

Press release, Borås 22 April 2021 at 17:15 CEST.

Stabilisation notice

Handelsbanken Capital Markets, acting in its capacity as Sole Global Coordinator, notifies that stabilisation measures have been executed in Embellence Group AB's (publ) ("Embellence Group" or the "Company") shares traded on Nasdaq First North Premier Growth Market.

According to the announcement in connection with the offer to acquire shares in Embellence Group and the listing of the Company's shares on Nasdaq First North Premier Growth Market (the "**Offering**"), the Sole Global Coordinator may execute transactions on Nasdaq First North Premier Growth Market aimed at supporting the market price of the shares at levels above or at the same level as those which might otherwise prevail in the open market.

Stabilisation transactions may be executed at any time during the period that started on the date of commencement of trading in the share 24 March 2021 on Nasdaq First North Premier Growth Market, the OTC-market or in any other way and ending not later than 30 calendar days thereafter. The Sole Global Coordinator is, however, not required to undertake any stabilisation and there is no assurance that additional stabilisation will be undertaken. Stabilisation, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price in the Offering.

In order to cover possible overallotments, WA WallVision AB (publ) (the "**Principal Owner**") further undertook, at the request of the Sole Global Coordinator, to sell additional shares corresponding to a maximum of 11.6 percent of the number of shares comprised by the Offering (the "**Overallotment Option**"), entailing a maximum of 1,123,500 shares, at the price per share in the Offering which was set at SEK 42. The Overallotment Option may be exercised in full or in part for a period of 30 calendar days from the first day of trading in the shares on Nasdaq First North Premier Growth Market.

Handelsbanken, in its capacity as Sole Global Coordinator, announces that stabilisation measures have been undertaken in accordance with article 5(4) in the EU Market Abuse Regulation 596/2014 (MAR) and the Commission Delegated Regulation (EU) 2016/1052 as specified below.

The contact person at Handelsbanken is Daniel Gråborg (tel: +46 702 303 346).

Stabilisation information

Issuer:	Embellence Group
Securities:	Shares (ISIN: SE0013888831)
Offering size:	10,813,500 (including Overallotment Option)
Offer price:	42 SEK
Ticker:	EMBELL
Stabilisation manager:	Handelsbanken Capital Markets

Stabilisation transactions

Date	Quantity (no of shares)	Highest price	Lowest price	Volume-weighted average price	Currency	Trading venue
2021-04-13	1,421	42.0000	42.0000	42.0000	SEK	Nasdaq First North Premier Growth Market (SSME)
2021-04-14	152,856	42.0000	42.0000	42.0000	SEK	Nasdaq First North Premier Growth Market (SSME)
2021-04-21	577	42.0000	42.0000	42.0000	SEK	Nasdaq First North Premier Growth Market (SSME)

For more information, please contact:

Pär Ihrskog, Investor Relations
Phone: +46 70 637 17 34
E-mail: ir@embellencegroup.com

This information is information that Embellence 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, on 22 April 2021 at 17:15 CEST.

About Embellence Group

Embellence Group, founded in 1905 in Borås, is a leading European company in the premium wallpaper segment and has a prominent position internationally with sales in over 90 countries. Our brands include Cole & Son, Wall&decò, Perswall, Pappelina and Boråstapeter. Embellence Group shall develop its position as a leading House of Brands in interior decoration with a focus on wallpaper, textile, rugs and other interior decoration and drive development in a changing wallpaper and interior decoration market. The Company's target is to double sales during the next five years to SEK 1.2 billion through continued focus on the premium segment, continuing to expand the international share of net sales and through acquisition of international companies.

IMPORTANT INFORMATION

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Embellence Group in any jurisdiction, neither from Embellence Group nor from someone else.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus has been prepared and in connection with the Offering and been scrutinized and approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) which is the national competent authority in Sweden with regard to the Prospectus Regulation.

In the United Kingdom, this press release 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" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) 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"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision to acquire or subscribe for shares in connection with the Offering must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Sole Global Coordinator. The Sole Global Coordinator is acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

The information in this press release may not be forwarded or distributed to any other person and may not be reproduced at all. Any forwarding, distribution, reproduction or disclosure of this information in its entirety or in any part is prohibited. Failure to follow these instructions may result in a breach of the Securities Act or applicable laws in other jurisdictions.

This press release does not constitute an invitation to warrant, subscribe, or otherwise acquire or transfer any securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Offering. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Premier Growth Market rule book for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Embellence Group have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "EU Target Market Assessment"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "UK Target Market Assessment" and, together with the EU Target Market Assessment, the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Embellence Group may decline and investors could lose all or part of their investment; the shares in Embellence Group offer no guaranteed income and no capital protection; and an investment in the shares in Embellence Group is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Global Coordinator will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Embellence Group.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Embellence Group and determining appropriate distribution channels