

ELLOS GROUP

FNG NORDIC AB (PUBL) GROUP

Press release, Borås, 19 April 2021

FNG REACHES SETTLEMENT WITH PREVIOUS OWNERS OF ELLOS GROUP

FNG N.V. and FNG Nordic AB (publ) (the "Company") have entered into an agreement to settle (the "Settlement Agreement") the previously disclosed arbitration proceedings where the previous owners of Ellos Group had made claims against FNG N.V. and the Company for breaches of certain terms of the acquisition documents relating to FNG's acquisition of Ellos Group. As part of the Settlement Agreement, a strategic review will be initiated with the objective to provide Ellos Group with the best possible setting, capital structure and possibilities for the future.

Pursuant to the Settlement Agreement, the previous owners of Ellos Group have agreed to make a submission to the Arbitration Institute of the Stockholm Chamber of Commerce and request that the arbitration proceedings are dismissed upon satisfaction of the conditions of the Settlement Agreement. With this settlement, all pending disputes between FNG N.V. and the Company and the previous owners of Ellos Group will be resolved.

As part of this settlement, FNG N.V. and the Company have agreed to pay to the previous owners an amount of EUR 100 million which consist of by FNG N.V. unpaid cash consideration in an amount of EUR 60 million and an amount of EUR 40 million relating to certain claims of the previous owners of Ellos Group in relation to the acquisition documents.

'As the leading fashion and home furnishings e-commerce group in the Nordic region, Ellos Group is well positioned to continue its successful growth journey. With this important settlement, we will now be able to fully dedicate time and efforts on further developing the profitable and financially solid business of Ellos Group. Following a strong year and continued strong momentum in the business, strategic options will be reviewed for the Company and Ellos Group. This strategic review is part of the Settlement Agreement and the objective is to provide Ellos Group the best possible setting, capital structure and possibilities for future and further expansion,' says Paul Lembrechts, CEO of FNG Nordic AB.

On 26 February 2021, the Company announced its results for 2020. Ellos Group showed a strong result and record sales reaching SEK 3.2 billion.

The Company's payment of any settlement amount is fully contingent upon the completion of the strategic review which will be supported by Nordic Capital, in the capacity of previous owner of Ellos Group and a recipient of the settlement award. Therefore, the Settlement Agreement will at this time not lead to any payment by the Company.

The Company's senior secured bonds with ISIN SE0012827996 and Ellos Group's super senior revolving facility will remain secured ahead of any settlement and all parties have agreed these instruments would be refinanced (or repaid) in advance of payment of the settlement.

The Settlement Agreement is subject to homologation by the Belgian courts which is expected to be made within 14 days hereof.

For more information:

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

This information is information that FNG Nordic AB (publ) is legally obliged to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. Through the agency of the contact persons shown above, the information was released for publication on 19 April 2021 at 08.00 CET.

ABOUT ELLOS GROUP

The Ellos Group, which includes Ellos, Jotex, Stayhard, and Homeroom, is the Nordic region's leading e-commerce group. 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, Sweden, and with operations in all Nordic countries, has around 550 employees and sales of around SEK 3.2 billion. www.ellosgroup.com