

Press release

Stockholm, July 7, 2022

Essity acquires Modibodi – a leading leakproof apparel company

Hygiene and health company Essity acquires the Australian company Modibodi, a leading leakproof apparel company in Australia, New Zealand and UK. The purchase price amounts to AUD 140m (approximately SEK 985m) on a cash and debt free basis. Through the acquisition, Essity will strengthen its position in leakproof apparel, the fastest growing product segment in Intimate Hygiene which includes Feminine Care and Incontinence Products.

Leakproof apparel has an expected annual growth rate of more than 20% for the next five years*. Essity is already active in the leakproof apparel market within Feminine Care with brands such as Libresse, Bodyform, Saba and TOM Organic, and within Incontinence Products with the TENA brand.

“The acquisition of Modibodi strengthens Essity’s position in leakproof apparel and enables faster growth within better-for-you, better-for-the-planet solutions. Modibodi has the qualities we are looking for with leading market positions, strong brand and sustainability credentials as well as excellent digital marketing and e-commerce capabilities”, says Magnus Groth, President and CEO of Essity.

Modibodi, founded in 2013, provides leakproof apparel for periods and incontinence including underwear, swimwear, activewear and maternity wear. The company operates an online, direct-to-consumer business model, with growing sales in retail and through e-tailers.

In 2021, the company reported net sales of AUD 56.7m (approximately SEK 365m) and a sales growth of 18%. The EBITDA amounted to AUD 5.7m (approximately SEK 36m) and EBITA to AUD 5.6m (approximately SEK 36m). Gross margin was high and EBITA margin amounted to 9.8%. Modibodi has 45 employees and headquarter in Sydney, Australia.

“I am proud of all we have created at Modibodi over the past nine years and pleased that Modibodi is joining Essity. As a global leader in hygiene and health, Essity can provide the expertise and capital to take the brand forward during its next phase of growth, and achieve even greater impact”, says Kristy Chong, founder and CEO of Modibodi.

The transaction is expected to be finalized in the second half of 2022.

*Market data has been compiled by Essity based on data taken from external market sources and excludes Asia.

For additional information please contact:

Per Lorentz, Vice President Corporate Communications +46 73 313 30 55, per.lorentz@essity.com
Johan Karlsson, Vice President Investor Relations, +46 70 511 15 81, johan.ir.karlsson@essity.com

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 Actimove, JOBST, Leukoplast, Libero, Libresse, Lotus, Nosotras, Saba, Tempo, TOM Organic, Vinda and Zewa. Essity has about 46,000 employees. Net sales in



2021 amounted to approximately SEK 122bn (EUR 12bn). 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.

