

Caverion Board withdraws recommendation from North Holdings 3's offer and unanimously recommends Crayfish BidCo's offer

Caverion Corporation Tender Offer 5 April 2023 at 9:00 a.m. EEST

Caverion Board withdraws recommendation from North Holdings 3's offer and unanimously recommends Crayfish BidCo's offer

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

The Board of Directors of Caverion Corporation (the "**Board**") announced on 23 March 2023 that it expected to withdraw its recommendation for North Holdings 3 Oy (the "**Bain Consortium**") tender offer to acquire all of the issued and outstanding shares in Caverion Corporation ("**Caverion**") that are not held by Caverion or any of its subsidiaries (the "**Shares**" or individually a "**Share**") (the "**Bain Consortium Offer**") and instead recommend the tender offer from Crayfish BidCo Oy ("**Triton**") (the "**Triton Offer**"), unless the Bain Consortium no later than 4 April 2023 presents an offer that is at least equally favourable to the shareholders of Caverion as the Triton Offer.

The Board compared the offer price of EUR 8.75 per Share (adjusted for the EUR 0.20/Share dividend approved by Caverion's annual general meeting on 27 March 2023 (the "**Dividend**")) (the "**Triton Offer Price**"), with prices offered by the Bain Consortium of (i) EUR 7.80/Share (adjusted for the Dividend) to be paid in cash in connection with completion or (ii) a fixed cash payment of EUR 8.30/Share (adjusted for the Dividend) nine (9) months after the completion (the "**Bain Consortium Offer Price**"). In comparing the two offers as a whole (including from financial and deliverability points of view and taking into account also anticipated timing and regulatory aspects, as well as risks relating to each offer), the Board considered the Triton Offer Price to be sufficiently higher than the Bain Consortium Offer Price to outweigh the higher risks included in Triton's offer and, therefore, Triton's offer to be more attractive to shareholders than the Bain Consortium's offer. The Board refers to its release dated 23 March 2023 for a comparison and relative assessment of the Triton Offer and the Bain Consortium Offer.

The Board notes that the Bain Consortium's right to match period has expired on 4 April 2023 without any improvements announced in the terms of the Bain Consortium Offer. Consequently, the Board has decided to withdraw its recommendation for the Bain Consortium Offer and instead unanimously recommend the Triton Offer. The statement of the Board regarding the Triton Offer as well as the updated statement of the Board regarding the Bain Consortium Offer have been attached in their entirety to this stock exchange release.

The Chairman of the Board, Mats Paulsson, comments on the Board's change in recommendation as follows:

"As a result of a thorough assessment, the Board has decided to recommend the Triton Offer. We welcome Triton's commitment to Caverion through a 9.97% shareholding, which is expected to increase to 29.91% once the conditional share purchases have been completed. Triton has an impressive track record in building successful businesses. Our view is that Triton can contribute to the development of Caverion's business for the benefit of our customers, partners and employees."

Cooperation agreement with Triton

Caverion has on 5 April 2023 entered into a co-operation agreement with Triton (the “**Cooperation Agreement**”), in which Caverion and Triton undertake to, among other things, assist and cooperate with each other in relation to consummation of the Triton Offer.

Under the Cooperation Agreement, each of Caverion and Triton shall use its reasonable best efforts to do or cause to be done all reasonably required actions and to assist and cooperate with the other party in doing all the things necessary or advisable to consummate the Triton Offer in accordance with its terms and conditions, including, for example, (i) the making of all required registrations and filings with relevant competition authorities in applicable jurisdictions, and with any other governmental entities or regulatory authorities (including any supplements or amendments thereto), in each case as reasonably required for the completion of the Triton Offer, and (ii) the obtaining of all necessary consents, approvals or waivers from third parties as and to the extent required for the completion of the Triton Offer in accordance with the terms and conditions of the Triton Offer. Furthermore, Caverion and Triton have undertaken to provide each other certain information that may be necessary for the purposes of Triton Offer and/or the Cooperation Agreement.

The Cooperation Agreement further includes certain limited customary undertakings by both parties, such as conduct of the Caverion Group’s business in the ordinary course of business until the date of the settlements of the completion trades with respect to the Shares tendered in the Triton Offer or, as applicable, the termination of the Cooperation Agreement, and the undertaking by Triton to provide copies of the agreements relating to Triton’s financing agreements for the Triton Offer (including any material amendments thereto) to Caverion or to its representatives, upon Caverion’s request.

The Cooperation Agreement automatically expires on the earlier of the completion of the Triton Offer, and the date (if any) on which Triton publicly announces that it will (i) not complete the Triton Offer, (ii) allow the Triton Offer to lapse, or (iii) withdraw the Triton Offer. Notwithstanding the above, both Caverion and Triton have the right to terminate the Cooperation Agreement with immediate effect in case the Board has decided to withdraw its recommendation pursuant to its fiduciary duties. Termination of the Cooperation Agreement shall not entail any liability for the terminating party, provided that the terminating party has otherwise complied with its obligations under the Cooperation Agreement.

Under the Cooperation Agreement, the Board may at any time withdraw, modify, cancel or amend its recommendation for the Triton Offer issued on 5 April 2023 to accept the Triton Offer (the “**Recommendation**”) and take actions contradictory to the Recommendation if such withdrawal, modification, cancellation or amendment of the Recommendation or contrary action is required for the Board to comply with its mandatory fiduciary duties towards the holders of the Shares under Finnish laws and regulations.

Termination of the combination agreement with the Bain Consortium

Caverion has also terminated the combination agreement signed on 3 November 2022 with the Bain Consortium (as amended on 24 January 2023, the “**Combination Agreement**”). According to the Combination Agreement, if the Combination Agreement is terminated by either party as a result of the Board withdrawing, modifying, cancelling or amending its recommendation for the Bain Consortium Offer, Caverion shall reimburse to the Bain Consortium any and all of its documented out-of-pocket expenses and costs incurred in connection with the Combination Agreement and the Bain Consortium Offer, up to the maximum amount of EUR 10,000,000 in the aggregate. The cost coverage does not have an impact on the Triton Offer.

The Board received an opinion, dated April 4, 2023, from Caverion’s exclusive financial adviser, Bank of America Europe DAC, Stockholm branch (“**BofA Securities**”), to the effect that, as of the date of such opinion, the Triton Offer Price to be paid to holders of Shares (other than Triton and its affiliates) pursuant to the Triton Offer, was fair, from a financial point of view, to such holders, which opinion was based upon and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described in such opinion (the “**Opinion**”). The Opinion was provided for the use and benefit of the Board and does not constitute a recommendation as to whether any holders of Shares should tender such Shares in connection with the Triton Offer, how any holders of Shares should act in connection with the Triton Offer or any related matter.

Distribution:

Nasdaq Helsinki, key media, www.caverion.com

ABOUT CAVERION

Caverion is a public limited liability company incorporated under the laws of Finland with its shares listed on the official list of Nasdaq Helsinki. Caverion is a Northern & Central European-based expert for smart and sustainable built environments, enabling performance and people's well-being. Caverion offers expert guidance during the entire life cycle of buildings, infrastructure or industrial sites and processes: from design & build to projects, technical and industrial maintenance, facility management as well as advisory services. At the end of December 2022, there were almost 14,500 professionals serving customers at the service of Caverion Group in 10 countries.

IMPORTANT INFORMATION

THIS STOCK EXCHANGE RELEASE MAY NOT BE RELEASED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS STOCK EXCHANGE RELEASE IS NOT A TENDER OFFER DOCUMENT OR A SUPPLEMENT DOCUMENT TO TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS STOCK EXCHANGE RELEASE IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN THE TENDER OFFER DOCUMENT AND THE POSSIBLE SUPPLEMENT DOCUMENTS TO THE TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAWS OR REGULATIONS. IN PARTICULAR, THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO, OR BY USE OF THE POSTAL SERVICE OF, OR BY ANY MEANS OR INSTRUMENTALITY (INCLUDING, WITHOUT LIMITATION, FACSIMILE TRANSMISSION, TELEX, TELEPHONE OR THE INTERNET) OF INTERSTATE OR FOREIGN COMMERCE OF, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, BY ANY SUCH USE, MEANS OR INSTRUMENTALITY OR FROM WITHIN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA AND ANY PURPORTED ACCEPTANCE OF THE TENDER OFFER RESULTING DIRECTLY OR INDIRECTLY FROM A VIOLATION OF THESE RESTRICTIONS WILL BE INVALID.

THIS STOCK EXCHANGE RELEASE HAS BEEN PREPARED IN COMPLIANCE WITH FINNISH LAW, THE RULES OF NASDAQ HELSINKI LTD AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS STOCK EXCHANGE RELEASE HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF JURISDICTIONS OUTSIDE OF FINLAND.

Information for shareholders of Caverion in the United States

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

The tender offer will be made for the issued and outstanding shares of Caverion, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The tender offer is made in the United States pursuant to Section 14(e) and Regulation 14E under the Exchange Act, subject to the exemption provided under Rule 14d-1(c) under the Exchange Act, for a Tier I tender offer (the "Tier I Exemption"), and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the tender offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those of the United States. In particular, the financial information included in this stock exchange release has been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies. The tender offer is made to Caverion's shareholders resident in

the United States on the same terms and conditions as those made to all other shareholders of Caverion to whom an offer is made. Any informational documents, including this stock exchange release, are being disseminated to U.S. shareholders on a basis comparable to the method that such documents are provided to Caverion's other shareholders.

As permitted under the Tier I Exemption, the settlement of the tender offer is based on the applicable Finnish law provisions, which differ from the settlement procedures customary in the United States, particularly as regards to the time when payment of the consideration is rendered. The tender offer, which is subject to Finnish law, is being made to the U.S. shareholders in accordance with the applicable U.S. securities laws, and applicable exemptions thereunder, in particular the Tier I Exemption. To the extent the tender offer is subject to U.S. securities laws, those laws only apply to U.S. shareholders and will not give rise to claims on the part of any other person. U.S. shareholders should consider that the offer price for the tender offer is being paid in EUR and that no adjustment will be made based on any changes in the exchange rate.

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

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

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

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

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY U.S. STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE TENDER OFFER, PASSED ANY COMMENTS UPON THE MERITS OR FAIRNESS OF THE TENDER OFFER, PASSED ANY COMMENT UPON THE ADEQUACY OR COMPLETENESS OF THE TENDER OFFER DOCUMENT OR PASSED ANY COMMENT ON WHETHER THE CONTENT IN THE TENDER OFFER DOCUMENT IS CORRECT OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Disclaimer

Bank of America Europe DAC, Stockholm branch, a subsidiary of Bank of America Corporation, is acting exclusively for Caverion and no one else in connection with the Bain Consortium Offer and the Triton Offer, and will not be responsible to anyone other than Caverion for providing the protections afforded to its clients or for providing advice in relation to the Bain Consortium Offer, the Triton Offer or any matter or arrangement referred to in this stock exchange release.

Investor and Media enquiries:

Milena Hæggström, Head of Investor Relations, Caverion, tel. +358 40 5581 328, milena.haeggstrom@caverion.com

Caverion is an expert for smart and sustainable built environments, enabling performance and people's well-being. Customers can trust our expertise during the entire life cycle of their buildings, infrastructure or industrial sites and processes: from installation and maintenance of base and smart technologies, to managed services as well as advisory and engineering services and digital solutions. Our customers are supported by almost 14,500 Caverion professionals in 10 countries in Northern and Central Europe. Our revenue in 2022 was over EUR 2.3 billion. Caverion's shares are listed on Nasdaq Helsinki.

www.caverion.com @CaverionGroup

#BuildingPerformance #Energywise #Caverion