



Sparc Group initiates a written procedure to amend the terms and conditions of its existing senior secured bonds 2025/2028 and provides update on expected EBITDA and leverage ratio for Q4

INSIDE INFORMATION: Sparc Group AB (publ) ("Sparc Group" or the "Group") has today instructed CSC (Sweden) AB (the "Agent") to issue a notice of a written procedure (the "Written Procedure") to seek the bondholders' approval of certain amendments to the terms and conditions of its SEK 1,100 million outstanding senior secured floating rate bonds (ISIN SE0023441522), maturing in March 2028 (the "Bonds"). In connection with this, Sparc Group provides an update on expected EBITDA and leverage ratio for Q4 2025.

Background

As a result of general market conditions and operational difficulties during 2025, the Group has seen a decline in its revenue and EBITDA. The Group has taken several measures to mitigate the impact on operations, including strengthening project management, implementing stricter cost controls and training in proper cost allocation, as well as hiring a corporate lawyer to reduce legal risks and costs and streamline contract processes. In addition, following a strategic review, a decision has been made to wind down certain underperforming subsidiaries.

Despite the measures taken to reduce the negative impact of the general market conditions and operational difficulties during 2025, the Group's financial challenges remain, and additional actions are needed.

Financial update for the fourth quarter of 2025

The Group expects pro forma adjusted EBITDA for the full year 2025 to be approximately SEK 206 million and that the leverage ratio at year-end will be approximately 6.0x, as further detailed in the investor presentation available on the Group's website.

Proposal to bondholders

In light of the above background, the Group now seeks the bondholders' consent to temporary increase the Leverage Ratio for net debt/EBITDA to 6.50x for Q4 2025, 5.75x for Q1 2026, 5.50x for Q2 2026, and 5.00x for Q3 2026. From Q4 2026 and onwards, the level returns to the original terms.

The proposed amendments to the terms and conditions of the Bonds include, among other things: (a) (i) subordinated shareholder loan of SEK 10m no later than 31 January 2026; (ii) future share issue during the H1 2026, where the main owner Erik Björklund guarantees an issue volume of at least SEK 10m (i) can be offset against the share issue in (ii), (b) no additional acquisitions until 1 January 2027 or dividends during the Covenant Reset Period, (c) lowered Incurrence Test for additional indebtedness to <3.0x, (d) call price of 103.00%, (e) additional financial reporting undertakings, including monthly reporting, the quarterly reports of Q4 2025 and Q1, Q2 and Q3 2026 to be reviewed (but not audited) (Sw. *översiktligt granskad*) by Sparc Group's auditor and 2026 guidance for revenue and EBITDA, and (f) strengthening of the board of directors with one additional board member.

Bondholders representing more than 50.5% of the total outstanding nominal amount of the Bonds have entered into binding commitments and/or confirmed in writing to vote in favour of the proposal set out in the Written Procedure.

Provided that the Written Procedure is approved and the amendments become effective, Sparc Group will pay an early-bird fee of 0.25 percent to all voting holders who vote (regardless of whether they vote

for, against) prior the early-bird deadline (16:00 (CET) on 18 December 2025), and 0.50 percent consent fee of the nominal amount for each Bond to all bondholders (regardless of whether they vote for, against, or do not participate in the Written Procedure) holding Bonds on the record date for the consent fee. A total cash compensation equivalent up to 0.75 percent of the nominal is thus available to voting holders. To be eligible to participate in the Written Procedure, a person must meet the criteria to be a bondholder on 11 December 2025. This means that the person must be registered in a securities account with the central securities depository (Euroclear Sweden AB), either as a directly registered owner (Sw. *direktregistrerad ägare*) or as a nominee (Sw. *förvaltare*) of one or more Bonds.

For a voting instruction to be considered, the Agent must have received a correctly completed voting form no later than 12:00 (CET) on 5 January 2025 (the “**Final Voting Date**”). The Written Procedure may be concluded early if sufficient majority and quorum are achieved before the Final Voting Date. The result of the Written Procedure will be announced by the Issuer immediately after the Final Voting Date.

The Notice of the Written Procedure, including the proposed amendments of the Bonds in full and detailed information on the voting process, is available on the Group’s website as well as the Agent’s website.

Advisors

In connection with the Written Procedure, DNB Carnegie Investment Bank AB (“**DNB Carnegie**”) and Nordea Bank Abp (“**Nordea**”) are acting as debt advisors to the Group, Baker McKenzie as legal advisor to the Group, and Advokatfirman Schjødt as legal advisor to the debt advisors.

If you have any questions regarding the proposal, please contact DNB Carnegie at bond.syndicate@dnbcarnegie.no or Nordea at NordeaLiabilityManagement@nordea.com.

This information is such that Sparc Group AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication on 10:45 PM CET on December 10, 2025.

Forward-looking statements

This press release contains forward-looking statements that may reflect the Group’s intentions, beliefs, or expectations regarding the Group’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements are statements that are not historical facts and can be identified by the use of words such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “anticipates”, “should”, “could” and, in each case, the negatives thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Group believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will materialise or that they are accurate. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, actual results or outcomes could differ materially from those in the forward-looking statements for a variety of reasons. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations expressed or implied in this press release by the forward-looking statements. The Group does not guarantee that the assumptions underlying the forward-looking statements contained in this press release are accurate and any reader of this press release should not place undue reliance on the forward-looking statements contained in this press release. The information, opinions and forward-looking statements expressed or implied herein are made only as of the date of this press release and are subject to change. Neither the Group 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, except as required by law or Nasdaq Stockholm Rulebook for Fixed Income Instruments.

Additional information

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About Sparc Group

Sparc Group AB (publ) is an entrepreneur-driven group that acquires, develops, and coordinates companies to create a comprehensive offering within the installation industry. Since its founding in 2021, the group has acquired more than 90 companies within HVAC, electrical, infrastructure, and security. With over 1,000 employees, Sparc Group now operates in both Sweden and Norway. Together, they are building a positive and growth-oriented corporate culture, characterized by entrepreneurship, commitment, and participation. By entrepreneurs, for entrepreneurs.