

Press release Stockholm, 7 October 2020

Gränges and Boryszew have agreed on a new structure regarding the purchase price for Aluminium Konin

Gränges and Boryszew S.A., the seller of Aluminium Konin, has today signed an agreement on a new structure regarding the purchase price for the acquisition of Aluminium Konin.

The acquisition of the Polish flat rolled aluminium producer Aluminium Konin, announced on 28 November 2019, will strengthen Gränges' product offering and presence in Europe and contribute with strong positions in new attractive niche markets. The acquisition adds new capabilities and capacity to, among other things, expand Gränges' offering for future transportation solutions, such as electric vehicles. The acquisition is a good strategic fit for Gränges and enhances the company's platform for sustainable profitable growth. On 23 September 2020, the acquisition was approved by the EU Commission.

New structure regarding the purchase price:

- A part of the purchase price will consist of a non-cash issue of shares in Gränges AB (publ) to the seller, Boryszew S.A.. The non-cash issue will amount to about 10 per cent of the Enterprise Value (approximately SEK 2.2 billion or PLN 938 million on a cash and debt free basis), corresponding to about SEK 200 million. The price per share and the number of shares will be determined on market terms.
- Boryszew has committed to subscribe for its share of Gränges' planned rights issue and to retain the shares for at least 6 months after the completion of the transaction.

Gränges' intended rights issue of approximately SEK 2 billion will be reduced by the corresponding size of the non-cash issue. The rights issue was announced in conjunction with the communication of the agreement to acquire Aluminium Konin on 28 November 2019 and Gränges' Board of Directors has been authorized by the Annual General Meeting on 25 June 2020 to issue new shares through a rights issue to a total of SEK 2 billion.

The acquired business will be a wholly owned subsidiary of Gränges AB and a part of Gränges Europe's operations.

The transaction is expected to be closed on 30 October 2020.

"It is positive and valuable to get the seller of Aluminium Konin as shareholder and we look forward to finalize this strategically important acquisition and start to work together with our new colleagues in Poland," says Johan Menckel, CEO of Gränges AB.

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The information in this press release is such that Gränges must disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on Wednesday 7 October 2020, at 18.00 CEST.

About Gränges

Gränges is a leading global supplier of rolled aluminium products for heat exchanger applications and other niche markets. In materials for brazed heat exchangers Gränges is the global leader with a market share of approximately 20 per cent. The company develops, produces and markets advanced materials that enhance efficiency in the customer manufacturing process and the performance of the final products. The company's geographical markets are Europe, Asia and the Americas. Its production facilities are located in Sweden, China and the United States, and have a combined annual capacity of 460,000 metric tonnes. Gränges has 1,800 employees and net sales of SEK 12 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at www.granges.com.