

Press release, Borås 17 November 2021

Embellence Group invests in Pappelina's continued growth

As part of the Pappelina brand's continued international expansion, the assets of Dalaslöjden AB, which has manufactured Pappelina's rugs since 1999, have been acquired. The asset acquisition pertains to both of Dalaslöjden's production facilities, one in Leksand, Sweden, and one in Estonia, including inventories. All employees – about 30 people – will be offered continued employment.

"Pappelina's plastic rugs represent Swedish traditional craftsmanship of the highest quality. Since Embellence Group became the new owner at the start of 2021, we have jointly reviewed how we can support Pappelina's continued growth journey. The acquisition ensures that we now have control over the goods supply, which will provide improved efficiency, increased accessibility and quicker flows," says Olle Svensk, CEO of Embellence Group AB.

The date of possession is set as 1 December 2021.

The acquisition is not expected to lead to any substantial impact on Embellence Group's earnings or financial position for the current year.

About Pappelina

Pappelina is a strong brand with a clear premium position in its niche. In addition to premium plastic rugs, Pappelina also offers other home interiors such as cushions, blankets, kitchen towels and table runners. Pappelina was founded in 1999 and currently markets to 42 countries. Sales through selective retailer and directly to consumers through the Pappelina website.

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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 premium interior decoration with a focus on wallpaper, textile, rugs and other interior decoration and drive development in a changing wallpaper and interior decoration market. Embellence Group is listed on Nasdaq First North Premier. FNCA Sweden AB is appointed Certified Adviser, info@fnca.se, +46 (0) 8-528 00 399.