

Nordic Waterproofing announces its initial public offering on Nasdaq Stockholm and prospectus in connection therewith

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The information in this press release is disclosed by Nordic Waterproofing Holding A/S in accordance with the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 08.00 a.m. CET, on 30 May 2016.

Nordic Waterproofing Holding A/S (“Nordic Waterproofing” or the “Company”) and the owners of the Company have decided to diversify the shareholder base by a sale of existing shares (the “Offering”). The board of directors of Nordic Waterproofing has therefore applied for the Company’s shares to be listed on Nasdaq Stockholm. Today, the Company publishes its prospectus and announces other terms and conditions for the Offering. The first day of trading is expected to be 10 June 2016.

Nordic Waterproofing in brief

Nordic Waterproofing, in its current form, was established in 2011 by Axcel by means of a merger of the Swedish and Danish waterproofing subsidiaries of Trelleborg AB’s and Lemminkäinen Oy’s roof installation businesses. Today, Nordic Waterproofing is one of the leading providers on the waterproofing market in northern Europe. The Company provides high-quality products and solutions for waterproofing in Sweden, Finland, Denmark, Norway, Belgium, the Netherlands, Poland, the United Kingdom and Germany. In Finland and in Denmark through part-owned franchise companies, the Company also provides installation services. The Company markets its products and solutions under nine brands, all with long heritage, most of which are among the most established and well-recognized brands in waterproofing in their respective markets, such as Matakki, Trebolit, Phønix Tag Materialer, Kerabit, Nortett and SealEco.

The Offering

- The price in the Offering is expected to be set within the range SEK 66 – 76 per share, corresponding to a total market value of all issued shares of the Company of approximately SEK 1,590 – 1,830 million.
- The Offering comprises a maximum of 12,041,968 existing shares in Nordic Waterproofing, corresponding to 50 percent of the total number of existing shares, which are being offered by Axcel¹, KIRKBI², certain board members, senior executives and employees of the Company and advisors to Axcel.
- Axcel and KIRKBI have reserved the right to increase the Offering by up to 2,408,394 additional shares, corresponding to 10 percent of the total number of shares in the Company. If the Offering is fully increased, the Offering will comprise up to 14,450,362 shares.
- In order to cover any over-allotment in connection with the Offering, Axcel and KIRKBI have, on request from Joint Global Coordinators and Joint Bookrunners, undertaken to offer up to 2,167,554 additional existing shares (“Over-Allotment Option”), corresponding to no more than 15 percent of the total number of shares in the Offering and approximately 9 percent of the total number of shares in the Company.

¹ Axcel IV K/S, Axcel IV K/S 2, AX Management Invest K/S and AX Management Invest II K/S, all funds advised by Axcel Management A/S

² KIRKBI Invest A/S

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- Provided that the Offering is fully increased, and that the Over-Allotment Option is fully exercised, the Offering will comprise up to 16,617,916 shares, which corresponds to approximately 69 percent of the total number of shares in the Company.³
- The total value of the Offering, based on a final price in the Offering equal to the midpoint of the price range (SEK 71), is approximately SEK 855 million, approximately SEK 1,026 million if the Offering is fully increased and approximately SEK 1,180 million if the Over-Allotment is fully exercised.
- AMF, Carnegie Fonder and Swedbank Robur Fonder ("Cornerstone Investors") have undertaken, in the Offering, subject to certain conditions, to acquire shares corresponding to 15.8 percent of the total number of shares in the Company and 22.8 percent of the total number of shares in the Offering.

Undertaking to acquire shares

	Amount (SEK million)	Number of shares*	Percent in the Offering**	Percent of total number of shares in the Company
AMF	47	662,308	4.0%	2.8%
Carnegie Fonder	94	1,324,616	8.0%	5.5%
Swedbank Robur Fonder	128	1,806,295	10.9%	7.5%
Total	269	3,793,220	22.8%	15.8%

* Based on a final price in the Offering equal to the midpoint of the price range (SEK 71)

** Based on full subscription in the Offering and that the Over-Allotment Option is fully exercised

- In addition to the Cornerstone Investors, Ulf Gundemark the chairman of the board of directors of Nordic Waterproofing, has committed to acquire 20,000 shares in the Company, corresponding to 0.1 percent of the total number of shares in the Company. Further, Martin Ellis the CEO of Nordic Waterproofing, has committed to acquire 195,845 shares in the Company, corresponding to 0.8 percent of the total number of shares in the Company. Both commitments assume a price in the Offering corresponding to the midpoint of the price range for the Offering (SEK 71) and at the application of an exchange rate where EUR 1.00 corresponds to SEK 9.27.
- In connection with the Offering, it is expected that the company will issue 967,884 new shares, as a result of warrant exercises.
- The Offering consists of an offer to institutional investors in Sweden and abroad as well as an offer to the general public in Sweden.
- A prospectus with full terms and conditions is published today 30 May, 2016 on Nordic Waterproofing's website, ABG Sundal Collier's website and on Carnegie's website for on-going offerings.
- The bookbuilding period for institutional investors starts on 31 May, 2016 and is expected to close on 9 June, 2016.
- The application period for the Offering to the general public in Sweden starts on 31 May, 2016 and is expected to close on 8 June, 2016.
- Resolution on allotment of shares will be made by the Company's board of directors in consultation with Axcel and the Joint Global Coordinators and Joint Bookrunners, whereby the goal is to achieve a wide distribution of shares. However, Cornerstone Investors are guaranteed allotment in accordance with their undertaking.
- Trading in Nordic Waterproofing shares on Nasdaq Stockholm is expected to begin on 10 June, 2016 and settlement is expected to take place on 14 June, 2016.
- The shares will trade under the ticker "NWG".

³ Assuming completion of the cancellation of the share classes and full exercise of warrants. In the event that not all warrants are exercised, the number of shares in the Offering will be decreased to comprise up to 11,396,712 shares, with a possibility to increase with up to 2,408,394 shares. Further, the Over-Allotment Option would be decreased to comprise 2,056,960 shares.

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Martin Ellis, CEO of Nordic Waterproofing, comments:

“Nordic Waterproofing has grown and is now one of the leading players on the northern European waterproofing market. Our market position, combined with increased profitability during the last few years, confirms the strength in the Company’s business model. This is further strengthened by the management’s genuine understanding of the business and the strong relations with our customers. Our ambition is to continue to be successful on the stable waterproofing market and benefit from the recovery on the Nordic construction market. As we grow our market share in Norway, the continuing development of our product portfolio, broadening of the service offering and potential to expand our markets within EPDM, we see good opportunities for continued organic growth, complemented by acquisition opportunities. An IPO will be an exciting next step for Nordic Waterproofing and I and my team look forward to realizing our ambitions, in cooperation with current and new shareholders.”

Ulf Gundemark, Chairman of the board, comments:

“I am impressed by Nordic Waterproofing’s position as leader on the northern European waterproofing market and I have strong trust in the Company’s future outlooks. The Board and the selling shareholders believe that a stock exchange listing is a logic step to strengthen the opportunities for future growth. We look forward to the opportunities that follow a listing, not least a broadened shareholder base of Swedish and international investors and raised awareness of Nordic Waterproofing.”

Vilhelm Sundström, Board member and representative for Axcel, comments:

“During our work with Nordic Waterproofing, the Company has developed to a strong and profitable company with a highly experienced management team and board of directors. Axcel will remain a large shareholder in Nordic Waterproofing after the listing and I am fully confident in the Company’s ability to continue successfully implementing its growth strategy and create value for its shareholders. On behalf of Axcel, I welcome this next step for Nordic Waterproofing. I believe the Company is well suited and prepared for a listed environment.”

Background and reasons

Nordic Waterproofing has, under Axcel's ownership, a proven track record of successfully integrating four acquisitions into its business. A number of strategic initiatives have been implemented, in order to strengthen Nordic Waterproofing's business concept and increase its operational efficiency and competitiveness. Due to a strong focus on profitability over volume, extensive investment in operational improvements, such as recipe optimization, productivity improvements, and streamlining of purchasing and pricing, Nordic Waterproofing has steadily improved its profitability since 2012. The measures it has taken makes Nordic Waterproofing well-equipped to deliver further growth with improved profitability and the Company is ready to meet and take advantage of the expected growth in the market.

Nordic Waterproofing's leading position has contributed to stable revenues in recent years despite occasionally challenging market conditions. During 2015, the Company's sales improved from SEK 1,679 million to SEK 1,720 million, corresponding to an increase of 2.5 percent, while the Company has increased the EBIT margin before items affecting comparability from 9.9 percent to 10.6 percent compared with 2014.

Axcel invests in medium-sized companies and, after a number of years, when the established goals have been met, finds a new owner for the companies. Together with Nordic Waterproofing, Axcel has implemented a number of key strategic initiatives and established Nordic Waterproofing as a leading, well-reputed provider in the industry.

On this background, Nordic Waterproofing's board of directors and management, together with Axcel, have concluded that the Company is now ready to take the next step in its development and consider the timing to be appropriate to diversify the Company's shareholder base and apply for a listing of the Company's shares on Nasdaq Stockholm. The Company's board of directors and management believe that an initial public offering also benefits the Company since it gives Nordic Waterproofing access to the Swedish and international capital markets to increase its financing options for any future capital needs.

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Prospectus and application forms

A prospectus, containing complete terms and conditions of the Offering, is made public today. The prospectus and application forms can be obtained from Carnegies offices, as well as ordered from Nordic Waterproofing. The prospectus is also available on Nordic Waterproofing's website (www.nordicwaterproofing.com), ABG Sundal Collier's website under the section for ongoing transactions (www.abgsc.com), Carnegie's website for ongoing offerings (www.carnegie.se/om-carnegie/kontakt/pagaende-erbjudanden) and Nordnet's website (www.nordnet.se). Application forms will also be available on the above stated websites of Nordic Waterproofing and Carnegie. Applications can also be made via Nordnet.

Preliminary timetable

Application period for institutional investors:	31 May – 9 June 2016
Application period for the general public in Sweden:	31 May – 8 June 2016
First day of trading on Nasdaq Stockholm:	10 June 2016
Settlement day:	14 June 2016

Advisors

ABG Sundal Collier and Carnegie are Global Coordinators and Joint Bookrunners. Moelis & Company UK LLP is independent financial advisor to Nordic Waterproofing and Axcel. Roschier is legal advisor to Nordic Waterproofing, Axcel and KIRKBI. Gernandt & Danielsson is legal advisor to the Joint Global Coordinators and Joint Bookrunners.

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About AMF

AMF is a limited liability life insurance company that is owned equally by the Swedish Trade Union Confederation (LO) and the Confederation of Swedish Enterprise. The company is run according to mutual principles, entailing that AMF's profits accrue in their entirety to the customers. With SEK 528 billion in assets managed as of 31 March 2016 for approximately 4 million customers, AMF is one of Sweden's leading pension companies and one of the largest owners on Nasdaq Stockholm. AMF has approximately 350 employees.

About Carnegie Fonder

Carnegie Fonder's operations began in 1988 with Swedish equity funds, and have since been expanded to include both fixed-income funds and emerging market funds. Carnegie Fonder has a value-oriented management philosophy, which means that the fund managers looking for with stable earnings and high dividends.

About Swedbank Robur Fonder

Swedbank Robur is one of the Scandinavia's largest fund managers and a wholly owned subsidiary of Swedbank. Swedbank Robur offers savings alternative for retail and institutional clients through mutual funds and discretionary asset management.

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This announcement is an advertisement and is not a prospectus for the purposes of the Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive"). A prospectus prepared pursuant to the Prospectus Directive will be published, which, when published, can be obtained from the Company. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the prospectus.

In any EEA Member State other than Sweden that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive, i.e., only to investors who can participate in the Offering without an approved prospectus in such EEA Member State.

This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (i), (ii) and (iii) above together being referred to as "relevant persons"). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements refer to statements which do not refer to historical facts and events, and statements which are attributable to the future, such as expressions as "deem", "assess", "expect", "await", "judge", "assume", "predict", "can", "will", "shall", "should or ought to", "according to estimates", "consider", "may", "plan", "potential", "calculate", "as far as is known" or similar expressions suitable for identifying information that refers to future events. This applies in particular to statements referring to future results, financial position, cash flow, plans and expectations for the Company's business and management, future growth and profitability and general economic and regulatory environment and other circumstances which affect the Company. Forward-looking statements are based on current estimates and assumptions which are based on the Company's current intelligence. Such future looking statements are subject to risks, uncertainties and other factors which may result in actual results, including the Company's financial position, cash flow and profits, deviating considerably from the results which expressly or indirectly form the basis of, or are described in, statements, or may result in the expectations which, expressly or indirectly, form the basis of or are described in statements not being met or turning out to be less advantageous compared to the results, which expressly or indirectly formed the basis of or were described in the statements. The Company's business is exposed to a number of risks and uncertainties which may result in forward-looking statements being inaccurate or an estimate or calculation being incorrect. Therefore, potential investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read detailed description of factors which have an effect on the Company's business and the market in which the Company operates that will be included in the prospectus.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

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