

Press release, Borås, 26 July 2024

ELLOS GROUP ANNOUNCES THAT IT HAS RECEIVED AN ACCELERATION NOTICE IN RESPECT OF ITS OUTSTANDING BONDS AND CONTEMPLATES A STANDSTILL AGREEMENT WITH MAJOR BONDHOLDERS

On 14 July 2024, Ellos Group AB (publ) ("**Ellos Group**" or the "**Company**") announced that the Company had initiated a constructive dialogue with certain holders under the Company's outstanding SEK 1,500,000,000 senior secured bonds due 25 July 2024 (the "**Senior Bonds**") and SEK 250,000,000 super senior secured bonds due 9 February 2025 (jointly, the "**Existing Bonds**") to find a long-term refinancing solution for the Existing Bonds and to strengthen Ellos Group's capital structure.

In connection with the Company's inability to repay the Senior Bonds at their stated maturity, Nordic Trustee and Agent AB (the "**Agent**") as agent under the Existing Bonds have on the instructions of an ad-hoc group of bondholders (the "**AHG**") sent an acceleration notice under the Existing Bonds and according to the terms of the shareholder pledge agreement replaced certain directors of the board in Ellos Group Nordic AB (publ).

Concurrently with the above stated action, a standstill agreement has been proposed by the AHG, representing more than 50 % of the outstanding amount under the Existing Bonds. The standstill agreement is intended to provide a stable platform during the negotiations with the AHG and the acceleration of the Existing Bonds is not expected to have any impact on Ellos Group's business relationships or operations, which will continue as normal, nor will they affect any suppliers or employees.

The AHG has in connection with the acceleration given the following statement:

"The AHG has long been a firm supporter of Ellos group and continues to have a positive view on the brand, the business and management, while also recognizing the need for a more robust balance sheet to support the business going forward. The AHG looks forward to working with Ellos group and its management to find a sustainable path forward. The contemplated standstill agreement is intended to provide a stable platform while the Ellos group's balance sheet issues are being addressed. The standstill agreement is further aimed at providing the Ellos group's suppliers and customers with a stable and reliable counterparty as the balance sheet is being restructured. It is the joint aim of the Company and the AHG to minimize the operational impact of the balance sheet discussions and the standstill agreement is not expected to have any impact on the Ellos group's day-to-day operations."

For more information:

Johan Stigson, CFO, Telephone. +46 (0)33 16 08 05.

Bondholders may also reach out to Advokatfirmaet BAHR as counsel to the AHG and the Agent by e-mail to magto@bahr.no (Magnus Tønseth) or stiwi@bahr.no (Stian Winther).

ABOUT ELLOS GROUP

The Ellos Group, which includes the online stores Ellos, Jotex, Homeroom and payment brand Elpy, is a leading shopping destination for fashion and home furnishings in the Nordic region. Working closely with our millions of customers, we offer attractive and sustainable products for the women in mid-life, her family and home. We continuously develop our business through innovation, creativity, and sustainability, and always focusing on the customer. The Ellos Group, headquartered in Borås, and with operations in all Nordic countries and selected European markets, has around 550 employees and sales of around SEK 3.4 billion.

www.ellosgroup.com