



Press release

Information in relation to E Out Instrument AB's SEK 218,250,000 Earn-out Debt Instruments 2017/2019 (relating to the sale of bonds and shares issued by Candyking Holding AB (publ)) (the "Instrument"); agreement on and payment of purchase price ISIN: SE0009857949

Stockholm on 10 July 2017

On 17 February 2017 Candyking Holding AB (publ) (the "**Company**" or "**Candyking**") announced that Cloetta AB (publ) through its wholly owned subsidiary E Out Instruments AB ("**Cloetta**") had acquired the shares in the Company as well as the Company's outstanding bonds and certain other debt for a purchase price amounting to MSEK 325 on a cash and debt free basis (the "**Purchase Price**"). Further, based upon Cloetta's and Candyking's combined sales volume of pick and mix in confectionary and natural snacks in the Nordics, the United Kingdom and Poland during 2018, an additional purchase price of maximum MSEK 225¹ may become payable (the "**Earn-out**").

Reference is made to the press release on 15 June 2017. Pursuant to Clause 10.2 of the terms and conditions of the Instruments, a cash payment (the "**Initial Cash Payment**") shall be made by Cloetta to the Instrument holders once the representatives of the Instrument holders have approved the adjustment statement.

Cloetta and the representative of the Instrument holders (originally the former bondholders) have agreed on the adjustment statement upon which the final Purchase Price after adjustments for cash and debt is calculated. An Initial Cash Payment amounting to SEK 249,967,545 (97 percent² of the final Purchase Price of SEK 257,761,000 after deduction of certain costs) shall be paid to the Instrument holders. The Initial Cash Payment will be paid by Cloetta *pro rata* in relation to the number of Instruments held by each Instrument holder, *i.e.*, an amount of approximately SEK 333,290 will be paid per each Instrument held.

The record date for the Initial Cash Payment will be 17 July 2017 and the Initial Cash Payment will be distributed to the Instrument holders through Euroclear Sweden AB on or around 24 July 2017.

The deviation between the preliminary Purchase Price of approximately MSEK 307 (calculated on estimated net debt and net working capital as per 30 June 2017) and the final Purchase Price of approximately MSEK 258 (calculated based on actual net debt and net working capital as per the closing date 28 April 2017), is related to, *inter alia*: country mix effects, two months less income, negative effect due to increased sales to factoring customers in Denmark, the interest paid on the bond on 27 April 2017 and the estimated net debt and net working capital as per 30 June 2017 partly being based on different assumptions.

Future communication regarding the Instrument will mainly be through Cloetta's interim reports.

For further information:

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About Candyking

Candyking was founded in 1984 and is a leading concept supplier of pick and mix candy in the Nordic countries, the United Kingdom, Ireland and Poland. Today, Candyking has more than 8,000 points of sale and offer stores an integrated concept which includes products, displays and accompanying store and logistic services. Candyking's trademarks in confectionary are Candyking, Karamellkungen and Candyking Favourites. The company is also a leading pick and mix supplier within natural snacks in Sweden and Finland under the Parrot brand. More information is available at www.candyking.com.

¹ Out of the potential Earn-out, 97 percent will be payable to the Instrument holders (originally the former bondholders) and 3 percent will be payable to the seller of the Candyking shares.

² Three percent is payable to the seller of the Candyking shares.

