

Press release, Borås 23 January 2024

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ELLOS GROUP LAUNCHES SUPER SENIOR BOND OFFERING AND INITIATES A WRITTEN PROCEDURE TO AMEND THE TERMS AND CONDITIONS AND INTERCREDITOR AGREEMENT RELATING TO EXISTING SENIOR SECURED BOND

With reference to the press release announced today on 23 January 2024, Ellos Group AB (publ) ("**Ellos Group**" or the "**Company**") has secured commitments for a Super Senior Secured Callable Fixed Rate Bond of SEK 250,000,000 with a maturity of 365 days (the "**Super Senior Bond Issue**" or the "**Super Senior Bonds**"). Further, the Company initiates a written procedure in relation to the Company's outstanding SEK 1,500,000,000 Senior Secured Callable Floating Rate Bonds (the "**Existing Bonds**") to request certain amendments of the terms and conditions of the Existing Bonds (the "**Terms and Conditions**") and in relation to the intercreditor agreement dated 26 November 2019 entered into in connection with the issuance of the Existing Bonds (the "**Intercreditor Agreement**").

Ellos Group has instructed Nordic Trustee & Agency AB (publ) (the "**Agent**") as agent under the Company's Existing Bonds to initiate a written procedure to request the holders of such Existing Bonds (the "**Bondholders**") to vote in favour of certain amendments of the Terms and Conditions and certain amendments of the terms of the Intercreditor Agreement as set out in a notice of written procedure (the "**Written Procedure**"). Further, the Bondholders will be offered subscription in the Super Senior Bond Issue as set out in the Written Procedure notice.

Background to the Super Senior Bond Issue and the Written Procedure

As previously communicated today, the Company has agreed on a new operational financing with several of the Bondholders. As a step to refinance the Company's existing revolving credit facility (the "**RCF**"), which fell due on 20 January 2024 and which the lender of the RCF has agreed to temporarily extend until 12 February 2024 on existing terms, Ellos Group has secured commitments for the Super Senior Bond Issue. The proceeds of the Super Senior Bond Issue will be used to refinance the RCF in full. To enable the Super Senior Bond Issue, the Company deems it necessary to make certain amendments to the Terms and Conditions and the Intercreditor Agreement.

The Company has received undertakings from Bondholders representing a majority of the outstanding nominal amount of the Existing Bonds voting in favour of the proposed amendments.

Initiation of Written Procedure and summary of proposed amendments

The proposed amendments of the Terms and Conditions include, *inter alia*:

- a. amendments to permit the Super Senior Bond Issue;
- b. amendments to clarify restrictions on transactions with related parties;
- c. amendments to the security package and permitted security to cater for necessary bank guarantees, letters of credit and derivatives transactions that cannot be provided by the Bondholders;
- d. the minimum liquidity covenant is reduced to SEK 1,000,000 to optimise the liquidity management; and
- e. amendments with the effect of enhancing the security package.

The proposed amendments to the Intercreditor Agreement include, *inter alia*:

- a. amendments to permit the refinancing of the RCF with the Super Senior Bond Issue;
- b. a call option in respect of the Super Senior Bonds in favour of the Bondholders; and
- c. amendments to permit the Bondholders to enforce without first consulting with the holders of the Super Senior Bonds.

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The Agent will on 23 January 2024, send the notice of Written Procedure to Bondholders directly registered as of 22 January 2024 in the debt register kept by Euroclear Sweden AB. The notice of Written Procedure will also be available on the Company's website (www.ellosgroup.com).

The outcome of the Written Procedure will be announced by way of a press release in connection with the conclusion of the Written Procedure. The voting record date is 29 January 2024 and the last day for voting in the Written Procedure is 9 February 2024.

For questions regarding the proposals and requests set out in the notice of the Written Procedure, please contact ABG Sundal Collier AB at Voting.DCM@ABGSC.no. For questions regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

For more information:

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ABOUT ELLOS GROUP

The Ellos Group, which includes the e-stores Ellos, Jotex, Homeroom and payment brand Elpy, is a leading e-commerce group in the Nordic region. Working closely with our millions of customers, we are constantly striving to develop and offer attractive and sustainable fashion and household items for the entire family. Our focus is always on the customer. We continuously work to develop our business through innovation, creativity, and sustainability. The Ellos Group, headquartered in Borås, and with operations in all Nordic countries and selected European markets, has around 600 employees and sales of around SEK 3.6 billion.

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