

Svedbergs Group has completed the acquisition of Thebalux and receives broad support for the upcoming rights issue

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Svedbergs Group AB (publ) ("Svedbergs Group") has today completed the acquisition of Thebalux Holding B.V. ("Thebalux") (the "Transaction"). Shareholders, who together represent approximately 65.9 percent of the shares and votes in the company, have expressed their support for the Transaction and have committed or expressed their intention to subscribe for their pro rata share of the rights issue that is intended to be carried out during the first quarter of 2024 and which refinances part of the Transaction (the "Rights Issue").

Thebalux is a well-established Dutch designer, producer and supplier of bathroom furniture and bathroom products. The acquisition of Thebalux is in line with Svedbergs Group's strategy and constitutes an important step in Svedbergs Group's goal of becoming the leading bathroom group in northern Europe. At the completion of the acquisition, the fixed purchase price was set at EUR 50.6 million (corresponding to approximately SEK 578 million^[1]), which is based on an agreed enterprise value on a cash and debt free basis (enterprise value) as of the completion date of approximately EUR 45 million (corresponding to approximately SEK 514 million^[1]). In addition, an earn-out of a maximum of EUR 2.7 million (corresponding to approximately SEK 31 million^[1]) has been agreed upon, payable in 2026, subject to Thebalux's financial performance.

In order to meet the liquidity needs of the combined operations of Svedbergs Group and Thebalux, as well as to finance the acquisition of Thebalux, Svedbergs Group has secured an expansion of its credit facilities from Nordea amounting to SEK 550 million. In order to partially amortise credit facilities and to strengthen its capital structure after the acquisition of Thebalux, Svedbergs Group intends, in accordance with previous communication, to carry out a Rights Issue with preferential rights for existing shareholders of a maximum of approximately SEK 400 million during the first quarter of 2024. The main shareholder Stena Adactum AB, who represent approximately 40.6 percent of the shares and votes in Svedbergs Group^[2], has undertaken to vote in favour of authorising the board to resolve on the Rights Issue at the extraordinary general meeting and to subscribe for its pro rata share of the Rights Issue. Furthermore, If Skadeförsäkring AB and Nordea Fonder, who together represent approximately 25.2 percent of the shares and votes in Svedbergs Group^[2], have expressed their support for the Transaction and their intention to subscribe for their pro rata share of the Rights Issue. The terms and timetable for the Rights Issue are expected to be published during December 2023.

An extraordinary general meeting to authorise the board of directors to resolve on the Rights Issue will be held on 7 December 2023.

For further information on the Transaction and the Extraordinary General Meeting, please refer to the press releases published on 27 October 2023, which are available at <http://www.svedbergsgroup.com>.

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About Svedbergs Group

Svedbergs Group invests long-term in Europe's strongest independent company that designs, manufactures and markets sustainable products and services for bathrooms. We grow through organic growth and acquisitions that complement and strengthen our group through new products in bathroom furniture and shower solutions, geographical spread and new knowledge in marketing, innovation and sustainability. We create value by maintaining the companies' entrepreneurial drive and commitment, as well as by selectively finding synergies within, for example, purchasing. We call this cooperation without confusion.

Important information

The information in this press release does not constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in the Company in any jurisdiction. Any invitation to the persons concerned to subscribe for shares in Svedbergs Group will only be made through the prospectus that Svedbergs Group estimates to publish during the fourth quarter of 2023.

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Within the European Economic Area (the "**EEA**"), no public offering of securities is made in other countries than Sweden. In other member states of the EEA, such an offering of securities may only be made in accordance with an applicable exemption in the Prospectus Regulation (EU) 2017/1129. What is said about other member states in the EU than Sweden shall also apply to the United Kingdom, where the Prospectus Regulation (EU) 2017/1129 forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In the United Kingdom, this press release is only directed at "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (EU) 2017/1129, as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, and who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) other persons to whom this press release may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). Persons who are not Relevant Persons should not take any action on the basis of this press release and should not act or rely on it.

This press release contains certain forward-looking information that reflects the Company's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.

[1] Applied exchange rate (EUR/SEK) of 11,4303 in this press release, which corresponds to the exchange rate as of 22 November 2023 (The Riksbank).

[2] Excluding own shares. As of 23 November 2023, Svedbergs Group holds 14,361 own shares of series B, which do not entitle to participation in the Rights Issue.

This information is information that Svedbergs Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-11-23 08:30 CET.