of the Company included as Annex A to this Prospectus.

The Finnish Penal Code (39/1889, as amended) criminalizes the breach of disclosure requirements, the misuse of inside information, unauthorized disclosure of inside information and market manipulation. Pursuant to the Market Abuse Regulation, the Finnish Securities Markets Act and the Finnish Act on the Financial Supervisory Authority (878/2008, as amended), the FIN-FSA has the right to impose administrative sanctions to the extent the offence does not fall within the scope of the Finnish Penal Code. The FIN-FSA can, for example, issue a public warning or impose administrative fines or monetary penalties for the breach of disclosure requirements, insider register or market abuse provisions. The disciplinary board of Nasdaq Helsinki may give a warning or note or impose a disciplinary fine or order the company to be removed from the stock exchange list. Nasdaq Helsinki may also issue disciplinary sanctions for breaches of the First North Rulebook.

Finnish Book-entry Securities System

General

Any issuer established in the EU that issues or has issued transferable securities which are admitted to trading or traded on trading venues, shall arrange for such securities to be represented in book-entry form. The issuer has the right to choose the central securities depository in which its securities are recorded. The central securities depository maintains the book-entry system. Euroclear Finland acts as the central securities depository in Finland as at the date of this Prospectus. Euroclear Finland maintains a book-entry securities register for, among others, equity and debt securities. The registered office of Euroclear Finland is Urho Kekkosen katu 5C, FI-00100, Helsinki, Finland.

Shareholders' registers must be maintained for issuers in the Finnish central securities depository. In accordance with Regulation on Central Securities Depositories (EU) No 909/2014, as amended, the central securities depositories are not obliged to offer shareholders book-entry accounts sponsored by issuers free of charge, but a central securities depository may offer such free accounts sponsored by issuers based on a voluntary business decision.

Registration

Shareholders of all companies registered in the book-entry securities system must establish a book-entry account with an account operator or register its securities through nominee registration in order to effect share entries. A Finnish shareholder may not hold his/her shares through nominee registration in the Finnish book-entry system. For shareholders who have not

transferred their shares into book-entries, a joint book-entry account is opened with Euroclear Finland with the issuer as registered holder. All transfers of securities registered with the book-entry securities system are executed as computerized book-entry transfers to the extent they are executed in the book-entry securities system. The account operator confirms the book-entry by sending a statement of book-entries made to the holder of the respective book-entry account at least four times a year. The book-entry account holders also receive an annual statement of their holdings at the end of each calendar year.

Each book-entry account is required to contain information with respect to the account holder and other holders of rights to the book-entries entered into the account as well as information on the account operator administering the book-entry account. The required information also includes the type and number of book-entries registered as well as the rights and restrictions pertaining to the account and to the book-entries registered in the account. A custodial nominee account is identified as such on the entry. Euroclear Finland and the account operators are responsible for maintaining the confidentiality of the information they receive. The company must, however, keep the shareholders' register available to anyone at the company's head office or, when the shares of the company are entered into the book-entry securities system, at the office of the central securities depository in Finland. The FIN-FSA is also entitled to certain information on the holdings of shares registered in a custodial nominee account upon request.

Each account operator is liable for errors and omissions in its registration activity, and for any breach of data protection. If an account holder has suffered a loss as a result of a faulty registration or other mistake or defect relating to the entries and the account operator has not compensated such loss, such account holder is entitled to receive compensation from the statutory registration fund of Euroclear Finland. The capital of the registration fund must be at least 0.0048 percent of the average of the total market value of the book-entries kept in the book-entry securities system during the last five years and it must not be less than EUR 20 million. The compensation to be paid to an injured party is equal to the amount of damages suffered subject to a limit of EUR 25,000 per account operator. The liability of the registration fund to pay damages in relation to each incident is limited to EUR 10 million.

Custody of Shares and Nominee Registration

A non-Finnish shareholder may appoint an account operator (or certain other Finnish or non-Finnish organization approved by the central securities depository) to act as a custodial nominee account holder on its behalf. The book-entry securities of a foreigner, foreign entity or trust may be deposited in a custodial nominee account, where the book-entry securities are registered in the name of a custodial account holder in the company's register of shareholders. A custodial nominee account must contain information on the custodial account holder instead of the beneficial owner and indicate that the account is a custodial nominee account. Book-entry securities owned by one or more beneficial owners may be registered in a custodial nominee account. In addition, the shares owned by a foreigner, foreign entity or trust may be registered in a book-entry account opened in the name of such foreigner, foreign entity or trust, but the holding may be registered in the name of a nominee in the company's register of shareholders.

A custodial nominee account holder is entitled to receive dividends on behalf of the shareholder. A nominee-registered shareholder wishing to attend and vote at the general meeting of shareholders should temporarily register the shares in their own name in the shareholders' register kept by Euroclear Finland at the latest on the date mentioned in the notice to the general meeting of shareholders, which must be after the record date of the general meeting of shareholders. Upon request by the FIN-FSA or the relevant company, a custodial nominee account holder is required to disclose the name of the beneficial owner of any shares registered in such custodial nominee's name, provided the beneficial owner is known, as well as the number of shares owned by such beneficial owner. If the name of the beneficial owner is not known, the custodial nominee account holder is required to disclose corresponding information on the representative acting on behalf of the beneficial owner and to submit a written declaration of the representative to the effect that the beneficial owner of the shares is not a Finnish natural person or legal entity.

A shareholder wishing to hold his/her shares in the book-entry securities system in his/her own name, but who does not maintain a book-entry account in Finland, is required to open a book-entry account at an account operator as well as a bank account denominated in euros in Finland.

Compensation Fund for Investors and Deposit Insurance Fund

The Finnish Act on Investment Services (747/2012, as amended) sets forth a compensation fund for investors. Under such act, investors are divided into professional and non-professional investors. The fund does not compensate any losses by professional investors. The definition of professional investor includes business enterprises and public entities, which are deemed to understand the securities markets and their associated risks. An investor may also provide notice in writing that, on the basis of his/her professional skills and experience in the securities markets, he/she is a professional investor, however, natural persons are generally presumed to be non-professional investors. Investment firms and credit institutions must belong to the compensation fund. The compensation fund safeguards payment of clear and indisputable claims of investors when an investment company or a credit institution has been declared bankrupt, is undergoing a restructuring process or is otherwise, for a reason other than temporary insolvency, not capable of paying claims within a determined

period of time. For valid claims, the compensation fund will pay 90 percent of the investor's claim against each investment company or credit institution, up to a maximum of EUR 20,000. The compensation fund does not provide compensation for losses due to decreases in stock value or bad investment decisions. Accordingly, investors continue to be liable for the consequences of their own investment decisions. According to the Finnish Act on Financial Stability Authority (1195/2014, as amended), depositary banks must belong to a deposit guarantee scheme, which is intended to safeguard payments of receivables in the depositary bank's account or receivables in the forwarding of payments that have not yet been entered into an account if the depositary bank becomes insolvent and the insolvency is not temporary. The customers of a depositary bank can be compensated by the deposit insurance fund up to a maximum of EUR 100,000. An investor's funds can be safeguarded either by the deposit insurance fund or the compensation fund, however, an investor's funds cannot be safeguarded by both funds at the same time.

TAXATION

The following summary is based on the tax laws of Finland as in effect and applied as at the date of this Prospectus as well as on the current case law and tax practice. Any changes in tax laws, case law or tax practice may also have a retroactive effect on taxation. The following summary is not exhaustive and does not take into account or discuss the tax laws, case law or tax practice of any country other than Finland. The following summary does not address tax considerations applicable to such holders of Shares that may be subject to special tax rules relating to, among others, different restructurings of corporations, controlled foreign corporations, non-business carrying entities, income tax-exempt entities, investment funds, general or limited partnerships, or individuals holding shares through share saving accounts. Furthermore, this description does not address Finnish inheritance or gift tax consequences. In addition to the tax laws of Finland, the tax laws of the countries in which prospective investors are resident may affect the income from the Shares, and prospective investors are advised to consult professional tax advisors as to the tax implications relating to the purchase, ownership and disposition of Shares. Prospective investors, whose taxation may be impacted by the tax laws of other countries, should consult tax advisers as to the tax implications related to their individual circumstances.

Finnish Tax Considerations

The following is a description of the material Finnish income tax and transfer tax consequences that may be relevant with respect to the Offering. The description below is applicable to both Finnish resident and non-resident natural persons and limited liability companies for the purposes of Finnish domestic tax legislation relating to dividend distributions and capital gains arising from the sale of Shares.

This description is primarily based on:

- The Finnish Income Tax Act (*tuloverolaki* 1535/1992, as amended, the “**Finnish Income Tax Act**”);
- The Finnish Business Income Tax Act (*laki elinkeinotulon verottamisesta* 360/1968, as amended, the **Finnish Business Income Tax Act**”);
- The Finnish Act on the Taxation of Non-residents’ Income (*laki rajoitetusti verovelvollisen tulon verottamisesta* 627/1978, as amended);
- The Finnish Transfer Tax Act (*varainsiirtoverolaki* 931/1996, as amended); and
- The Finnish Tax Assessment Procedure Act (*verotusmenettelylaki* 1558/1995, as amended, the “**Finnish Tax Assessment Procedure Act**”).

In addition, relevant case law as well as decisions and statements made by the tax authorities in effect and available as at the date of this Prospectus have been taken into account. Tax legislation, case law and statements given by tax authorities are subject to change, which could apply retroactively and could, therefore, affect the tax consequences described below.

General

Residents and non-residents of Finland are treated differently for tax purposes. The worldwide income of persons resident in Finland is subject to taxation in Finland. Non-residents are only taxed on income from Finland. Additionally, Finland imposes taxes on non-residents for income connected with their permanent establishments in Finland. However, tax treaties may limit the applicability of Finnish tax legislation and also the right to tax income received from Finland by a non-resident.

Generally, a natural person is deemed to be a resident in Finland if such person remains in Finland for a continuous period of more than six months or if the permanent home and abode of such person is in Finland. However, a Finnish national who has moved abroad is considered to be resident in Finland until three years have passed from the end of the year of departure unless they can demonstrate that no substantial ties between them and Finland have existed during the relevant tax year.

Earned income, including salary, is taxed at progressive rates. Currently, the capital income tax rate is 30 percent. In addition, should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the capital income tax rate is 34 percent on the amount that exceeds EUR 30,000. Corporate entities established under the laws of Finland are regarded as residents in Finland and are, therefore, subject to corporate income tax on their worldwide income. In addition, non-residents are subject to Finnish corporate income tax on their income connected with their permanent establishments situated in Finland. Currently, the corporate income tax rate is 20 percent.

Distribution of funds from a reserve for unrestricted equity (in accordance with Chapter 13, Section 1, Subsection 1 of the Finnish Companies Act) by a public listed company pursuant to Section 33a, Subsection 2 of the Income Tax Act (a “**Listed Company**”) is taxable as dividend. Therefore, the description below addressing the tax implications of dividends is also applicable with respect to distribution of funds from a reserve for unrestricted equity.

The following is a summary of certain Finnish tax consequences relating to the purchase, ownership and disposal of Shares by Finnish resident and non-resident shareholders.

Taxation of Dividends

Resident Natural Persons

If shares owned by a natural person are not included in the business activity (*i.e.*, business income source) of such person, 85 percent of dividends paid by a Listed Company to such shareholder is taxable as capital income at the rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year), while the remaining 15 percent is tax-exempt. Eighty-five percent of dividends paid by a Listed Company to a natural person whose underlying shares belong to the business activity of such shareholder is as a main rule taxable partly as earned income, which is taxed at progressive rates, and partly as capital income, which is taxed at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year), and the remaining 15 percent is tax-exempt.

Distribution of dividends by a Listed Company to resident natural persons is subject to advance tax withholding. Currently, the amount of the advance tax withholding is 25.5 percent. The advance tax withheld by the distributing company is credited against the final tax payable by the shareholder for the dividend received. Resident natural persons must review, and correct, if necessary, the amount of dividend income and the advance tax withheld on their pre-completed income tax return form.

A 50 percent withholding tax is withheld on the nominee account's dividends if the company paying the dividend or the registered custodian cannot identify the recipient of the dividend as non-resident in Finland. For more information on non-residents' taxation, see "*Non-residents*" below.

Finnish Limited Liability Companies

Taxation of dividends distributed by a Listed Company depends, among other things, on whether the Finnish company receiving the dividend is a Listed Company or not.

Dividends received by a Listed Company from another Listed Company are generally tax-exempt. However, in cases where the underlying shares are included in the investment assets of the shareholder, 75 percent of the dividend is taxable income while the remaining 25 percent is tax-exempt. Only financing, insurance and pension institutions may have investment assets.

Dividends received by a Finnish company that is not a Listed Company (*i.e.*, a privately held company) from a Listed Company are fully subject to corporate income tax. However, in cases where the privately held company directly owns 10 percent or more of the share capital of the Listed Company distributing the dividend, the dividend received on such shares is tax-exempt. However, if a non-listed company receives a dividend on shares of a Finnish company included in its investment assets, 75 percent of the dividend is taxable income and 25 percent is tax-exempt regardless of the ownership threshold.

Non-residents

As a general rule, non-residents of Finland are subject to Finnish withholding tax on dividends paid by a Finnish company. The withholding tax is withheld by the company distributing the dividend at the time of dividend payment and no other taxes on the dividend are payable in Finland. The withholding tax rate is 20 percent for non-resident corporate entities as income receivers and 30 percent for all other non-residents as income receivers. The withholding tax may be reduced or removed under an applicable treaty for the avoidance of double taxation (the "**Tax Treaty**"). Starting January 1, 2021, the withholding tax rate is generally 35 percent for dividends paid by a Listed Company to nominee registered shares, as described further below.

Finland has entered into Tax Treaties with several countries pursuant to which the withholding tax rate is reduced on dividends paid to persons entitled to the benefits under such treaties. For example, in the case of the treaties with the following countries, Finnish withholding tax rate regarding dividends of portfolio shares is generally reduced to the following percentages: Austria: 10 percent; Belgium: 15 percent; Canada: 15 percent; Denmark: 15 percent; France: 0 percent; Germany: 15 percent; Ireland: 0 percent; Italy: 15 percent; Japan: 15 percent; the Netherlands: 15 percent; Norway: 15 percent; Spain: 15 percent; Sweden: 15 percent; Switzerland: 10 percent; the United Kingdom: 0 percent; and the United States: 15 percent (0 percent for certain pension funds). This list is not exhaustive. A further reduction in the withholding tax rate is available under most Tax Treaties to corporate shareholders for dividend distributions on qualifying holdings (usually direct ownership of at least 10 percent or 25 percent of the share capital or votes of the distributing company). The reduced withholding rate benefit in an applicable Tax Treaty will be available if the person beneficially entitled to the dividend has provided a valid tax card or necessary details of its nationality and identity to the company paying the dividend.

Where shares in a Finnish company are held through a nominee account, the Finnish company pays dividends to the nominee account managed by the custodian, who then delivers the dividend payment to the beneficial owner. A withholding tax of 35 percent is generally applied on dividend distributions by Listed Companies, unless custodians fulfil certain strict requirements and are willing to take over certain responsibilities (including, for example, registration with the Finnish Tax Administration (a so called authorized intermediary), identification of the beneficial owner of the dividend and collecting and submitting detailed recipient information to the Finnish Tax Administration using specific filing procedures). Furthermore, application of reduced withholding tax rates at source require that the custodian and dividend distributor are willing to assume liability of incorrectly applied withholding tax. If the custodian only registers with the Finnish Tax Administration and submits (or undertakes to submit) the detailed recipient details to the Finnish Tax Administration, a 30 percent withholding tax rate can be applied, instead of 35 percent.

Any tax withheld in excess can be reclaimed after the year of the dividend payment by submitting a refund application to the Finnish Tax Administration no later than by the end of the third calendar year following the dividend payment year. During the year of dividend payment, the refund can be processed if custodians and the dividend distributor fulfil the above-mentioned requirements laid down for actual dividend distribution. It is exceptionally also possible that any tax not withheld at source is later assessed directly to the shareholder by the Finnish Tax Administration, in case the failure to withhold tax at source is not due to negligence of the custodian or the dividend distributor.

Certain Qualifying Non-resident Corporate Entities Residing in EU Member States

Under Finnish tax laws, no withholding tax is levied on dividends paid to foreign corporate entities that reside, and are subject to corporate tax, in an EU member state as specified in Article 2 of the Parent Subsidiary Directive 2011/96/EU, as amended (the “**Parent Subsidiary Directive**”), and that directly hold at least 10 percent of the capital in the distributing Finnish company.

Certain Non-resident Corporate Entities Residing within the EEA

Dividends paid to certain non-resident corporate entities residing within the EEA may be either fully tax-exempt or taxed at a reduced withholding tax rate, depending on how the dividend would be taxed if paid to a corresponding Finnish corporate entity.

No withholding tax is levied on dividends paid by a Finnish company to a non-resident entity provided that (i) the entity receiving the dividend resides within the EEA; (ii) the Council Directive 2011/16/EU on Administrative Cooperation in the Field of Taxation and Repealing Directive 77/799/EEC (the “**Mutual Assistance Directive**”), or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; (iii) the corporate entity receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act; (iv) the dividend would be fully tax-exempt if paid to such corresponding Finnish company or entity (see “—*Finnish Limited Liability Companies*” above); and (v) the company receiving the dividend provides evidence (in the form of a certificate issued by the home country’s tax authorities) that the paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Notwithstanding the above, dividend income is only partly tax-exempt if the shares in the distributing company belong to the investment assets of the recipient company and the recipient company is not a corporate entity defined in the Parent Subsidiary Directive holding directly at least 10 percent of the capital in the distributing company. In such situations, the current applicable withholding tax rate is 15 percent provided that (i) the company receiving the dividend is a resident in a country within the EEA; (ii) the Mutual Assistance Directive or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; and (iii) the company receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act. Depending on the applicable Tax Treaty, the applicable withholding tax rate can also be less than 15 percent (see “—*Non-residents*” above).

Certain Non-resident Natural Persons Residing within the EEA

Instead of being subject to withholding tax as described under “—*Non-residents*” above, dividends paid to non-resident natural persons can be, upon request by such non-resident natural person, taxed pursuant to the Finnish Tax Assessment Procedure Act (*i.e.*, taxed similarly to dividends paid to residents of Finland (see “—*Resident Natural Persons*” above)) provided, however, that (i) the person receiving the dividend is resident in a country within the EEA; (ii) the Mutual Assistance Directive, or an agreement regarding executive assistance and exchange of information in tax matters within the EEA, is applicable to the home country of the recipient of the dividend; and (iii) the recipient of the dividend provides evidence (in the form of a certificate issued by the home country’s tax authorities) that any paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Capital Gains

Resident Natural Persons

A capital gain or loss arising from the sale of shares that do not belong to the business activity of the shareholder is taxable in Finland as a capital gain or deductible as a capital loss for resident natural persons. Capital gains are currently taxed at a rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year). If the shares belong to the business activity (business income basket) of the seller, any gain arising from the sale is deemed to be business income of the seller, which will as a main rule be divided according to the Finnish Income Tax Act to be taxed as earned income at progressive tax rates and capital income at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year).

A capital loss arising from the sale of shares that do not belong to the business activity of the shareholder is deductible from the resident natural person's capital gains arising in the same year and during the following five tax years. The portion of capital loss not deducted from the capital gains for the tax year is deductible from the amount of net capital income before any other deductions are made (among others, tax deductible interest expenses and carry forward tax losses). However, capital loss does not entitle to deficit credit under the deficit crediting system. The deductibility of losses related to securities included in the seller's business activity is determined as described under "*—Finnish Limited Liability Companies*" below.

Notwithstanding the above, capital gains arising from the sale of shares that do not belong to the business activity of the shareholder are exempt from tax provided that the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws). Correspondingly, capital losses are not tax deductible if the acquisition cost of all assets sold during the tax year does not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws) and also the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000.

Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price. Alternatively, a natural person holding shares (or other assets) that are not included in the business activity of the shareholder may, instead of deducting the actual acquisition costs, choose to apply a so-called presumptive acquisition cost, which is equal to 20 percent of the sales price, or in the case of shares which have been held for at least ten years, 40 percent of the sales price. If the presumptive acquisition cost is used instead of the actual acquisition cost, any selling expenses are deemed to be included therein and cannot be deducted separately from the sales price.

Finnish Limited Liability Companies

The following applies only to Finnish limited liability companies that are taxed on the basis of the Finnish Business Income Tax Act. As a general rule, a capital gain arising from the sale of shares is taxable income of a limited liability company.

Shares may be fixed assets, current assets, investment assets, financial assets or other assets of a limited liability company. The taxation of a disposal of shares and loss of value varies according to the asset type for which the shares qualify.

The sales price of any sale of shares which belong in business assets is generally included in the taxable business income of a Finnish company. Correspondingly, the acquisition cost of shares is deductible from such company's business income upon disposal of the shares. Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price.

However, an exemption for capital gains on share disposals is available for Finnish companies, provided that certain strictly defined requirements are met. Under Section 6b of the Finnish Business Income Tax Act (so-called participation exemption) capital gains arising from the sale of shares that are part of the fixed assets of a selling company that is not engaged in private equity activities are not considered taxable business income and, correspondingly, capital losses incurred on the sale of such shares are not tax deductible, provided that (i) the seller has directly and continuously for at least one year owned at least 10 percent of the share capital in the company whose shares are sold and such ownership has ended at the most one year before the sale of shares; (ii) the company whose shares have been sold is not a real estate or residential housing company or a limited liability company whose activities, *de facto*, mainly consist of ownership or possession of real estate; and (iii) the company whose shares are sold is resident in Finland, in another EU member state as specified in Article 2 of the Parent Subsidiary Directive or is a company that is resident in a country with which Finland has entered into a Tax Treaty that is applicable to dividends. In addition, in Finnish case law tax exemption in share disposals has required, among others, that there is a business connection between the company disposing shares and the company whose shares are disposed of. Sales proceed is, however, taxable to the extent the difference on the sales proceed and non-tax depreciated acquisition cost relates to the tax depreciation made on the shares.

Tax deductible capital losses pertaining to the sale of shares (other shares than shares sold under the participation exemption) that are part of the fixed assets of the selling company can only be deducted from capital gains arising from the

sale of shares part of fixed assets in the same fiscal year and the subsequent five years. Capital losses pertaining to the sale of shares that are not part of fixed assets are tax deductible from taxable income in the same fiscal year and the subsequent ten years in accordance with the general rules concerning losses carried forward.

From the tax year 2020, the Finnish Business Income Tax Act has been applied in calculating the taxable income of most corporations (with certain exceptions, such as certain real estate companies, or calculating taxable agricultural income). A new asset class, other assets, was introduced to the business income basket. Other assets comprise assets, which do not have a distinct connection to the business operations of a corporation, and assets that cannot be allocated to existing asset classes (*i.e.*, fixed assets, current assets, investment assets or financial assets). Capital gains on disposals of other assets are taxable. Capital losses on disposals of shares belonging to other assets can only be offset against capital gains on disposals of other assets and can only be carried forward for the subsequent five tax years. Capital losses which have been calculated according to the Income Tax Act and have not been offset before tax year 2020, can be carried forward for five years following the tax year of disposal of the asset, and will primarily be deductible from capital gains on disposals of other assets, and secondarily from capital gains on disposal of shares or real property belonging to fixed assets.

Non-residents

Non-residents who are not generally liable for tax in Finland are usually not subject to Finnish taxes on capital gains realized on the sale of shares in a Listed Company, unless the non-resident taxpayer is deemed to have a permanent establishment in Finland for income tax purposes as referred to in the Finnish Income Tax Act and an applicable Tax Treaty, and the shares are considered to be assets of that permanent establishment or more than 50 percent of the total assets of the transferred company comprised one or more real estate properties located in Finland.

Transfer Tax

Transfer tax is not payable in connection with the issuance of new shares.

There is no transfer tax payable in Finland on transfers of shares admitted to trading on the Official List of Nasdaq Helsinki or the First North Growth Market, if the transfer is made against a fixed pecuniary consideration. The transfer tax exemption also requires that an investment firm, a foreign investment firm or other party offering investment services, as defined in the Finnish Investment Services Act (747/2012, as amended), is brokering or acting as a party to the transaction, or that the transferee has been approved as a trading party in the market in which the transfer is executed. Further, if the broker or the counterparty to the transaction is not a Finnish investment firm, Finnish credit institution, or a Finnish branch or office of a foreign investment firm or credit institution, the transfer tax exemption requires that the transferee submits a transfer tax return to the Finnish Tax Administration within two months of the transfer, or that the broker submits an annual declaration regarding the transfer to the Finnish Tax Administration as set forth in the Finnish Tax Assessment Procedure Act.

Certain separately defined transfers, such as those relating to equity investments or distribution of funds, are not covered by the transfer tax exemption. Also, the exemption does not apply to transfers of shares in which the consideration consists partially or completely of employment or work.

If the transfer of the shares does not fulfil the above criteria for a tax-exempt transfer, transfer tax at the rate of 1.6 percent of the sales price is payable by the purchaser (or 2.0 percent if the company is deemed a housing company, mutual real estate company or other similar company). However, if the purchaser is neither tax resident in Finland nor a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the seller must collect the tax from the purchaser. If the broker is a Finnish stockbroker or credit institution, or a Finnish branch or office of a foreign stockbroker or credit institution, it is liable to collect the transfer tax from the purchaser and pay the tax to the state. If neither the purchaser nor the seller is tax resident in Finland or a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the transfer of shares will be exempt from Finnish transfer tax, unless shares in Finnish real estate companies are transferred. No transfer tax is collected if the amount of the tax is less than EUR 10.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon for Nordec by White & Case LLP. Certain legal matters in connection with the Offering will be passed upon for the Global Coordinator by Borenium Attorneys Ltd.

DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected during the period of validity of this Prospectus at Nordec's website at www.nordec.com/investors/ipo:

- the articles of association of the Company as at the date of this Prospectus;
- the Interim Consolidated Financial Information;
- the Audited Consolidated Financial Statements and the related auditor's reports; and
- this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE INTO THIS PROSPECTUS

The following documents have been incorporated by reference into this Prospectus according to Article 19 of the Prospectus Regulation and they form a part of the financial information of Nordec. The documents incorporated by reference are available at Nordec's website at www.nordec.com/investors/ipo:

- the Company's unaudited consolidated financial information as at and for the three months ended March 31, 2022:
nordec.com/investors/?smd_process_download=1&download_id=371; and
- the Company's audited consolidated financial statements as at and for the financial years ended December 31, 2021, 2020 and 2019, and the related independent auditor's report:
nordec.com/investors/?smd_process_download=1&download_id=369
nordec.com/investors/?smd_process_download=1&download_id=370.

**ARTICLES OF ASSOCIATION OF THE COMPANY
(UNOFFICIAL ENGLISH TRANSLATION)**

- 1 § Name of the Company
The name of the company is Nordec Group Oyj in Finnish and Nordec Group Corporation in English.
- 2 § Domicile of the Company
The domicile of the company is Helsinki, Finland.
- 3 § Line of Business
The line of business of the company is to, either directly or through its subsidiaries or affiliate companies, construct by utilizing solutions based on metal or other materials as well as to produce services required for construction and to manufacture and trade materials, structures, building elements and products used in construction. In addition, the company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the company may attend to the organization, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.
- 4 § Accounting Period
The accounting period of the company begins on January 1 and ends on December 31.
- 5 § Book-entry Securities System
The company's shares belong to a book-entry securities system after the expiry of the registration period.
- 6 § Board of Directors
The Board of Directors of the company has a minimum of three (3) and a maximum of eight (8) ordinary members. The term of office of members of the Board of Directors ends at the close of the annual general meeting of shareholders following their election. The Board of Directors elects the Chair amongst itself.
- 7 § Chief Executive Officer
The company has a Chief Executive Officer who is appointed by the Board of Directors.
- 8 § Representation of the Company
The company is represented by the Chair of the Board of Directors and the Chief Executive Officer, each alone, and members of the Board of Directors, two (2) together. The Board of Directors may also grant the right to represent the company to a member of the Board of Directors and other named persons.
- 9 § Auditor
The auditor of the company must be an auditing firm approved by the Finnish Patent and Registration Office. The term of office of the auditor ends at the close of the annual general meeting of shareholders following the election of the auditor.
- 10 § Notice to the General Meeting of Shareholders
The notice convening the general meeting of shareholders must be delivered to the shareholders by publishing the notice on the company's website or by a newspaper announcement which is published in one or more widely circulated daily newspapers chosen by the Board of Directors no earlier than three (3) months and no later than three (3) weeks before the meeting, and in any case at least nine (9) days before the record date of the general meeting of shareholders referred to in Chapter 5 Section 6 a of the Finnish Companies Act.

In order to be able to attend the general meeting of shareholders, a shareholder must notify the company at the latest on the date mentioned in the notice, which may be no earlier than ten (10) days before the general meeting of shareholders.

The venue for the general meeting of shareholders must be located in Helsinki or Espoo, Finland.

11 § Annual General Meeting of Shareholders

The annual general meeting of shareholders of the company must be held within six (6) months from the date on which the accounting period ended.

At the meeting:

the following are presented

1. the financial statements, which include the consolidated financial statements, and the report of the Board of Directors; and
2. the auditor's report;

the following are resolved upon

3. the adoption of the financial statements;
4. the use of profits shown in the balance sheet;
5. the discharge of members of the Board of Directors and the Chief Executive Officer from liability;
6. the remuneration of the members of the Board of Directors and the auditor; and
7. the number of the members of Board of Directors;

the following are elected

8. the members of the Board of Directors;
9. the auditor; and

the following are dealt with

10. other matters stated in the notice to the general meeting of shareholders.

12 § Notification on the Change of Holdings

A shareholder shall notify the company of its ownership and share of votes when the holding reaches, exceeds or falls below 5, 10, 15, 20, 25, 30, 50 or 90 percent or 2/3 of the total number of votes carried by the shares registered in the trade register or the total number of shares registered in the trade register. A shareholder shall also make a notification on the change of holdings when it has on the basis of a financial instrument the right to receive a number of shares in the company that would reach, exceed or fall below the abovementioned thresholds. The notification shall be made regardless of whether the underlying asset of the financial instrument will be settled physically or in cash. The obligation to make a notification shall also arise when a shareholder's combined holdings of the above (shareholding or voting rights and long position acquired through a financial instrument) reach, exceed or fall below the abovementioned thresholds.

This Article 12 shall be interpreted in accordance with Chapter 9 Sections 5 to 8 of the Finnish Securities Markets Act.

When calculating the holdings of the shareholder, holdings of the entities controlled by the shareholder shall also be considered as holdings of the shareholders. In addition, holdings of a third party shall be taken into account if the shareholder has the right to acquire, transfer or exercise the voting rights attached to the shares owned by the third party.

- The obligation to notify the company of the change of holdings shall not apply to:
 - shares acquired for the sole purpose of settlement activities for a maximum of four trading days and to custodians of securities holding shares in this capacity with the right to exercise the voting rights attached to the shares in their custody only as specifically instructed;
 - holdings and voting rights in the trading book of a credit institution or an investment service provider if:
 - (a) the holdings in the trading book do not exceed 5 percent of the total number of votes or the total number of shares in the company; and
 - (b) the voting rights attached to the shares in the trading book are not exercised nor otherwise used to intervene in the management of the company;
 - holdings and voting rights, which have been acquired for the purposes of stabilization in connection with an offer of securities in accordance with the EU Market Abuse Regulation ((EU) No 596/2014, as

amended), if the voting rights attached to the shares are not exercised nor otherwise used to intervene in the management of the company.

The notification on the change of holdings shall be made without undue delay, however, no later than on the next trading day after the shareholder learned or should have learned of the acquisition or transfer, his/her/its possibility of exercising voting rights or the executed transaction as a result of which his/her/its holding or share of votes has changed or will change in the manner provided above, once the transaction is completed. The shareholder need not make a notification on the change of holdings if the notification is made by the person exercising control over the shareholder.

The notification on the change of holdings shall contain the following information:

- (a) grounds for making the notification on the change of holdings;
- (b) time when holdings or share of votes reached, exceeded or fell below the abovementioned thresholds;
- (c) exact share of the shares and votes in the company held either directly or indirectly by the shareholder;
- (d) exact share of the shares and votes in the company held either directly or indirectly by the shareholder on the basis of a financial instrument;
- (e) total number of the shares concerned;
- (f) nature, maturity date, execution period and transfer method of the financial instrument;
- (g) total number of votes attached to the shares or the total number of shares in the company registered in the trade register;
- (h) full name, trade register number or equivalent corporate identifier;
- (i) entities controlled by the shareholder through which shares of the company and voting rights attached thereto are held, and full name, trade register number or equivalent corporate identifier of each such entity; and
- (j) description of the division of holdings between the shareholder and each of the entities controlled by the shareholder.

The company will publish a template form for the notification of change of holdings on its website. When a notification on the change of holdings has been made to the company or the company otherwise becomes aware of the reaching, exceeding or falling below of any of the abovementioned thresholds, the company shall, without undue delay, disclose the information of the change of holdings in the company and deliver such information to the market.

The shareholder shall make the notification on the change of holdings in Finnish or in English, at its own discretion, and the company shall disclose all information pertaining to the change of holdings without undue delay.

In the event that a shareholder fails to comply with its obligation to notify the company of changes in its holdings when the holdings reach or exceed the abovementioned thresholds, the shareholder is entitled to only exercise the share of the votes attached to the shares that the shareholder held before the change in its holdings, until the shareholder has made the required notification.

This Article 12 of the Articles of Association ceases to apply in its entirety in the event that the shares of the company are admitted to trading on a regulated market as referred to in Chapter 2, Section 5 of the Finnish Securities Markets Act. Thereafter, an obligation to notify major holdings and share of votes shall be determined in accordance with Chapter 9 of the Finnish Securities Markets Act.

13 § Obligation to Make a Tender Offer

Offer

A shareholder, whose holding increases above 30 percent or 50 percent of the total number of votes attached to the shares of the company registered in the trade register (offer threshold) after the shares of the company have been admitted to public trading on a market place, including Nasdaq First North Growth Market Finland, shall make an offer to purchase all the other shares and securities entitling thereto issued by the company to other shareholders and holders of such securities entitling to shares of the company issued by the company.

A shareholder's share of votes shall comprise:

- (a) shares held by the shareholder and persons acting in concert with the shareholder;
- (b) shares held together by the shareholder or by persons acting in concert with the shareholder, and a third party; and
- (c) shares, the voting rights attached to which the shareholder is entitled to use or direct under a contract or other arrangement.

When calculating the share of votes referred to in this Article 13, restrictions on the exercise of voting rights based on law or the articles of association or on another contract shall not be taken into account. Votes attached to shares held by the company or by an entity controlled by it shall not be taken into account in the total number of votes on the company. An obligation to make an offer shall not apply to entities acting as custodians of shares in the company and holdings of such entities shall not be taken into account when calculating the shareholder's share of votes.

In this Article 13, persons acting in concert shall mean natural or legal persons who, on the basis of an agreement or otherwise, cooperate with a shareholder, offeror or the company with the intention to exercise or acquire significant control in the company or to prevent the realization of an offer. Persons acting in concert shall comprise at least:

- (a) a shareholder and entities controlled by it as well as their pension foundations and pension funds;
- (b) the company and legal persons belonging to the same group and their pension foundations and pension funds; and
- (c) a shareholder and persons who are in a relationship with the shareholder in the meaning of Article 3, paragraph 1, subparagraph 26, indents a to c of the Market Abuse Regulation.

If there is one shareholder in the company whose share of votes exceed the offer threshold, the obligation to make an offer shall not arise to another shareholder until his/her/its share of votes exceed the share of votes of the first mentioned shareholder.

If the offer threshold is exceeded solely due to measures taken by the company or another shareholder, the obligation to make an offer shall not arise until the shareholder who has exceeded the offer threshold acquires or subscribes for more shares in the company or otherwise increases his/her/its shares of votes in the company.

Consideration

The consideration paid by the offeror shall equal fair market price. Consideration may be cash, securities or shares or a combination of cash, securities and shares. The basis for determining the consideration shall be the highest of the following:

- the highest price paid for the securities subject to the offer during the six months prior to the obligation to make an offer by the offeror or by a person acting in concert with the offeror having arisen; or
- in the event that no such acquisitions have been made, the volume weighted average trading price of the publicly traded securities subject to the offer during the three months prior to the obligation to make an offer having arisen.

If an acquisition, deemed to have influence on the consideration, is denominated in a currency other than euro, in which the shares of the company are traded, the conversion value of such currency used in such an acquisition to the trading currency shall be calculated with the official rates of the currencies set by the European Central Bank seven (7) days prior to the date on which the Board of Directors notified the shareholders of the offer.

The offeror shall treat all offerees equally and pay the same price per share to all offerees willing to sell their shares to the offeror on the basis of the offer regardless of the identity of the offeree, number of the shares held by the offeree or the time when the offeree sells its shares to the offeror.

In the event that the offeror or a person acting in concert with the offeror acquires shares in the company on better terms that have been offered to the offerees in the offer and such acquisition takes place between the date on which the obligation to make an offer arose and the date by which the offer has to be accepted, the offeror shall be obliged to amend the offer to correspond to the said acquisition. The procedure for the amendment of the offer is set forth below.

In the event that the offeror or a person acting in concert with the offeror acquires shares in the company on better terms that have been offered to the offerees in the offer (or possible amended offer), and such acquisition takes place within nine (9) months from the date by which the offer had to be accepted, the offeror shall compensate the difference of the consideration paid to the offerees who have accepted the offer (or possible amended offer) and the consideration paid in the acquisition.

Procedure

The offeror has an obligation to make the offer in writing to the company's address addressed to the Board of Directors. A notification on the obligation to make an offer shall contain the number of shares held by the offeror and the number of shares acquired during the last twelve (12) months and consideration paid for them. A notification on an obligation to make an offer shall also contain the address of the offeror and the notification shall, at the discretion of the offeror, be made in Finnish or in English.

The Board of Directors shall notify the company's shareholders that an obligation to make an offer has arisen within 30 days of receiving a notification on the obligation to make an offer, or in the absence of such notification or where such notification fails to arrive within said period, of the date on which it otherwise became aware of the obligation to make an offer. The notification of the Board of Directors shall contain all the information of the date on which the obligation to make an offer arose, the basis for the determination of the consideration, to the extent known to the Board of Directors, and the last date for accepting the offer. The offeror shall provide the Board of Directors all the information reasonably needed for the Board of Directors to deliver its own notification to the shareholders. The notification of the Board of Directors shall be made in accordance with Article 10 concerning notices to general meetings of shareholders. An offeree who wishes to accept the offer shall do so in writing within 30 days of the notification of the Board of Directors. An acceptance notification, to be sent to the company or a party appointed by the Board of Directors, shall include the number of shares covered by the acceptance. An offeree who accepts the offer shall, simultaneously with the acceptance notification, provide the company with all the documentation necessary for carrying out the transfer of the relevant shares to the offeror against the payment of the consideration.

The offeror shall without delay notify the Board of Directors, if the offer must be amended in accordance with the abovementioned provisions and it shall provide the Board of Directors all information reasonably requested by it. In the event that the offerees have already been informed of the offer, the Board of Directors shall without delay notify the offerees of the amended offer and of a possible extension to the offer period in the manner set forth in the paragraph immediately above. Such extension shall be resolved by the Board of Directors and it shall not exceed two (2) weeks from the original date by which the offer had to be accepted in accordance with the paragraph above. Information on the new deadline shall, however, be announced at least two (2) weeks before the new deadline.

If the offer is not accepted by an offeree by the deadline as set forth in the paragraph above, the offeree shall forfeit its right to accept the offer (or possible amended offer). An offeree has the right to withdraw its acceptance by notifying the Board of Directors in writing until the purchase has taken place in accordance with the terms of the offer.

The company shall notify the offeror of the total number of acceptances of the offer immediately after the deadline set forth in the paragraph above has passed. The offeror shall, within 14 days upon receiving such notification and in accordance with instructions provided by the company, pay the consideration and complete the purchase of the shares in respect of the acceptances received.

The consideration or any part thereof that is not paid within said period, shall accrue default interest of 20 percent per annum as of the date on which the purchase should have taken place. In addition, if the offeror has failed to comply with the abovementioned provisions concerning the obligation to make an offer, default interest shall be calculated from the date on which the notification of the obligation to make an offer should have been made.

The company shall prepare all releases relating to notifications and information released to the shareholders of the company in accordance with this Article 13 in Finnish and in English.

All provisions relating to the application and interpretation of the obligation to make an offer, which are not explicitly stated in this Article 13, shall be determined by applying Chapter 11 of the Finnish Securities Markets Act.

Dispute Resolution

The Board of Directors is fully authorized to resolve on the application of this Article 13, including the application of directly or analogically applicable regulation entirely or partially. This authorization of the Board of Directors also includes any discretion vested in a relevant takeover committee, such as the assessment of whether the share

of holdings referred to in this Article 13 has been reached, the authority to determine the terms of an offer as well as the consideration to be offered by the offeror to the offerees. In addition, the Board of Directors may, on application and on special grounds, grant a permission to derogate from the obligation to make an offer and other obligations set out in this Article.

All *bona fide* resolutions or decisions or use of discretionary or decision-making power made in accordance with this Article 13 shall be final and binding, and all *bona fide* actions taken by the Board of Directors or on behalf of the Board of Directors or on the basis of authorizations granted by the Board of Directors in accordance with this Article 13, shall be final and binding on all relevant parties concerned and cannot be challenged with respect to validity or any other grounds. The Board of Directors shall not be obligated to provide reasoning for its resolutions, decisions or notifications made in accordance with this Article 13.

Should half or more of the members of the Board of Directors have a conflict of interest or otherwise be unable to resolve on matters relating to this Article 13, the Board of Directors shall appoint an independent financial adviser to undertake the role of the Board of Directors for the purposes of the resolutions related to this Article. Such advisor must have relevant experience and a background in offer related matters. Such advisor shall in this respect have equivalent authority as those granted to the Board of Directors in this Article, unless the Board of Directors decides otherwise in connection with the appointment of the advisor, or otherwise.

This Article 13 of the Articles of Association ceases to apply in its entirety in the event that the shares of the company are admitted to trading on a regulated market as referred to in Chapter 2, Section 5 of the Finnish Securities Markets Act. Thereafter, the procedure for a public offer and an obligation to make an offer shall be determined in accordance with Chapter 11 of the Finnish Securities Markets Act.

Restriction on Number of Votes

In the event that a shareholder fails to comply with its obligation to make an offer as set out above, the shareholder is entitled to only exercise the share of votes attached to the shares it owns that do not reach or exceed the minimum offer threshold of 30 percent as defined above.

SAMMANFATTNING

Introduktion och varningar

Denna sammanfattning bör betraktas som en introduktion till detta prospekt ("**Prospektet**"). Varje beslut om att investera i Erbjudandeaktierna (enligt definitionen nedan) bör av investeraren baseras på en bedömning av hela Prospektet. Investeraren kan förlora hela eller delar av det investerade kapitalet. Om talan väcks i domstol angående informationen i Prospektet kan den investerare som är kärande enligt nationell rätt bli tvungen att stå för kostnaderna för översättning av Prospektet innan de rättsliga förfarandena inleds. Civilrättsligt ansvar kan endast åläggas de personer som lagt fram sammanfattningen, inklusive översättningar därav, men endast om sammanfattningen är vilseledande, felaktig eller oförenlig med de andra delarna av Prospektet eller om den inte, tillsammans med de andra delarna av Prospektet, ger nyckelinformation för att hjälpa investerare när de överväger att investera i sådana Erbjudandeaktier.

Information om emittenten:

Företagsnamn.....	Nordec Group Corporation
Organisationsnummer	2941137-2
Bolagets identifieringskod för juridiska personer (" LEI ")..	7437009NFZ57QT86T947
Hemvist.....	Helsingfors, Finland
Säte	Eteläinen Makasiinikatu 4, FI-00130 Helsingfors, Finland

Aktierna i Nordec Group Corporation ("**Bolaget**") ("**Aktierna**") har inte tidigare varit föremål för handel på en reglerad marknad eller multilateral handelsplattform innan Erbjudandet (enligt definitionen nedan). Bolaget kommer att lämna in en ansökan till Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") om upptagande till handel av Aktierna på Nasdaq First North Growth Market Finland som opereras av Nasdaq Helsinki ("**First North Growth Market**") under handelskoden NORDEC (ISIN-kod FI4000523089). Handel av Aktierna på First North Growth Market förväntas påbörjas den, eller omkring den 23 juni 2022.

Den finska Finansinspektionen ("**FIN-FSA**") har, i rollen som behörig myndighet enligt Europaparlamentets och rådets förordning (EU) 2017/1129 av den 14 juni 2017 (med ändringar, "**Prospektförordningen**"), godkänt den finska språkversionen av sammanfattningen och prospektet ("**Finska Prospektet**") den 6 juni 2022. Diarienumret för FIN-FSA:s godkännande av det Finska Prospektet är FIVA/2022/374. FIN-FSA:s registrerade adress är Box 103, FI-00101 Helsingfors, Finland, telefonnummer +358 9 183 51 och e-postadress kirjaamo@finanssivalvonta.fi.

Nyckelinformation om emittenten*Vem är emittent av värdepapperen?*

Bolaget är ett finskt publikt aktiebolag, bildat i enlighet med finsk rätt, med hemvist i Helsingfors, Finland. Bolaget registrerades i handelsregistret som förs av finska Patent- och Registerstyrelsen ("**Handelsregistret**") den 17 oktober 2018, Bolagets organisationsnummer är 2941137-2 och dess LEI-kod är 7437009NFZ57QT86T947.

Huvudsaklig verksamhet

Enligt Nordecs (*dvs.* Nordec Group Corporation och dess dotterbolag på konsoliderad basis förutom när det är tydligt av sammanhanget att det är Nordec Group Corporation eller ett specifikt dotterbolag eller en specifik affärsenhet som avses) lednings uppskattning är man, mätt i intäkter, en av de ledande leverantörerna av stålstommekonstruktioner och fasadlösningar för byggprojekt i Finland, Sverige och Norge (tillsammans "**Norden**") och man har en stark position i de Central- och Östeuropeiska länderna Polen, Litauen, Tjeckien och Slovakien (tillsammans "**CEE Länder**"). Nordec har lång erfarenhet av design, tillverkning och montage av stomkonstruktioner, fasader och broar. Det huvudsakliga råmaterialet som Nordec använder i sina byggkonstruktioner är stål men Nordec har även möjlighet att vid behov komplettera sitt erbjudande med andra delar och material såsom betong och trä genom sina externa samarbetspartners. Nordecs erfarna personal, tillsammans med en flexibel egen produktion och ett brett produktsortiment möjliggör genomförandet av komplexa projekt.

Nordecs har ett verksamhetssegment som består av fem olika affärsområden: Multi-storey (flervånings), Single-storey (enplans), Heavy Industry & Bridges (tung industri och broar), Envelope (fasad) och CEE (Central- och Östeuropa, "**CEE**"). Nordecs huvudkontor är beläget i Helsingfors, Finland. Nordec har kontor och produktionsanläggningar i Alavo, Peräseinäjoki och Ylivieska, Finland, Gargždai, Litauen, och Oborniki, Polen, samt kontor i Helsingfors, Jakobstad, Åbo och Vasa, Finland, Stockholm och Öjebyn, Sverige, och Brno och Prag, Tjeckien.

Större aktieägare

Bolaget kontrolleras, per dagen för Prospektet, av Donges SteelTec GmbH ("Säljande Aktieägaren") som äger 100 procent av de utestående Aktierna och rösterna i Bolaget. Donges SteelTec är indirekt helägt av det tyska börsnoterade investmentbolaget Mutares SE & Co. KGaA ("Mutares"). Därutöver har Bolaget tilldelat totalt 177 000 optionsrätter till Petri Rignell, styrelseordförande i Bolaget, samt totalt 177 000 optionsrätter till Kalle Luoto, styrelseledamot och verkställande direktör i Nordec. Varje optionsrätt berättigar innehavaren att teckna en Aktie. Rätten att teckna Aktier är villkorad av att Erbjudandet genomförs.

Verkställande direktör och ledande befattningshavare

Av tabellen nedan framgår Nordec's ledande befattningshavare per dagen för Prospektet:

	<u>Befattning</u>	<u>Nationalitet</u>	<u>Födelseår</u>
Kalle Luoto	Verkställande direktör	Finland	1967
Jarkko Nurminen	Chief Financial Officer	Finland	1975
Risto Schildt	Head of Operations, Supply Chain & Design	Finland	1972
Timo Alanko	Director of PMO	Finland	1964
Magnus Thelm	Sales & Marketing Director	Sverige	1970
Vesa Vaihtamo	Director, BU Single-Storey	Finland	1968
Pasi Parkkinen	Director, BU Industry & Bridges	Finland	1978
Minna Kuusela-Opas	Director, BU Multi-Storey	Finland	1966
Tommi Raski	Director, BU Envelope	Finland	1975
Jan Samec	Director, BU CEE	Tjeckien	1977

Styrelse

Av tabellen nedan framgår Bolagets styrelse per dagen för Prospektet:

	<u>Befattning</u>	<u>Nationalitet</u>	<u>Födelseår</u>
Petri Rignell	Styrelsens ordförande	Finland	1962
Johannes Laumann	Styrelseledamot	Tyskland	1983
Kalle Luoto	Styrelseledamot	Finland	1967

Lagstadgad revisor

Auktoriserad revisor Ernst & Young Oy ("EY") är Nordec's lagstadgade revisor, med auktoriserad revisor Jari Karppinen som huvudansvarig revisor. Jari Karppinen är registrerad i det finska Revisorsregistret i enlighet med kapitel 6, paragraf 9 i den finska revisionslagen (*tilintarkastuslaki* 1141/2015, "Finska Revisionslagen") som förs av Patent- och registerstyrelsen.

Finansiell nyckelinformation för emittenten

Den utvalda konsoliderade finansiella informationen för Nordec-koncernen som presenteras nedan har hämtats från Nordec's oreviderade konsoliderade resultaträkning, konsoliderade balansräkning och konsoliderade kassaflödesanalys i sammandrag per den 31 mars 2022 och för den tremånadsperiod som avslutades den 31 mars 2022, samt den oreviderade konsoliderade resultaträkningen, konsoliderade balansräkningen och konsoliderade kassaflödesanalysen i sammandrag per den 31 mars 2021 och för den tremånadsperiod som avslutades den 31 mars 2021 ("**Konsoliderad Finansiell Delårsinformation**"); och Nordec's reviderade konsoliderade finansiella rapporter per den 31 december och för räkenskapsåren som avslutades den 31 december 2021, 2020 och 2019, upprättade i enlighet med International Financial Reporting Standards såsom de antagits av Europeiska unionen ("EU") ("**IFRS**") (de "**Reviderade Konsoliderade Finansiella Rapporterna**") och tillsammans med Konsoliderad Finansiell Delårsinformation den "**Konsoliderade Finansiella Informationen**").

Av tabellen nedan framgår Nordecs nyckeltal per de datum och för de perioder som presenterats.

	Per den 31 mars och för den tre månadsperiod som avslutades den 31 mars		Per den 31 december och för räkenskapsåren som avslutades den 31 december		Per den 31 december 2019 och för räkenskaps- åren från
	2022	2021	2021	2020	12 september 2018 till 31 december 2019
	(oreviderad)		(reviderad, om annat inte anges)		
Koncernens resultaträkning					
Intäkter	54 638	50 843	225 475	141 742	37 130
Förändring i intäkter från föregående räkenskapsperiod, procent..	7,5	n/a	59,1 ⁽¹⁾	281,7 ⁽¹⁾	n/a ⁽¹⁾
Rörelseresultat (EBIT)	(437)	703	2 007	18 290	(7 531)
Periodens resultat	(506)	452	965	16 817	(7 828)
Resultat per Aktie före utspädning, euro ⁽²⁾	(0,07)	0,06	0,13 ⁽¹⁾	2,24 ⁽¹⁾	(1,04) ⁽¹⁾
Resultat per Aktie efter utspädning, euro ⁽³⁾	(0,07)	0,06	0,13 ⁽¹⁾	2,24 ⁽¹⁾	(1,04) ⁽¹⁾
Koncernens balansräkning					
Tillgångar	98 984	98 710	89 368	92 614	24 280
Eget kapital	29 637	25 852	29 604	25 109	2 946
Nettoskuld	(5 520)	(13 902)	(6 664) ⁽¹⁾	(9 625) ⁽¹⁾	787 ⁽¹⁾
Koncernens kassaflöde					
Kassaflöde från den löpande verksamheten	(154)	4 738	6 815	23 207	(1 869)
Kassaflöde från investeringsverksamheten	(826)	(437)	(3 639)	(9 558)	(895)
Kassaflöde från finansieringsverksamheten	1 710	(2 007)	(7 993)	(1 577)	4 100

(1) Oreviderad.

(2) Resultatet per Aktie före utspädning för den tre månadsperiod som avslutades den 31 mars 2022, och den 31 mars 2022, samt för räkenskapsåren som avslutades den 31 december 2021, 2020 och 2019, har justerats i efterhand för effekterna förknippade med den vederlagsfria aktieemissionen som beslutades av aktieägaren i Bolaget den 13 maj 2022. Med beaktande av den ovannämnda vederlagsfria aktieemissionen har det vägda genomsnittliga antalet utestående Aktier under perioden som har använts för att beräkna Resultatet per Aktie före utspädning för alla de indikerade perioderna varit 7 500 000. Per dagen för Prospektet uppgår antalet aktier till 7 500 000.

(3) Resultatet per Aktie efter utspädning för den tre månadsperiod som avslutades den 31 mars 2022, och den 31 mars 2022, samt för räkenskapsåren som avslutades den 31 december 2021, 2020 och 2019, har justerats i efterhand för effekterna förknippade med den vederlagsfria aktieemissionen som beslutades av aktieägaren i Bolaget den 13 maj 2022. Med beaktande av den ovannämnda vederlagsfria aktieemissionen har det vägda genomsnittliga antalet utestående Aktier under perioden som har använts för att beräkna Resultatet per Aktie efter utspädning för alla de indikerade perioderna varit 7 500 000. Därutöver har Resultatet per Aktie efter utspädning för den tre månadsperiod som avslutades den 31 mars 2022 justerats i efterhand för effekterna förknippade med emissionerna av optionsrätter som beslutades av aktieägaren i Bolaget den 7 mars 2022 och 13 maj 2022. Med beaktande av de ovannämnda emissionerna av optionsrätter har det vägda genomsnittliga antalet utestående optionsrätter under perioden som har använts för att beräkna Resultatet per Aktie efter utspädning för den tre månadsperiod som avslutades den 31 mars 2022 varit 153 000. Per dagen för Prospektet uppgår antalet aktier till 7 500 000 och antalet emitterade optionsrätter uppgår till 354 000.

De Reviderade Konsoliderade Finansiella Rapporterna innehåller inga anmärkningar.

Specifika nyckelrisker för emittenten

- Nordecs affärsmodell är till stor del projektbaserad och Bolagets projekt kan bli föremål för störningar, förseningar, förändringar i omfattning eller även avbeställningar, som kan ligga utanför Nordecs kontroll och vilket skulle kunna resultera i betydande kostnader;
- misslyckanden i anbudsprocesser, förberedande av projektavtal eller projektledning skulle kunna ha en negativ inverkan på Nordecs lönsamhet;
- Nordec är beroende av sina relationer till sina stora kunder inom byggbranschen;
- Nordec är exponerat för risker relaterade till användningen av tredjepartsleverantörer och underleverantörer som skulle kunna ha en negativ inverkan på Bolagets förpliktelser och verksamhet, vilket skulle kunna resultera i betydande kostnader eller förseningar i projekt;
- Nordec kan misslyckas med att framgångsrikt implementera eller anpassa sin strategi vilket skulle kunna ha en negativ inverkan på Nordecs verksamhet, finansiella förutsättningar och/eller verksamhetsresultat;
- betydande störningar eller avbrott i Nordecs produktion eller leveranser, eller skada, förstörelse eller nedstängning av Nordecs produktionsanläggningar skulle allvarligt kunna underminera Nordecs förmåga att leverera sina projekt till sina kunder och negativt påverka Bolagets verksamhet och verksamhetsresultat;
- Nordecs verksamhet är föremål för säkerhets- och hälsorisker;
- osäkerheter och ogynnsamma utvecklingar i ekonomin, i den politiska miljön eller på finansmarknader skulle kunna minska efterfrågan på Nordecs tjänster eller orsaka störningar, förseningar eller ökade kostnader för Bolagets projekt vilket kan påverka Nordecs affärsverksamhet, verksamhetsresultat eller finansiella förutsättningar negativt;

- ökade kostnader, leveransstörningar eller brist på kritiska råvaror såsom stål skulle kunna leda till störningar eller fördröjningar i Nordecs verksamhet och innebära betydande kostnader; och
- förändringar i växelkurser exponerar Nordec för, bland annat, transaktions- och omvandlingsrisker vilket skulle kunna ha en betydande negativ effekt på Nordecs finansiella position och verksamhetsresultat.

Nyckelinformation om värdepapperen

Värdepapperens viktigaste egenskaper

Aktierna registrerades i det finska kontobaserade systemet som tillhandahålls av Euroclear Finland Ltd ("Euroclear Finland") den 1 juni 2022. Per dagen för detta Prospekt har Nordec ett slag av aktier. Varje Aktie berättigar innehavaren till en röst vid bolagsstämman i Bolaget och Aktierna ger samma rätt till utdelning och andra former av värdeöverföringar från Bolaget. Rättigheterna som är förknippade med Aktierna inkluderar, bland annat, företrädesrätt att teckna nya aktier i Bolaget, rätt att delta och rösta vid bolagsstämman i Bolaget, rätt till utdelning och andra former av värdeöverföringar av det fria kapitalet, och rätt att påkalla tvångsinlösen till marknadspris från en aktieägare som innehar mer än 90 procent av samtliga aktier och röster i Bolaget, samt andra rättigheter som är tillgängliga för aktieägare i enlighet med den finska aktiebolagslagen (624/2006, med ändringar) ("Finska Aktiebolagslagen"). Aktierna är fritt överlåtbara. Bolagets handelskod kommer vara NORDEC och ISIN-koden kommer att vara FI4000523089. Bolaget kommer preliminärt emittera 960 000 Nya Aktier (enligt definitionen nedan) och antalet Aktier kan preliminärt öka till högst 8 460 000 Aktier om alla Nya Aktier som preliminärt kommer att erbjudas i Erbjudandet fulltecknas, och under antagande att högst 40 000 Personalaktier (enligt definitionen nedan) erbjuds i Personalerbjudandet (enligt definitionen nedan). Erbjudandeaktier har samma rättigheter som alla andra Aktier och innehavaren kommer att ha rätt till utdelning och andra former av värdeöverföringar (inklusive överföring av medel i samband med insolvens i Bolaget) samt andra rättigheter förknippade med Aktierna.

I enlighet med paragraf 13 i Bolagets bolagsordning, efter att Aktierna har blivit upptagna till offentlig handel på en marknadsplats, inklusive men inte begränsat till First North Growth Market, ska en person vars innehav, antingen på egen hand eller gemensamt med andra i enlighet med definitionen i Bolagets bolagsordning, överstiger 30 procent eller 50 procent av rösterna för samtliga Aktier som är registrerade i Handelsregistret vara tvungen att lämna ett erbjudande att förvärva alla andra Aktier emitterade av Bolaget och optioner som ger innehavaren rätt till nya Aktier från de andra aktieägarna och innehavarna av sådana optioner.

Bolagets styrelse har antagit en utdelningspolicy enligt vilken Bolagets målsättning är att betala en utdelning som motsvarar minst 50 procent av vinsten för den räkenskapsperioden, med beaktande av Bolagets finansiella ställning, kassaflöde och tillväxtpotentialer.

Var kommer värdepapperen att handlas?

Bolaget kommer att lämna in en ansökan till Nasdaq Helsinki om upptagande till handel av Aktierna på First North Growth Market. Handel av Aktierna på First North Growth Market förväntas påbörjas den, eller omkring den 23 juni 2022.

Vilka nyckelrisker är specifika för värdepapperen?

- Storleken på utdelningen som Bolaget delar ut varje enskilt räkenskapsår är osäker;
- upptagandet till handel på First North Growth Market kommer att resultera i ytterligare kostnader för Bolaget; Bolaget kan komma att misslyckas med att implementera nödvändiga funktioner för ett noterat bolag;
- den Säljande Aktieägarens intressen kan skilja sig från övriga aktieägares intressen; och
- Aktierna har inte tidigare varit föremål för offentlig handel och aktiekursen kan därför komma att vara volatil och en välfungerande och likvid handel kanske inte utvecklas.

Nyckelinformation om Erbjudandet av värdepapper till allmänheten

På vilka villkor och enligt vilken tidsplan kan jag investera i detta värdepapper?

Allmänt

Genom nyemissionen siktar Bolaget på att erhålla bruttointäkter om cirka 7,0 miljoner euro genom att erbjuda teckning av upp till 960 000 nya Aktier ("Nya Aktierna") ("Nyemissionen") (förutsatt att högst 40 000 Nya Aktier erbjuds i Personalerbjudandet). Därutöver kommer den Säljande Aktieägaren preliminärt erbjuda totalt högst 3 330 783 befintliga aktier i Bolaget till försäljning ("Försäljningsaktierna") ("Aktieförsäljningen" och tillsammans med Nyemissionen "Erbjudandet").

Erbjudandet består av (i) ett erbjudande till allmänheten i Finland, Sverige och Danmark ("**Erbjudandet till Allmänheten**"), (ii) ett erbjudande till institutionella investerare i Finland och, i enlighet med tillämpliga lagar, utlandet ("**Erbjudandet till Institutionella Investerare**") och (iii) ett personalerbjudande till alla anställda inom Bolaget och dess dotterbolag i Finland, Sverige, Litauen, Polen och Tjeckien som har ett anställningsförhållande med Bolaget eller dess dotterbolag som inte har avslutats vid slutet av teckningsperioden och till styrelseledamöterna, ledningen och verkställande direktören i Nordec ("**Personalen**") ("**Personalerbjudandet**"). Preliminärt kommer högst 550 000 Erbjudandeaktier erbjudas i Erbjudandet till Allmänheten. De Nya Aktierna (inklusive Personalaktierna), Försäljningsaktierna, och de Ytterligare Aktierna betecknas tillsammans "**Erbjudandeaktierna**" om inte sammanhanget indikerar något annat. Preliminärt kommer högst 3 700 783 Erbjudandeaktier erbjudas i Erbjudandet till Institutionella Investerare. Preliminärt kommer högst 40 000 Nya Aktier ("**Personalaktierna**") erbjudas i Personalerbjudandet. Beroende av efterfrågan kan Bolaget komma att justera fördelningen av Erbjudandeaktier som erbjuds i Erbjudandet till Allmänheten, Erbjudandet till Institutionella investerare och Personalerbjudandet i avvikelse från det preliminära antalet aktier utan begränsningar. Oaktat ovanstående kommer det lägsta antalet Erbjudandeaktier som erbjuds i Erbjudandet till Allmänheten att vara ett antal som motsvarar 440 000 Erbjudandeaktier eller, om det sammanlagda antalet aktier som täcks av teckningsåtaganden i Erbjudandet till Allmänheten understiger detta, det sammanlagda antalet Erbjudandeaktier som täcks av teckningsåtaganden i Erbjudandet till Allmänheten.

Erbjudandeaktierna motsvarar högst cirka 50,7 procent av Aktierna och rösterna förknippade med Aktierna efter Erbjudandet under förutsättning att Övertilldelningsoptionen (enligt definitionen nedan) inte kommer att utnyttjas (cirka 58,3 procent under förutsättning att Övertilldelningsoptionen utnyttjas till fullo) och under antagande att den Säljande Aktieägaren kommer att sälja det högsta antalet Försäljningsaktier och att Bolaget kommer emittera 960 000 Nya Aktier.

Harjavalta Oy ("**Harjavalta**"), Tirinom Oy ("**Tirinom**"), UM-Yhtiöt Oy, Tradeka-sijoitus Oy, Ronnie Neva-Aho, Beachfish Invest Oy, Julius Tallberg Corp., Esa Korkeela, Sami Rantala, Seppo Valtonen och AH Advisory Oy (var för sig en "**Ankarinvesterare**" och tillsammans "**Ankarinvesterarna**") har var och en, under vissa villkor, åtagit sig att delta i Erbjudandet och teckna aktier för totalt lägst 22,4 miljoner euro under förutsättning att Bolaget erhåller bruttointäkter om åtminstone 7,0 miljoner euro och det maximala värdet av samtliga Nordec's utestående aktier (*dvs.* exklusive egna aktier) (efter eventuella intäkter från Nyemissionen och beaktat utspädningseffekten av Bolagets utestående optionsrätter) inte överstiger 65,1 miljoner euro baserat på den slutgiltiga teckningskursen.

Bolagets styrelse och den Säljande Aktieägaren kommer, efter konsultation med Global Coordinator (enligt definitionen nedan), gemensamt att besluta om genomförandet av Erbjudandet, det slutliga antalet Erbjudandeaktier och allokeringen av Erbjudandeaktier ("**Slutförandebeslutet**") den, eller omkring den 22 juni 2022. Informationen ovan kommer att publiceras genom ett företagsmeddelande och kommer finnas tillgängligt på Bolagets hemsida www.nordec.com/investors/ipo omedelbart efter Slutförandebeslutet och på hemsidorna för teckning i Erbjudandet till Allmänheten och Personalerbjudandet inte senare än vardagen efter Slutförandebeslutet (*dvs.* den, eller omkring den 23 juni 2022).

Övertilldelningsoption

Den Säljande Aktieägaren förväntas lämna en övertilldelningsoption till Evli Plc ("**Evli**"), som agerar som stabiliseringsagent, att förvärva högst 643 617 ytterligare Aktier ("**Ytterligare Aktierna**") till Erbjudandepriiset (enligt definitionen nedan) enbart för att täcka eventuell övertilldelning i samband med Erbjudandet ("**Övertilldelningsoptionen**"). Övertilldelningsoptionen kan utnyttjas inom 30 dagar från upptagandet till handel av Aktierna på First North Growth Market. Under förutsättning att Övertilldelningsoptionen utnyttjas till fullo och att 40 000 Aktier tecknas i Personalerbjudandet, kommer antalet Erbjudandeaktier uppgå till 4 934 400.

Teckningskurs och teckningsperiod

Erbjudandeaktierna erbjuds till en teckningskurs om 7,36 euro per Erbjudandeaktie ("**Erbjudandepriiset**"). Teckningskursen i Personalerbjudandet är 10 procent lägre än Erbjudandepriiset. Erbjudandepriiset kan komma att ändras under teckningsperioden så att Erbjudandepriiset i Erbjudandet till Allmänheten inte kommer att vara högre än det ursprungliga Erbjudandepriiset om 7,36 euro per Erbjudandeaktie. Eventuella förändringar kommer att kommuniceras genom ett företagsmeddelande. Om Erbjudandepriiset ändras kommer det Finska Prospektet att kompletteras och kompletteringen kommer att publiceras genom ett företagsmeddelande.

Teckningsperioden i Erbjudandet till Allmänheten kommer inledas den 8 juni 2022 kl. 10.00 (finsk tid) och avslutas den, eller omkring den 20 juni 2022 kl. 16.00 (finsk tid). Teckningsperioden i Erbjudandet till Institutionella Investerare kommer inledas den 8 juni 2022 kl. 10.00 (finsk tid) och avslutas den, eller omkring den 21 juni 2022 kl. 12.00 (finsk tid). Teckningsperioden i Personalerbjudandet kommer inledas den 8 juni 2022 kl. 10.00 (finsk tid) och avslutas den, eller omkring den 20 juni 2022 kl. 16.00 (finsk tid).

Bolagets styrelse och den Säljande Aktieägaren har rätt att förlänga teckningsperioderna i Erbjudandet till Allmänheten och Erbjudandet till Institutionella Investerare. Bolagets styrelse har rätt att förlänga teckningsperioden i Personalerbjudandet. En eventuell förlängning av teckningsperioden kommer att kommuniceras genom ett

företagsmeddelande som kommer att indikera det nya slutdatumet för teckningsperioden. Teckningsperioden i Erbjudandet till Allmänheten, Erbjudandet till Institutionella Investerarare och Personalerbjudandet kan förlängas fristående från varandra. Ett företagsmeddelande avseende förlängandet av teckningsperioden måste publiceras senast det preliminära slutdatumet för teckningsperioderna i Erbjudandet till Allmänheten, Erbjudandet till Institutionella Investerarare och Personalerbjudandet som beskrivs ovan.

Bolagets styrelse och den Säljande Aktieägaren har, vid överteckning, rätt att avsluta Erbjudandet till Allmänheten och Erbjudandet till Institutionella Investerarare genom ett gemensamt beslut tidigast 17 juni 2022 kl. 16.00 (finsk tid). Därutöver får Bolagets styrelse avsluta Personalerbjudandet på eget bevåg tidigast 17 juni 2022 kl. 16.00 (finsk tid). Erbjudandet till Allmänheten, Erbjudandet till Institutionella Investerarare och Personalerbjudandet får avslutas oberoende av varandra. Ett företagsmeddelande rörande ett avslutande av en teckningsperiod kommer att publiceras utan dröjsmål.

Avslutande i enlighet med Prospektförordningen

Om det Finska Prospektet kompletteras i enlighet med Prospektförordningen på grund av en väsentlig felaktighet eller utelämnande eller en ny omständighet av betydelse som har blivit känd efter att FIN-FSA har godkänt det Finska Prospektet, men innan teckningsperioden avslutas, har investerare som har avgivit ett åtagande att teckna eller köpa Erbjudandeaktier i Erbjudandet till Allmänheten eller att teckna Personalaktier i Personalerbjudandet innan tillägget eller rättelsen av det Finska Prospektet, i enlighet med Prospektförordningen, rätt att återkalla sina Åtaganden inom tre arbetsdagar efter tillägget har publicerats. Utnyttjandet av återkallelserätten kräver att felaktigheten, utelämnandet eller den nya omständigheten som orsakade tillägget eller rättelsen har blivit känd innan teckningsperioden i Erbjudandet avslutas.

Om det Finska Prospektet kompletteras kommer tillägget publiceras genom ett företagsmeddelande. Företagsmeddelandet kommer även innehålla information om investerarnas rätt att återkalla sina Åtaganden i enlighet med Prospektförordningen.

Handeln av värdepapperen

Aktierna har inte tidigare varit föremål för handel på en reglerad marknad eller multilateral handelsplattform innan Erbjudandet. Bolaget kommer att lämna in en ansökan till Nasdaq Helsinki om upptagande till handel av Aktierna på First North Growth Market. Handel i Aktierna på First North Growth Market förväntas påbörjas den, eller omkring den 23 juni 2022. Bolagets handelskod är NORDEC och dess ISIN-kod är FI4000523089.

När handeln inleds på First North Growth Market den, eller omkring den 23 juni 2022 är det möjligt att inte alla Aktierna har registrerats på investerarnas depåkonton och aktiesparkonton. Om en investerare vill sälja Aktier som har köpts eller tecknats i Erbjudandet på First North Growth Market bör investeraren säkerställa att antalet aktier som är registrerade på personens depåkonto eller aktiesparkonto täcker transaktionen i fråga vid tidpunkten för avslutet.

Avgifter och kostnader

Bolaget och den Säljande Aktieägaren har avtalat att betala Evli, som har utsetts att agera sole global coordinator och bookrunner i Erbjudandet ("**Global Coordinator**"), en fast avgift för de tjänster som tillhandahålls i samband med Erbjudandet. Den fasta avgiften ska fastställas med hänsyn till bruttointäkterna från Erbjudandeaktierna (inklusive de Ytterligare Aktierna). Därutöver har Bolaget åtagit sig att ersätta Global Coordinator för vissa kostnader. I samband med Erbjudandet förväntar sig Bolaget betala totalt cirka 2,2 miljoner euro i avgifter och kostnader, varav cirka 1,4 miljoner euro i rådgivningsavgifter och arrangemangskostnader, och cirka 0,8 miljoner euro i utträdesavgifter och relaterade arbetsgivaravgifter till vissa nyckelanställda enlighet överenskommelse i samband med genomförandet av Erbjudandet, och den Säljande Aktieägaren cirka 1,0 miljoner euro i avgifter för Försäljningsaktierna.

Utspädning av ägande

Det högsta antalet Nya Aktier som preliminärt erbjuds i Nyemissionen representerar 11,3 procent av antalet Aktier efter slutförandet av Erbjudandet. Vid händelse av att befintliga aktieägare i Bolaget inte tecknar Aktier i Nyemissionen kommer deras innehav i Bolaget utspädas med 11,3 procent, under förutsättning att Bolaget kommer att emittera 960 000 Nya Aktier.

Vem är erbjudaren och/eller den person som ansöker om upptagande till handel?

Bolaget kommer att lämna in en ansökan till Nasdaq Helsinki om upptagande till handel av Aktierna på First North Growth Market. Bolagets målsättning är att erhålla bruttointäkter om cirka 7,0 miljoner euro genom att erbjuda teckning av Nya Aktier. Därutöver kommer den Säljande Aktieägaren erbjuda högst 3 330 783 Försäljningsaktier till försäljning.

Varför upprättas detta Prospekt?

Detta Prospekt har upprättats och publicerats av Nordec för att kunna erbjuda Aktier till allmänheten.

Motiven till Erbjudandet

Syftet med Erbjudandet är att främja implementeringen av Nordecs strategiska mål relaterade till tillväxt och möjliggöra implementeringen av investeringar relaterade till effektiviteten hos Nordecs verksamhet och produktion. Erbjudandet kommer möjliggöra för Bolaget att få tillgång till kapitalmarknader, bredda sin ägarstruktur, förbättra likviditeten i Aktierna och möjliggöra för Bolaget att använda Aktierna som betalning vid eventuella förvärv. Ytterligare synlighet förväntas ytterligare stärka Nordecs anseende hos allmänheten och som arbetsgivare och därigenom förbättra Nordecs konkurrenskraft.

Användning av och estimerade intäkter

Bolagets målsättning är att erhålla bruttointäkter om cirka 7,0 miljoner euro genom att erbjuda teckning av Nya Aktier. Bolaget förväntar sig att använda nettointäkterna från Nyemissionen till att främja implementeringen av Nordecs tillväxtstrategi och stärka effektiviteten i Nordecs verksamhet och produktion.

Den Säljande Aktieägaren förväntas erhålla bruttointäkter om cirka 29,3 miljoner euro från Aktieförsäljningen (under förutsättning att alla Försäljningsaktier blir sålda och att Övertilldelningsoptionen utnyttjas till fullo).

Intressen förknippade med Erbjudandet

Avgifterna som kommer att betalas till Global Coordinator är, delvis, kopplade till bruttointäkterna från Erbjudandet. Global Coordinator, samt andra bolag inom samma grupp, får köpa eller sälja Aktierna för egen eller kunders räkning innan, under och efter Erbjudandet i enlighet med tillämpliga lagar och förordningar. Global Coordinator, samt andra bolag inom samma grupp, har tillhandahållit och kan komma att tillhandahålla Bolaget med investeringstjänster eller andra banktjänster i enlighet med sin normala verksamhet. Den Säljande Aktieägaren kommer att sälja Försäljningsaktier i Erbjudandet.

Tillämplig lagstiftning och konfliktlösning

Erbjudandet ska regleras av lagstiftningen i Finland. Eventuella tvister som uppstår i samband med Erbjudandet ska avgöras av behörig domstol i Finland.

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