

First day of trading in RugVista Group AB's shares on Nasdaq First North Premier Growth Market

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RugVista Group AB (publ) ("RugVista", "RugVista Group" or the "Company"), one of the leading European DTC¹ online platforms within carpet and rug sales², today announces the outcome of the initial public offering of its shares (the "IPO" or the "Offering") on Nasdaq First North Premier Growth Market ("First North Premier"). The Offering attracted very strong interest from Swedish and international institutions as well as the general public in Sweden. The Offering was heavily oversubscribed. Trading on First North Premier commences today, March 18, 2021.

The offering in brief

- The final price in the Offering was SEK 125 per share, corresponding to a total market value of the Company of approximately SEK 2.5 billion³.
- The Offering comprised 12,366,752 existing shares, corresponding to approximately 61.0 percent of the total number of outstanding shares in the Company³ and a total value of approximately SEK 1.5 billion, which were offered by the main shareholder Litorina IV L.P. ("Litorina") and a few other shareholders (together the "Selling Shareholders").
- In order to cover any over-allotment in connection with the Offering, the Selling Shareholders have committed to sell up to 1,557,528 additional existing shares, corresponding to 12.6 percent of the number of shares in the Offering (the "Over-Allotment Option").

¹ Direct-to-consumer.

² "One of the leading European online platforms selling carpets and rugs" refers to RugVista considering that the Company distinguishes itself due to a number of different characteristics, including its well-advanced technology platform, the number of articles offered in combination with quick home delivery as well as the Company's business relationships with suppliers in India and Turkey and wholesalers within the EU. According to the Company, the RugVista and CarpetVista online stores are among the leading platforms in Europe due to the high degree of customer satisfaction, as is evident from an NPS figure of 67, a Trustpilot rating of 4.81 and a growing number of new customers (an increase from 107 thousand new customers in 2019 to 149 thousand new customers in 2020).

³ Based on number of outstanding shares immediately prior to the Offering (20,280,560 shares).

- If the Over-Allotment Option is exercised in full, the Offering will comprise a total of 13,924,280 shares, corresponding to approximately 68.7 percent of the total number of shares in the Company³.
- Teknik Innovation i Norden Fonder AB (TIN Fonder), Roosgruppen AB, Knutsson Holdings AB, OstVast Capital Management Ltd, Adrigo Asset Management AB, Alcur Fonder AB, Fosielund Holding AB, Gornergrat Capital AB⁴, Lhotse Capital AB⁵ and LMK Venture Partners AB have, subject to certain conditions, undertaken to acquire shares in the Offering corresponding to an aggregate value of SEK 820 million. The undertakings, based on an offering price of SEK 125 per share, represent, 31.6 percent of the total number of outstanding shares in the Company after the Offering and 47.1 percent of the number of shares in the Offering if the Over-Allotment Option is fully exercised.
- Members of the executive management team and shareholding board members have entered into customary lock-up undertakings for a period of 360 days after the first day of trading on First North Premier. Litorina and the other Selling Shareholders who are not members of the executive management team nor a shareholding board member have entered into customary lock-up undertakings for a period of 180 days from the same point in time.
- Trading on First North Premier commences today, March 18, 2021, under the ticker "RUG". Settlement will take place on March 22, 2021.

Michael Lindskog, CEO of RugVista, comments:

"We are grateful to see the strong interest in investing in RugVista Group and I find it especially motivating that several thousands of small private investors submitted interest in investing as well as most of our employees. I am excited that we are in a position to take this next step in the organization's development and appreciate the commitment that the cornerstone investors and other investors have placed in our long-term ambition and strategic plan. Being a listed company will strengthen our ability to achieve our long-term targets and I look forward welcoming the new shareholders onboard our exciting journey ahead."

About RugVista

RugVista Group is one of the leading European direct-to-consumer online platforms within carpet and rug sales through its online stores, available in 20 different languages, using the RugVista and CarpetVista brands. The Company was founded in 2005 and offers a broad and relevant range of quality design and traditional carpets and rugs. RugVista Group offers its EU based customers free deliveries and returns free of charge. RugVista Group's operations are divided into three segments: B2C, B2B, and Marketplaces & Other (MPO). The B2C segment represents the consumer market and is the Company's core segment.

In 2020, RugVista Group's net revenue amounted to SEK 562 million and the adjusted operating profit reached SEK 109 million, corresponding to an adjusted operating margin of

⁴ Owned by Filip Engelbert.

⁵ Owned by Jonas Nordlander.

19 percent. During the period 2018–2020, the compound annual growth rate of its net revenue amounted to 24 percent.

During the period January–February 2021, RugVista Group’s net revenue amounted to SEK 140 million, corresponding to an increase of 80 percent compared to the corresponding period 2020, and the adjusted operating profit amounted to SEK 36 million, corresponding to an adjusted operating margin of 26 percent. During the period January–February 2020, RugVista Group’s net revenue amounted to SEK 77 million and the adjusted operating profit amounted to SEK 11 million, corresponding to an adjusted operating margin of 14 percent.

Stabilization measures

In connection with the Offering, Carnegie will act as stabilization manager (“Stabilization Manager”) and may conduct transactions in order to maintain the market price for the shares at a level above that which might otherwise prevail in the open market. Such stabilization transactions may be carried out on First North Premier, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on First North Premier and ending not later than 30 calendar days thereafter.

The Stabilization Manager has no obligation to undertake any stabilization measures and there is no assurance that stabilization measures will be undertaken. Under no circumstances will transactions be conducted at a price higher than the one set in the Offering. The Stabilization Manager may use the Over-Allotment Option to over-allot shares in order to facilitate any stabilization transaction.

The stabilization transactions, if conducted, may be discontinued at any time without prior notice but must be discontinued no later than within the aforementioned 30-day period. The Stabilization Manager must, no later than by the end of the seventh trading day after stabilization transactions have been undertaken, in accordance with article 5(4) of the Market Abuse Regulation (EU) 596/2014 and the Commission Delegated Regulation (EU) 2016/1052, disclose that stabilization measures have been undertaken. Within one week of the end of the stabilization period, the Stabilization Manager will disclose whether or not stabilization measures were undertaken, the date on which stabilization started, the date on which stabilization was last carried out as well as the price range within which stabilization was carried out for each of the dates when stabilization measures were conducted.

Advisors

Carnegie and ABG Sundal Collier are Joint Global Coordinators and Joint Bookrunners. Mannheimer Swartling Advokatbyrå is legal advisor to the Company and Litorina IV L.P. Baker & McKenzie Advokatbyrå KB is legal advisor to Carnegie and ABG Sundal Collier. Sundling Wörn Partners AB is independent financial advisor to the Company.

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This disclosure contains information that RugVista Group is obliged to make public pursuant to the EU Market Abuse Regulation (EU No 596/2014). The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on March 18, 2021.

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