

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 Boråstabeter. 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.

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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