



PRESS RELEASE

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USWE Sports AB Acquires VOID Cycling and extends the catalogue with high end bike apparel

As per today USWE Sports AB has signed a binding agreement with Tenson BV and Color Group BV, regarding an acquisition of VOID Cycling. The transaction is set as an acquisition of assets and will be completed on the 20th of September 2021.

The purchase price is set at 10 MSEK with a potential "earn-out" at a maximum of additional 4 MSEK based on the pre-order sales for SS2022 (Spring/Summer Season 2022). VOID Cycling is forecasted at 8 MSEK of revenue with a net profit for 2021. USWE expects VOID Cycling to be growing at the same rate as USWE Sports AB, which has a target annual growth rate of 40%.

Background: USWE and VOID Cycling are two Swedish brands both present in the cycling industry with a global presence. Both brands are strong in e-commerce, where VOID started as a pure D2C brand. Early in 2021 the brands started a co-lab project with the target to introduce a blend by the two brands in a unique collection of apparel and backpacks for the MTB market. The creative teams got the freedom to design something totally unique. During the project it was clear for both parties that a fusion would be beneficial. USWE and VOID are sharing the same fundamental core values as well as customers. The markets are overlapping in a way where a fusion would mean an increased platform for further growth. The co-lab project will continue to the completion date of the transaction on the 20th of September 2021. The USWE + Void co-lab collection will be launched to consumers in spring 2022.

Jacob Westerberg CEO USWE Sports AB:

"Early in the co-lab project we realized that the two of us definitely would be stronger together. The target group is overlapping and both VOID Cycling and USWE are focusing on High End products in the premium bike segment. Our ambition is to nurse the heritage of VOID Cycling and to empower the brand with the strategy that has made USWE successful. With this acquisition we will multiply our offer to both existing USWE customers as well as VOID customers. Many riders share their love for VOID and at USWE we can see many similarities of our own journey. We are looking forward to lead VOID Cycling into the next chapter and we are delighted to have both new and existing customers join us on this journey.

Tomas Solin, CEO VOID Cycling:

“VOID Cycling is established as a premium brand for cycling enthusiast all around the world and the brand is currently in a strong growth phase. For us, the number one priority is to secure the future development of VOID in close connection to our customers. USWE is already a strong brand in the bike industry and particularly strong in the MTB segment. For us it is clear that USWE complements as well as empowers the further growth of VOID. The transaction means that we now will be able to fully focus on delivering on the strong growth plans for the remaining trademarks Tenson and ColourWear.”

About VOID Cycling:

VOID Cycling started in 2014 in Gothenburg, Sweden, as a premium cycle brand with focus on direct-to-consumer sales. The new SS2022 (Summer Spring 2022) collection includes bike apparel in the premium segment for men and women in 3 different classes: Race Fit Aero, Race Fit and Regular fit as well as an MTB collection and the co-lab with USWE labeled as name Swe-co-lab.

About the transaction:

The purchase price for the IP rights is set at 10 MSEK and are paid in cash. The “earn-out” for maximum 4 MSEK is based on the performance of the pre-sales for SS2022 and a potential cash payment will be executed in July 2022. The stock will be purchased at cost price at the date of completion.

Contacts

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The shares in USWE Sports AB are admitted to trading on Nasdaq First North Growth Market with ticker code “USWE”. Västra Hamnen Corporate Finance AB is Certified Adviser to the company and can be contacted through ca@vhcorp.se or +46 (0) 40 200 250.

About Us

About USWE: Founded in 2007, USWE (“you-swii”) designs bounce-free backpacks and hydration packs for Mountain biking, Trail Running, Speedhiking, Skiing and Off-road Motorcycle riding. The unique shape and suspension of our patented, award-winning harness design – NDM™ (No Dancing Monkey™) offer full mobility and breathing capacity, with a range of pack sizes and styles to carry all the gear and essentials for any action sport. We’ve built every USWE pack with meticulous attention to the details, offering versatility, comfort and adjustability that result in a perfect fit for each individual and need. Our growing range of packs includes daypacks, hydration hip belts, packs and protector and commuter backpacks. The shares in USWE Sports AB are admitted to trading on Nasdaq First North Growth Market, with ticker code “USWE”. Learn more at <https://www.uswe-sports.com>.

This information is information that USWE Sports 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 2021-07-16 17:05 CEST.

Attachments

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