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## **MEKO secures precautionary amendments from lenders and initiates a written procedure for its outstanding bonds**

**MEKO has reached an agreement on precautionary amendments with its lenders under the facility agreements and is now initiating a written procedure regarding its outstanding bonds.**

MEKO's first half of 2025 was marked by continued macroeconomic uncertainty and intense competition, resulting in weaker sales and lower earnings compared with the same period in 2024. In addition, and as communicated at MEKO's recent capital markets day, the company is implementing significant upgrades, including new central warehouses, which has led to extra costs while benefits are still to be realized. To secure a solid financial position, enabling both the completion of these investments and the execution of the annual general meeting's dividend decision, the company has engaged with lenders and bondholders.

"We are pleased to have the support from our banks as MEKO continues to implement its strategy for stronger growth and improved long-term profitability. We have also engaged with key bondholders to facilitate the completion of the procedure initiated today", says Christer Johansson, CFO of MEKO.

### **Precautionary amendments to facility agreements**

MEKO has negotiated with the lenders under the company's SEK 1,965,000,000 facility agreement and SEK 1,300,000,000 revolving credit facility agreement (the "**Facility Agreements**") and has recently secured precautionary amendments to the Facility Agreements.

### **Background and reasons for the written procedure**

MEKO has on 18 June 2025 issued senior unsecured floating rate bonds of an initial aggregate amount of SEK 1.25 billion under a framework of SEK 2 billion with ISIN SE0025159254 (the "**Bonds**"). Pursuant to the terms and conditions of the Bonds (the "**Terms and Conditions**"), the company is permitted to make a distribution to its shareholders if, *inter alia*, the Incurrence Test is met. The Incurrence Test is met if:

- (a) the Net Debt to EBITDA Ratio for the latest Test Period is not greater 3.50:1; and
- (b) EBITDA to Net Interest Expenses Ratio for the latest Test Period is equal to or greater than 3.00:1.00,

in each case calculated and adjusted in accordance with the Terms and Conditions.

At the latest annual general meeting of the company, held on 15 May 2025, it was resolved on a dividend across two instalments, whereby the dividend distribution date for the second instalment amounting to approximately SEK 110 million being estimated to fall on 20 November 2025 with the record date being 17 November 2025 (the "**Dividend Distribution**"). As a consequence of the situation described above, MEKO may not be able to meet the Net Debt to EBITDA Ratio of the Incurrence Test. In order to still execute on the decision from the annual general meeting, which the company cannot cancel, MEKO is now requesting a waiver from the holders of the Bonds (the "**Bondholders**") in order

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for the Dividend Distribution to be permitted under the Terms and Conditions. Additionally, the company is seeking an amendment to align the timing of the Incurrence Test date, in connection with future dividends, with the date of the relevant general meeting.

#### **Initiation of written procedure and summary of proposed terms**

To ensure that MEKO may proceed with the Dividend Distribution as resolved by the latest annual general meeting, the company has today instructed Nordic Trustee & Agency AB (publ), in its capacity as agent (the “**Agent**”) under the Bonds, to initiate a written procedure (the “**Written Procedure**”).

Pursuant to the Written Procedure, the Bondholders are entitled to vote for or against the following requests (as set out in full in the notice of Written Procedure):

- i. to approve that the company may make the Dividend Distribution even if the Net Debt to EBITDA Ratio for the latest Test Period exceeds 3.50:1 at the time of such payment;
- ii. to consent to the unconditional and irrevocable waiver of the requirement for the company to deliver a Compliance Certificate in connection with the Dividend Distribution; and
- iii. to approve certain amendments to the Terms and Conditions to align the timing of the Incurrence Test date, in respect of future dividends, with the company’s general meetings.

MEKO has held discussions with certain larger Bondholders representing approximately 43.00 per cent. of the adjusted nominal amount of the Bonds, and such larger Bondholders have undertaken to vote in favour of the requests under the Written Procedure. The applicable quorum and majority requirements to approve the requests under the Written Procedure are (i) that Bondholders representing at least twenty (20) per cent. of the adjusted nominal amount of the Bonds participate in the Written Procedure and (ii) that Bondholders representing more than fifty (50) per cent. of the adjusted nominal amount of the Bonds approve the requests under the Written Procedure, as further set forth in the notice of Written Procedure.

The company offers a consent fee, corresponding to 0.50 per cent. of the nominal amount of each Bond, to each Bondholder on the relevant record date being 27 October 2025 if the company's requests are approved. In addition, and subject to satisfaction of certain conditions as set out in the notice of Written Procedure, an early bird fee, corresponding to 0.25 per cent. of the nominal amount for which a Bondholder has voted, will be paid to the Bondholders who submitted a valid vote no later than 15:00 CEST on 8 October 2025.

For full details of the proposed requests, voting requirements, majority and quorum requirements, the consent fee and the early bird fee and important dates, refer to the notice of Written Procedure which is available on MEKO’s website ([www.meko.com/investors/financial-information/financing/](http://www.meko.com/investors/financial-information/financing/)).

The Agent has today on 1 October 2025 sent the notice of Written Procedure by regular mail to Bondholders directly registered in the debt register kept by Euroclear Sweden AB on the relevant record date being 30 September 2025. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Bonds on behalf of someone

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else on a securities account, please forward the notice of Written Procedure to the Bondholders you represent as soon as possible.

The outcome of the Written Procedure will be announced by a press release in connection with the conclusion of the Written Procedure. The record date for being eligible to vote in the Written Procedure is 6 October 2025. The deadline for voting in the Written Procedure is 15:00 CEST on 20 October 2025. The Written Procedure may however be concluded before the expiry of the time period for replies if a requisite majority has been obtained.

For further questions to the company regarding the requests under the Written Procedure, the administration of the Written Procedure, and in relation to voting in the Written Procedure, please contact the Agent on [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com) or +46 8 783 79 00, or Skandinaviska Enskilda Banken AB (publ) as solicitation agent and paying agent on [liabilitymanagementdcm@seb.se](mailto:liabilitymanagementdcm@seb.se).

Any terms defined herein shall have the same meaning as in the Terms and Conditions, unless otherwise defined herein.

**For further information, please contact:**

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**About MEKO**

MEKO's vision is to enable mobility – today, tomorrow, and in the future. Our aim is to be the most comprehensive partner for everyone who drives, repairs, and maintains vehicles in Northern Europe. We are the market leader with a presence in eight countries, 600 branches, and 20,000 workshop customers, including 4,500 workshops operating under our own brands. Our wholesale and workshop brands include Mekonomen, MECA, Balti Autosaad, BilXtra, FTZ, Fixus, Inter-Team, and Sørensen og Balchen – among many others.

*This information is information that MEKO 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, on 1 October 2025 at 14:00 CEST.*