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**FOR IMMEDIATE RELEASE**

## **Doosan Škoda Power announces launch of Initial Public Offering**

**Prague (27 January 2025)** — Doosan Škoda Power a.s. ("Doosan Škoda Power" or the "Company") announces today the launch of a public offering of its shares (the "Offering") pursuant to the prospectus for the Offering (the "Prospectus") published today, and the commencement of the roadshow for the Offering. The price range for the Offering was set at CZK 220–260 per share.

**Youngki Lim**, Chairman of the Board of Directors and Chief Executive Officer of Doosan Škoda Power, comments: *"I am proud to be part of the new era of Doosan Škoda Power and I believe that we have another 100 years of successful business in the global market ahead of us. As CEO of the company, I firmly believe in its further growth and development, and I am glad that we will be part of the Prime Market of the Prague Stock Exchange alongside major Czech companies. And of course, I will do everything I can to ensure that expectations are met. I firmly believe in a successful listing on the Prague Stock Exchange and great interest from investors. We have been working on the transaction for more than a year and have prepared a very interesting offer for investors."*

**Sang-Hyeon Park**, President & CFO of Doosan Enerbility, added: *"Doosan Škoda Power is a respected company that is constantly developing its product and increasing its competitiveness in the global market. It is an integral part of the Doosan product portfolio, and we plan further development in the transfer of generator and gas turbine technology."*

### **Key Highlights of The Offering**

- The Offering consist of a public offering to retail investors in the Czech Republic ("Retail Offering"), private placements to certain institutional investors outside of the United States in reliance on Regulation S ("Institutional Offering"), and an offering to eligible employees of the Company in the Czech Republic ("Employee Offering").

- Under the Offering, Doosan Power Systems S.A. (the "Selling Shareholder") is offering up to 6,670,000 existing shares from its holdings, representing 23% of the existing share capital in the Company, and the Company is offering up to 2,900,000 new shares to be issued by the Company, representing 10% of the Company's existing share capital. In addition, up to 957,000 additional shares, representing up to 10% of the number of Existing Offer Shares and New Shares may be offered pursuant to the over-allotment option.
- The offer price is set within the range of CZK 220 and CZK 260 per share (the "Offer Price Range"). The final price in the Offering ("Offer Price") is expected to be set within the Offer Price Range. The Company expects to publish the final Offer Price and the final number of the shares on or around 6 February 2025.
- Assuming the Offer Price will be at the midpoint of the Offer Price Range, the total value of the Offering will amount to approximately CZK 2.527 billion assuming the maximum number of the shares are placed and the over-allotment option is exercised in full by the stabilisation manager.
- The Offer Period (period during which investors may submit purchase orders for the offer shares) for the institutional Investors is expected to end on 5 February 2025, at 17:00 CET. The Offer Period for the retail investors and for the eligible employees is expected to end on 5 February 2025, at 13:00 CET. The Offer Period may be extended or shortened.
- Application for the admission to trading of the Company's shares will be made by the Company to the Prague Stock Exchange (the "PSE") to list its shares on the Prime Market of the PSE.
- The expected gross proceeds from the Offering, assuming all of the offered shares are placed for an Offer Price at the mid-point of the Offer Price Range and full exercise of the over-allotment option, amount to up to CZK 696 million for the Company and up to CZK 1.83 billion for the Selling Shareholder.
- Following the Offering, the total number of shares in the Company will amount up to 31,900,000.
- After completion of the Offering, the Selling Shareholder will continue to own and control a majority stake in the Company of no less than 67%.
- Post Offering, the free float is expected to be between 30 and 33%, assuming 2,900,000 shares sold by the Company and in the first case minimum shares of 6,670,000 shares are sold by the Selling Shareholder, and in the second case 7,627,000 shares are sold by the Selling Shareholder (full exercise of the over-allotment option).
- In connection with the Offering, each of the Company and the Selling Shareholder has agreed to lock-up arrangements restricting the disposal of shares of the Company for a period of 360 days following settlement of the Offering, subject to waiver by the Joint Global Coordinators and certain customary exceptions. Employees, directors and members of the supervisory board of the Company participating in the proposed employee offering will be subject to a lock-up period of 360 days.

### **Reasons for the Offering and Use of Proceeds**

The Offering is being conducted in order to facilitate the sale of the new shares and raising capital by the Company while raising the Company's profile, brand recognition and credibility with its customers and employees and providing direct access to the domestic and international capital markets to finance the Company's growth and development plans.

The Company intends to use the net proceeds of the Offering primarily for the improvement of its overall capability and competitiveness. It may include mid-term investments in new machines and facilities to further improve the efficiency of the production process, digitization and information technology focused on improving the Company's efficiency and/or profitability, such as remote-monitoring of installed fleets and production-flow management solutions, research and development for future applications; and minor ramp-up investments into generator rotors production.

## **Retail Offering and Employee Offering**

Retail investors may place orders for the offer shares through any of Raiffeisenbank ([www.rb.cz/ipo](http://www.rb.cz/ipo)), WOOD Retail Investments (<https://o.portu.cz>) or J&T Banka ([www.jtbank.cz](http://www.jtbank.cz)).

The final Offer Price per share for retail investors and eligible employees will not be set higher than CZK 260, being the top of the Offer Price Range. Retail investors and eligible employees will be placing orders at any price within or at the top of the Offer Price Range.

Eligible employees<sup>1</sup> may place orders for the offer shares only through Raiffeisenbank. The participation in the Employee Offering is conditional upon the conclusion of a participation agreement between the eligible employee and the Company, based on which the eligible employee will, among other things, agree to a lock-up period.

The final Offer Price for eligible employees will be equal to the final Offer Price per offer share for retail investors, but each eligible employee participating in the Employee Offering will receive the 30% discount on the retail investors price. An eligible employee must place a purchase order, excluding the employee discount, of at least CZK 30,000 and in the case of the directors at least CZK 100,000.

The Employee Offering is limited to a total subscription amount of CZK 270,000,000, representing a maximum of 1,038,461 Offer Shares, assuming the Offer Price is at the top of the Offer Price Range.

## **The Admission of the Shares and Trading**

Application for the admission to trading of its shares will be made by the Company to the PSE to list the shares on its Prime Market. The Company expects that the Shares will be listed on the Prime Market of the PSE on or around 3 February 2025, under the ticker symbol DSPW. The Company expects that investors will be able to start trading in the shares on the Prime Market of the PSE on or around 6 February 2025.

## **Dividend Policy**

Each share gives its owner the right to receive dividends. On 17 January 2025, the Selling Shareholder adopted, which sets out the Company's dividend payout ratio policy of at least 70 per cent. of the Company's net income achieved in the previous financial year subject to (i) the availability of sufficient distributable cash and without jeopardising the Company's financial stability, (ii) net income being adjusted for extraordinary effects generally not related to the ordinary financial performance of the year; and (iii) shareholder approval for the distribution of dividends. The Company will pay any dividends in CZK.

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<sup>1</sup> Employees eligible for participation in the Employee Offering, are the Company's employees, and the Company's directors as recognised by the Company's internal position grading system as of the last day of the Offer Period, provided that they have been employed by the Company for at least one year prior to the commencement of the Offer Period.

## Prospectus

For the purposes of the Offering and the admission of the Company's shares to trading on the Prime Market of the PSE, the Prospectus has been prepared pursuant to Prospectus Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The Prospectus has been approved by the Czech National Bank (the "CNB") as the competent authority under the Prospectus Regulation, on 24 January 2025. The CNB's approval became final and effective on 27 January 2025. Such approval should not be understood as an endorsement of the securities referred to in this document. The Prospectus is available at the Company website at the address [www.doosanskodapower.com](http://www.doosanskodapower.com) or at the website of CNB [www.cnb.cz](http://www.cnb.cz).

## The Selling Shareholder

All existing shares representing the Company's entire registered capital are held by Doosan Power Systems S.A., incorporated in the Grand Duchy of Luxembourg. The Selling Shareholder is fully owned by its immediate parent company, Doosan Enerbility ("Doosan Enerbility"), listed on the Korea Stock Exchange. A total of 30.39 per cent. of shares in Doosan Enerbility are held by Doosan Co., Ltd. registered in the Republic of Korea (the "Major Shareholder"). There are no shareholders of the Major Shareholder owning more than 25 per cent. of its shares. The ultimate beneficial owners of the Company are Mr. Jeong won Park, Mr. Minchul Kim, Mr. Hongsung Moon, Mr. Woonggeol Yoon, Mr. Kyungwook Hur, Mrs. Hye Sung Kim and Mr. Sun Hyun Park.

## Advisors

For the purposes of the Offering, Raiffeisen Bank International AG, Raiffeisenbank a.s., and WOOD & Company Financial Services a.s., were appointed by the Company as the joint global coordinators and joint bookrunners (the "Joint Global Coordinators"). In addition, Raiffeisenbank a.s., WOOD Retail Investments a.s. (under the brand "Portu"; <https://o.portu.cz/>), and J&T BANKA, a.s., act as the Retail Offering managers and Raiffeisenbank a.s. acts as the Retail Offering manager responsible for the Employee Offering. Allen Overy Shearman Sterling acts as legal advisor to the Company. Clifford Chance acts as legal advisor to the joint global coordinators. WOOD & Company Financial Services a.s. acts as stabilisation manager.

## Indicative Timetable

Publication of the Prospectus .....	27 January 2025
Roadshow and book-building process .....	27 January 2025 to 5 February 2025
Start of the Offer Period .....	27 January 2025
End of the Retail Offer Period .....	5 February 2025 at 13:00 CET
End of the Institutional Offer Period .....	5 February 2025 at 17:00 CET
End of the Eligible Employees Offer Period .....	5 February 2025 at 13:00 CET
Pricing Date .....	on or around 5 February 2025
Announcement of the Existing Offer Shares and the New Shares allocation ..	on or around 6 February 2025
First Trading Date and Admission .....	on or about 6 February 2025
Settlement Date .....	on or about 10 February 2025

## Key Investment Highlights

The Company believes its key strengths are as follows:

- One of the leading global steam turbine original equipment manufacturers (OEM), having delivered more than 576 turbine units since 1960 representing in aggregate approximately 56 GW in power output.
- Integral part of the Doosan Group, particularly aligned with Doosan Enerbility Co., Ltd., registered in the Republic of Korea (Doosan Enerbility), which is one of the leading energy companies in the world, supplying power and water to 40 countries worldwide, with its core business focus on nuclear power, CCPP, wind power, desalination, gas turbines and new business projects, including fuel cells, hydrogen and ammonia co-firing solutions.
- Research and development expertise with a total of 55 patents and five utility models worldwide providing ability to deliver tailor-made solutions to its customers with an output of up to 1,300 MW per unit.
- Solid history of robust financial performance, characterized by growth and profitability. Between 2021 and 2023, it achieved a steady growth in revenues with a compound annual growth rate (CAGR) of 16.48 per cent. Between 2021 and 2023, the Company also increased its profit for the period from CZK 189 million in 2021 to CZK 576 million in 2022 and CZK 559 million in 2023.
- Effective project handling and backlog enabling it to manage over 60 projects (including both projects in execution phase and projects in warranty phase) with an aggregate value of up to EUR 1.2 billion simultaneously. Considering the industry-specific long-term project periods, particularly in the nuclear energy sector where project life cycles can extend up to 70 years, the Company maintains a substantial project pipeline, which ensures a consistent revenue stream for future years.

## Doosan Škoda Power in brief

The Company is one of the leading steam turbine manufacturers providing engineering, design, manufacture, management, procurement and construction of steam turbines and equipment relevant to turbine machine halls for customers around the world. It offers a power output spectrum that spans from three to 1,300 MW.

The Company offers an extensive selection of cutting-edge turbine designs, products and services tailored for the energy generation sector as well as long-term service agreements and retrofitting programs to ensure the ongoing performance and modernization of energy generation equipment.

The Company provides its products and services to customers who operate in several sectors including waste-to-energy, utilities, pulp and paper, mining, refinery, steel works and the chemical industry. The Company's three main revenue streams include: (i) new installations of the Company's products; (ii) service activities including maintenance, repair and overhaul on a case-by-case basis and (iii) long-term service agreements. As a supplier to EPC providers, the Company underscores its commitment to be an energy transition enabler supporting the global demand for energy.

The Company's main customers include ČEZ, Energetický a průmyslový holding, Orlen, Hitachi Zosen Inova, Acciona, Fortum Oyj and TSK Electronica y Electricidad. The Company operates globally, with its key markets including the Czech Republic, the rest of Europe, and Asia. The Company does not operate in Russia, Iran, and China.

The Company markets and sells its products under the Doosan brand, a registered trademark of the Company's ultimate parent company Doosan Co., Ltd. based in the Republic of Korea, as well as under the Škoda brand, a registered trademark of the Company.

The Company is headquartered, and its production facility is based in the Czech Republic, concentrating production, engineering, research and development and management under one roof, supported by the Company's subsidiary in India. Building upon the legacy of the original Škoda Works (In Czech: *Škodovy závody*), the Company boasts a history spanning over a century in the Czech Republic.

The Company employs over 950 employees in the Czech Republic (mainly in Pilsen) and ca 35 employees in India.

### **Research & Development**

As a commitment to technological advancement, the Company opened cutting-edge R&D centre of excellence, which is situated within the Company's manufacturing facility in Pilsen. With the opening of the centre in 2013 the global steam turbine R&D of the Doosan Group was relocated to the Czech Republic.

The Company's R&D is focused on all types of turbines ranging from smaller units for industrial applications to large- scale turbines capable of handling super-critical steam parameters, with outputs reaching up to 1,300 MW. In addition to turbine design, the Company's R&D centre is also involved in the development of new materials and components that can endure higher operating parameters.

In 2022, the Company, in collaboration with nine Czech research institutions and various Czech energy companies, co-founded the National Centre for Energy II. The project's primary objective is to formulate an all-encompassing strategy for a modern, low-carbon and sustainable energy sector.

In 2023, the Company and several European technological research institutions and companies formed a consortium aimed at the development of a novel high-efficiency solar thermal power plant concept with integrated electricity storage solution titled project ASTERIX – CAESar (air-based solar thermal electricity for efficient renewable energy integration & compressed air energy storage).

In 2023, 2022 and 2021, the Company's R&D costs amounted to CZK 135.5 million, CZK 115.1 million and CZK 117.7 million, respectively, corresponding to 2.82 per cent. of the Company's revenues in 2023

### **Q3 2024 and FY 2023 Financial Results Highlights**

In the period from 1 January 2024 to 24 September 2024, the Company generated revenues of CZK 3,932 million, profit for the period of CZK 355 million and EBITDA of CZK 401 million. In 2023, the Company generated total revenues of CZK 4,811 million, profit for the period of CZK 559 million and EBITDA of CZK 662 million.

## Selected information from the consolidated income statements

	For the period from 1 January to 24 September <sup>2</sup>		For the year ended 31 December		
	2024	2023	2023	2022	2021
	(unaudited)		(audited)		
	(CZK thousands, unless indicated otherwise)				
Revenues	3,932,148	3,154,738	4,810,763	4,112,773	3,546,327
Operating profit	251,559	248,087	483,028	464,383	232,036
Profit before income tax	457,831	467,445	750,051	730,200	219,122
Profit for the period	355,445	357,196	559,344	575,791	189,294
EBITDA <sup>3</sup>	401,189	394,183	662,335	626,926	305,574
EBITDA margin <sup>4</sup>	10.2%	12.5%	13.8%	15.2%	8.6%
Free Cash Flow <sup>5</sup>	219,855	309,168	813,771	706,086	696,612

## Glossary

*CAGR – Compound Annual Growth Rate*

*CCPP – Combined Cycle Power Plant*

*EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortisation (= profit for the period plus income tax expense plus interest expenses less interest revenues plus depreciation & amortization)*

*EPC – Engineering, Procurement and Construction contract*

*OEM – Original Equipment Manufacturer*

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## Notice

*This communication is an advertisement for the purposes of the Prospectus Regulation and underlying legislation.*

*The approval of the Prospectus by the Czech National Bank under the Prospectus Regulation cannot be construed as an endorsement or approval of the securities offered to the public or admitted to trading under the Prospectus. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.*

*The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

*The Shares referred to herein may not be offered or sold in the United States (including its territories and possessions, any State of the United States and the District of Columbia) unless registered under the US Securities Act of 1933 (the "Securities Act") or offered in a transaction exempt from, or not subject*

<sup>2</sup> Published semi-annual results in future will follow regulatory principles, i.e. will reflect month-end date.

<sup>3</sup> Profit for the period plus income tax expense plus interest expenses less interest revenues plus depreciation and amortization

<sup>4</sup> EBITDA as a percentage of revenues

<sup>5</sup> Cash from operating activities less cash outflow from acquisition of property, plant and equipment less cash outflow from acquisition of intangible assets plus cash inflow from proceeds from sale of property, plant and equipment less income tax paid

to, the registration requirements of the Securities Act. The Shares have not been, and will not be, registered under the Securities Act, or applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Shares may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan. There will be no public offer of the Shares in the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada or Japan. Any Shares may only be offered in offshore transactions in compliance with Regulation S under the Securities Act.

In member states of the European Economic Area (the "EEA") other than the Czech Republic, this announcement and any offer if made subsequently is directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Regulation (Regulation (EU) 2017/1129) ("Qualified Investors"). In the United Kingdom this announcement and any offer if made subsequently is directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and: (i) 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") or (ii) who fall within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to herein as "Relevant Persons"). Any investment or investment activity to which this document relates is available only to and will be engaged in only with: (i) in member states of the EEA other than the Czech Republic, Qualified Investors; and (ii) in the United Kingdom, Relevant Persons.

This announcement and its contents must not be acted on or relied upon (i) in the United States; (ii) in the United Kingdom, by persons who are not Relevant Persons; or (iii) in any Member State of the EEA other than the Czech Republic, by persons who are not Qualified Investors. The communication of this announcement (i) in the United States; (ii) in the United Kingdom, to persons who are not Relevant Persons; or (iii) in any Member State of the EEA other than the Czech Republic, to persons who are not Qualified Investors, is unauthorised and may contravene applicable law.

This announcement may constitute or include forward-looking statements, which are based on current expectations, projections and assumptions about future events. Forward-looking statements are statements that are not historical facts and may be identified by words such as "plans", "targets", "aims", "believes", "expects", "anticipates", "intends", "estimates", "forecast", "project", "plan", "will", "may", "continues", "should" and similar expressions. These forward-looking statements reflect, at the time made, the Company's beliefs, intentions and current targets/aims concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records (and those of other members of the group) and other data available from third parties, the Company's investments and its business strategy, regarding, among other matters, relevant industry, regulatory and economic trends and the Company's ability to successfully develop its business, fund and carry out its growth plan, meet its targets and deliver on its backlog. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual outcomes and the results of operations, financial condition and liquidity of the Company or the industry to differ materially from those results expressed or implied in this announcement by such forward-looking statements. No representation or warranty is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved. No statement in this announcement is intended to be nor may be construed as a profit forecast.

Each of Raiffeisen Bank International AG, Raiffeisenbank a.s. and WOOD & Company Financial Services, a.s. (together, the "Banks") and the Company, and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any purchase of Shares in the proposed Offering should be made solely on the basis of the information contained in the Prospectus to be issued by the Company in connection with the Offering. The information in this announcement is subject to change.

The Banks are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering. None of the Banks will regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Banks and any of their affiliates, may take up a portion of the Shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Banks and any of their affiliates acting in such capacity. In addition the Banks and any of their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Banks and any of their affiliates may from time to time acquire, hold or dispose of Shares. The Banks do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

A communication that a transaction is or that the book is "covered" (i.e., indicated demand from investors in the book equals or exceeds the amount of the Shares being offered) is not any indication or assurance that the book will remain covered or that the transaction and Shares will be fully distributed by the Banks. The Banks and any of their affiliates reserve the right to take up a portion of the Offered Shares in the offering as a principal position at any stage at their sole discretion, inter alia, to take account of the objectives of the Company, EU MiFID II requirements and in accordance with allocation policies.

None of the Banks or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company or the Selling Shareholder, their subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

This announcement contains certain non-IFRS financial measures of the Company derived from (or based on) its accounting records, and which it regards as alternative performance measures ("APMs") for the purposes of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 and as defined in the European Securities and Market Authority Guidelines on Alternative Performance Measures dated 5 October 2015. Other companies may calculate such financial information differently or may use such measures for different purposes than the Company, limiting the usefulness of such measures as comparative measures. These measures should not be considered as alternatives to measures derived in accordance with IFRS, have limited use as



analytical tools, should not be considered in isolation and may not be indicative of the Company's results of operations. Recipients of this announcement should not rely on this information.

#### *Information to Distributors*

Solely for the purposes of the product governance requirements contained within: (i) Directive 2014/65/EU on markets in financial instruments, as amended ("EU MiFID II"); (ii) articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (iii) local implementing measures (together, the "EU MiFID II Product Governance Requirements"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the EU MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the 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 defined in EU MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by EU MiFID II (the "Target Market Assessment").

Notwithstanding the foregoing, "distributors" (for the purposes of EU MiFID II Product Governance Requirements) should note that the price of the Shares may decline and investors could lose all or part of their investment in the Shares; the Shares offer no guaranteed income or capital protection; and an investment in the 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 advisor) 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: (i) an assessment of suitability or appropriateness for the purposes of EU MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.