



European Lingerie Group AB announces breach of financial covenant resulting in an outstanding Event of Default under its bond terms

European Lingerie Group AB (the "Company") was in breach of the maintenance test for the reference period ending on 31 December 2019 as set out in the terms and conditions for its up to EUR 60,000,000 senior secured bonds with ISIN SE0010831792 (the "Bonds") (the "Terms and Conditions") and an Event of Default is therefore currently outstanding under the Terms and Conditions.

The ratio for the net interest bearing debt to EBITDA for the reference period ending on 31 December 2019 was greater than the ratio permitted under the Terms and Conditions.

On 16 January 2020 the Company completed a written procedure under the Terms and Conditions to adjust the maintenance test for the reference period ending on 31 December 2019. However, it is a condition for the amendments to the Terms and Conditions to come into effect that a capital contribution by way of equity and/or subordinated loans is provided to the Company.

Due to the Covid-19 pandemic, the Company has not been able to raise the required amount of equity in full. Therefore, the amendments to the Terms and Conditions as approved in the written procedure, including the adjustments to the maintenance test for the reference period ending on 31 December 2019, has not yet come into effect, which has resulted in the breach of the maintenance test.

The Company has ongoing discussions with certain holders of the Bonds and other investors to find solutions for the Company.

This information is information that European Lingerie Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 8.30 CET on 8 May 2020.

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European Lingerie Group AB (ELG) is a fully vertically integrated intimate apparel and lingerie group with main production located in the Baltics, Hungary and Germany and with sales worldwide in 46 countries and online. The Group produces fabrics for lingerie garments under the brand Lauma Fabrics and supplies leading lingerie manufacturers in Europe and rest of the world. The Group designs, manufactures and sells branded its own premium lingerie under the brands Conturelle, Felina and Senselle. ELG also owns Dessus-Dessous, the largest online retailer of lingerie and swimwear in France. The Group is headquartered in Stockholm, Sweden. More information available at www.elg-corporate.com.