

PRESS RELEASE – 11 FEBRUARY 2022, at 13:00

## **Svedbergs resolves on rights issue and announces terms**

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**The Board of Directors of Svedbergs i Dalstorp AB (publ) (“Svedbergs”) has, based on the authorization from the Extraordinary General Meeting on 27 December 2021, resolved to launch a new share issue with preferential right for existing shareholders of approximately SEK 494 million in order to secure an optimal capital structure by repaying part of the bridge facilities which, together with increased credit facilities, were used to finance the acquisition of Roper Rhodes Ltd (“Roper Rhodes”), which was announced by Svedbergs on 1 December 2021. Today, Svedbergs announces the terms and conditions of the rights issue.**

### **The rights issue in brief<sup>1</sup>**

- The rights issue comprises no more than 14,123,758 new B shares.
- Shareholders in Svedbergs have preferential right to subscribe for two (2) new shares per three (3) existing shares, i.e. an issue ratio of 2:3.
- The subscription price has been set to SEK 35 per new share, which results in total issue proceeds of approximately SEK 494 million before issue costs, assuming that the rights issue is fully subscribed.
- The shareholders Stena Adactum and If Skadeförsäkring – representing, directly and indirectly, in aggregate approximately 40.5 percent of the shares and votes in Svedbergs, have committed to, subject to customary conditions, subscribe for their respective direct and indirect pro rata shares in the rights issue.
- In addition, Nordea Fonder, representing approximately 13.4 percent of the total number of shares and votes in Svedbergs, has expressed its support for the transaction and its intention to subscribe for its pro rata share of the rights issue.

### **Background and rationale for the rights issue**

On 1 December 2021, it was announced that Svedbergs had entered into an agreement to acquire Roper Rhodes, a well-established supplier and designer of bathroom furniture and products in the United Kingdom. The fixed consideration has amounted to approximately GBP 82 million, based on an agreed enterprise value of GBP 76 million, on a cash and debt free basis, and a net receivable in the acquired company of approximately GBP 6 million. In addition, an earn-out has been agreed which has been recorded at GBP 12 million, corresponding to fair value, and which will be paid 2025 depending on Roper Rhodes financial performance. With the acquisition, Svedbergs has established a strong market position in the United Kingdom and has made an important step toward the vision of becoming the leading bathroom supplier in selected markets in Europe.

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<sup>1</sup> The stated holdings are calculated as of 31 January 2022 including known changes thereafter, with consideration for Svedbergs' holdings of 14,361 treasury shares which do not entitle to participate in the rights issue.

In order to meet the liquidity needs of the combined operations of Svedbergs and Roper Rhodes and to finance the acquisition of Roper Rhodes, Svedbergs increased its credit facilities by SEK 400 million and secured two bridge facilities of SEK 620 million in aggregate. The rights issue with preferential rights for existing shareholders is carried out to secure an optimal capital structure as part of the repayment of the bridge facilities.

### **Terms and conditions of the rights issue**

Those who, on the record date 18 February 2022, are registered by Euroclear Sweden AB as shareholders in Svedbergs will receive one (1) subscription right for each share held in Svedbergs. The subscription rights entitle the holder to subscribe with preferential right for new shares, in which case three (3) subscription rights entitle to subscribe for two (2) new B shares. In addition, the company offers the possibility to subscribe for shares without subscription rights.

Assuming that the rights issue is fully subscribed, the share capital will increase by no more than SEK 17,654,697.50 through the issue of no more than 14,123,758 new B shares. The subscription price has been set to SEK 35 per new share, corresponding to total issue proceeds of approximately SEK 494 million before issue costs, provided that the rights issue is fully subscribed. The net issue proceeds of approximately SEK 477 million will be used in its entirety to repay part of one of Svedbergs' bridge loan facilities of SEK 500 million.

The existing shares are traded including the right to receive subscription rights up to and including 16 February 2022 and the first day of trading in shares excluding the right to receive subscription rights is 17 February 2022. The subscription period runs from and including 22 February 2022 up to and including 8 March 2022. Svedbergs' Board of Directors has the right to extend the subscription period which, when applicable, will be announced through a press release at the latest on 8 March 2022.

Existing shareholders who choose not to participate in the rights issue will have their ownership diluted by approximately 40 percent, but are able to financially compensate for this dilution by selling their subscription rights. Unexercised subscription rights must be sold in order not to lapse without value.

If not all shares are subscribed for by exercise of subscription rights, the Board of Directors shall, up to the maximum amount of the rights issue, resolve on allotment of shares subscribed for without subscription rights as follows. Firstly, allotment shall be made to those who have applied for subscription and subscribed for shares by exercise of subscription rights, regardless of whether the subscriber was a shareholder on the record date or not, and in the event that allotment cannot be made in full to them, allotment shall be made in proportion to the number of new shares each one has subscribed for by exercise of subscription rights. Secondly, allotment shall be made to others who have applied for subscription without subscriptions rights, and in the event that allotment cannot be made in full to them, allotment shall be made in proportion to the number of shares stated in each subscription application. To the extent allotment in accordance with the above cannot be made pro rata, allotment shall be made by drawing of lots.

Complete terms and conditions for the rights issue and information about Svedbergs will be included in the prospectus that is intended to be published around 16 February 2022.

### Indicative timetable for the rights issue

16 February	Estimated day for publication of the prospectus for the rights issue
16 February	Last day of trading in the Svedbergs share including the right to receive subscription rights
17 February	First day of trading in the Svedbergs share excluding the right to receive subscription rights
18 February	Record date for the rights issue, that is, shareholders who are registered in the share register on this date will receive subscription rights that entitle to participate in the rights issue
22 February– 3 March	Trading in subscription rights on Nasdaq Stockholm
22 February– 8 March	Subscription period
22 February– 15 March	Trading in paid subscribed shares (BTA) on Nasdaq Stockholm
11 March	Estimated day for announcement of the outcome of the rights issue

### Advisors

Nordea Bank Abp, filial i Sverige is financial advisor to Svedbergs in connection with the rights issue. Mannheimer Swartling Advokatbyrå AB is legal advisor to Svedbergs.

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This information is information that Svedbergs i Dalstorp AB (publ) 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 13:00 CET on 11 February 2022.

### About Svedbergs

*Svedbergs started in 1920 and the Group operates in the Nordic region and in the UK. The Group's companies develop, design and sell bathroom furniture and related products. Under the motto collaboration without confusion, the Group's companies continuously develop their product ranges for the entire bathroom. Through close cooperation with partners, the consumer's desires are satisfied. The Group operates under the brands Svedbergs, Macro Design, Cassøe, Roper Rhodes, Tavistock and R2. The parent company Svedbergs i Dalstorp AB conducts its operations in Dalstorp outside of Ulricehamn and its subsidiary companies Macro Design in Laholm, Cassøe A/S in Herning, Denmark and Roper Rhodes, including Tavistock and R2, in Bath, England.*

### **Important information**

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in Svedbergs in any jurisdiction. Any invitation to the persons concerned to subscribe for shares in Svedbergs will only be made through the prospectus that Svedbergs estimates to publish on 16 February 2022.

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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. Nordea Bank Abp, filial i Sverige will not regard any other person (whether or not a recipient of this press release) as a client in relation to the rights issue and will not be responsible to anyone other than the Svedbergs for providing the protections afforded to its clients nor for the giving of advice in relation to the rights issue or any other transaction, matter or arrangement referred to in this press release.

This press release contains certain forward-looking information that reflects Svedbergs' 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

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