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Press release 20 October 2017

Exercise of the over-allotment option in the IPO of Handicare

Carnegie, Bank of America Merrill Lynch and DNB Markets (together the “Managers”) have notified Handicare Group AB (publ) (“Handicare” or the “Company”) and Cidron Liberty Systems S.à r.l.¹ (the “Principal Shareholder”) that the over-allotment option has been exercised in full and that the stabilization period has ended.

In connection with the initial public offering of Handicare and the listing of the Company’s shares on Nasdaq Stockholm (the “Offering”) the Principal Shareholder granted the Managers an option to purchase an additional of up to 2,563,847 existing shares in Handicare (the “Over-Allotment Option”), exercisable in whole or in part within 30 days after the date on which the Handicare shares commenced trading on Nasdaq Stockholm. Carnegie has exercised the Over-Allotment Option in full.

Following the exercise of the Over-Allotment Option the Principal Shareholder will hold 37,048,900 shares in Handicare, corresponding to an ownership of approximately 62.9% of the total number of shares in Handicare.

No price stabilization activities have been carried out since the Offering, and due to the Company’s share price performance Carnegie has, as stabilizing manager on behalf of the Managers, decided to end the stabilization period.

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This information is information that Handicare Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above at 17:45 CET on 20 October 2017.

¹ Indirectly owned by Nordic Capital Fund VII. “Nordic Capital Fund VII” refers to Nordic Capital VII Limited, acting in its capacity as General Partner of Nordic Capital VII Alpha, L.P. and Nordic Capital VII Beta, L.P., together with associated co-investment vehicles. “Nordic Capital” refers to Nordic Capital Fund VII and/or all, or some, of its predecessor or successor funds.

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About Handicare

Handicare is a leading, global provider of mobility solutions in the Accessibility and Patient Handling markets measured by revenue. The Company offers solutions and support to increase the independence and mobility of the elderly and physically challenged as well as to improve the convenience and safety of work environments of those caring for them. Handicare's products include a comprehensive range of curved and straight stairlifts, transfer, lifting and repositioning aids, vehicle accessibility products and medical equipment. Handicare manages its operations under three business areas: Accessibility, Patient Handling and Puls.

Handicare was acquired by the Principal Shareholder in 2010. Since then, Handicare has streamlined its corporate structure, product portfolio and platform in order to focus on its core Accessibility and Patient Handling businesses, facilitated by e.g. the divestiture of its Mobility (wheelchair) division in 2015 and the acquisition of Prism Medical in 2016. In recent years, the Company has introduced several automation and sourcing initiatives and initiated its Commercial Excellence Strategy for organic growth and increased profitability. Following this operational transformation, which also included the relocation of its head office from Moss (Norway) to Kista (Sweden) in 2015, Handicare believes it is well-positioned for continued profitable growth as a leader in providing healthcare equipment to the elderly, disabled and to those caring for them.

As a result of its strategic and operational initiatives, Handicare has delivered strong organic growth and operating leverage over the last three years. During the period 2014 to 2016, average organic growth for Accessibility and Patient Handling – Handicare's main business areas—was 5%, whereas total revenue increased from EUR 231.8 million in the year ended 31 December 2014 to EUR 274.5 million in the year ended 31 December 2016 (pro forma), representing a CAGR of 9%, ahead of market growth in Handicare's main markets of approximately 5%². In addition, Handicare improved its adjusted EBITA margin from 4.3% in the year ended 31 December 2014 to 7.2% in the year ended 31 December 2016.

² Source: Handicare estimates based on market analysis.

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Important information

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by the Company in any jurisdiction where such offer or sale would be unlawful. A prospectus prepared in accordance with the Prospectus Directive has been published and is available at Handicare's website. This announcement should be read together with, and is qualified by reference to, the Prospectus.

In any EEA Member State, other than Sweden, that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any member State, the "**Prospectus Directive**"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

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In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (as defined in section 86(7) of the Financial Services and Markets Act 2000) and who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "continue", "potential", "predicts", "projects", "indicates", "targets", "aims", "likely", "can have", "to the knowledge of" and similar expressions. This applies in particular to statements referring to future results, financial position, cash flow, plans and expectations for the Company's business and management, future growth and profitability and general economic and regulatory environment and other circumstances which affect the Company. Forward-looking statements are based upon various

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estimates and assumptions, many of which are based, in turn, upon further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or in applicable legislation, regulations or rules (including, but not limited to, accounting policies, accounting treatments and tax policies), which, individually or in the aggregate, would be material to the results of operations of the Company or its ability to operate its businesses. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors, which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied by such forward-looking statements. You should also particularly review the section entitled “Risk Factors” in the prospectus for further information.

Potential investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read the detailed description of factors that have an effect on the Company’s business and the market in which the Company operates, which are included in the prospectus.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. Each of the Company, the Managers and their respective affiliates does not undertake any obligation to update, review or revise any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.

Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorized person specializing in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

The Managers are acting exclusively for the Company and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering of the shares, the Managers and any of their affiliates, may take up a portion of the shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in this announcement and the prospectus to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Managers and any of their affiliates acting in such capacity. In addition the

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Managers and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Managers and any of their affiliates may from time to time acquire, hold or dispose of shares. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Managers, their affiliates or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.