

PRESS RELEASE

21 April 2023 07:45:00 CEST

LMK Group, through its Danish brand RetNemt, enters into an agreement to acquire customer relationships of a mealkit competitor in Denmark

Operating in Denmark under the brand name RetNemt, LMK Group today announced a commercial agreement which is set to expand its Danish market reach and strengthen its position in the subscription mealkit business.

The agreement includes the transfer of approximately 3,000 customer relationships for a consideration of up to SEK 2.6m of a competitor operating in the mealkit space with a comparable product and service offering. The consideration is financed with existing cash on the balance sheet and does not have a material effect on the LMK Group's liquidity situation. An initial amount of 65% will be paid upfront in cash on closing with the remaining amount to be paid if earnout targets based on sales volumes are met in the six months following the closing of the transaction.

Migration of customers to the RetNemt brand will start April 21st. The transaction is expected to have a modest contribution to net earnings from the third quarter this year with a target to retain up to 25 % of the acquired customer relationships.

- We are excited about being able to offer tasty, well-balanced mealkits to even more households in Denmark. We are confident that more consumers will discover mealkits as a way to simplify the preparation of great everyday meals and establish predictability in their food budgets and we are looking forward to engaging these new customers with our offering, says Klaus Toft Nørgaard, Chief Commercial Officer at LMK Group.

- This agreement helps addressing our strategic focus to increase our volumes in the Danish market while consolidating our market position. We see substantial market opportunity in Denmark and are firmly established under our RetNemt brand with a scalable fulfillment model, says Walker Kinman, CEO at LMK Group.

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About LMK Group

LMK Group was founded in 2008 with the vision of simplifying everyday life by offering a large variety of inspiring meals delivered directly to the customer's front door. Today, the group is the largest supplier of meal kits in the Nordic region and a leader in Scandinavian foodtech. The group operates in Sweden, Norway and Denmark under the brands Linas Matkasse, Godtlevet, Adams Matkasse and RetNemt. In 2022, the Group generated SEK 1.1 billion in revenue and delivered approximately 17 million meals to its customers. LMK Group is listed on Nasdaq First North Premier Growth Market. Certified Adviser: FNCA Sweden AB, info@fnca.se

This information is information that LMK Group AB 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 2023-04-21 07:45 CEST.

Attachments

LMK Group, through its Danish brand RetNemt, enters into an agreement to acquire customer relationships of a mealkit competitor in Denmark