

Press release

Stockholm, June 1, 2021

Asaleo Care's shareholders accept Essity's offer to acquire remaining shares in the company

Further to the announcement on February 16, 2021, that the hygiene and health company Essity had entered an agreement to acquire the remaining 63.8% of the shares in the Australian hygiene company Asaleo Care, Essity today notes the announcement by Asaleo Care, that the company's shareholders voted in favor of accepting Essity's offer.

Essity will acquire the remaining 63.8% of the shares in Asaleo Care for AUD 1.40 cash per share. The consideration implies an equity value on a 100% basis of approximately AUD 760m (approximately SEK 4.9bn) and an enterprise value of AUD 855m (approximately SEK 5.5bn).

In 2020, Asaleo Care reported sales of AUD 419m (approximately SEK 2.7bn) and underlying EBITDA of AUD 89m (approximately SEK 574m). Based on this, Asaleo Care would have contributed to Essity's net sales and EBITDA by approximately 2% for 2020.

"The acquisition of Asaleo Care will facilitate the opportunity for profitable growth in Australia, New Zealand and the Pacific region and will further consolidate our position as a leading global health and hygiene company", Magnus Groth, President and CEO of Essity said in connection to the agreement.

The transaction is subject to approval by the Federal Court of Australia which will be sought at a court hearing scheduled for June 9, 2021. Subject to Court approval, the transaction is planned to be finalized on July 1, 2021.

Further information is available on Asaleo Care's website (www.asaleocare.com)

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About Essity

Essity is a leading global hygiene and health company. We are dedicated to improving well-being through our products and services. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands, such as JOBST, Leukoplast, Libero, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. Essity has about 46,000 employees. Net sales in 2020 amounted to approximately SEK 122bn (EUR 11.6bn). The company's headquarters is located in Stockholm, Sweden, and Essity is listed on Nasdaq Stockholm. Essity breaks barriers to well-being and contributes to a healthy, sustainable and circular society. More information at www.essity.com.