



PRESS RELEASE 25 MARCH 2020

Update regarding the impact from COVID-19

The outbreak of the COVID-19 means that the general global situation has changed considerably and is having a negative impact on the MQ Group. The initial impact on the Group from the COVID-19 primarily involved minor delays in the supply chain from Asia, but subsequently after several weeks it began having a significant impact on consumer behaviour in Sweden. The impact of the COVID-19 on the market is naturally something we still cannot fully analyse, but this, in combination with macroeconomic uncertainty and falling stock markets across the world, has substantially reduced the numbers of visitors to our physical stores and in turn our level of sales. Owing to the fact that the social impact from COVID-19 is highly uncertain, but the outbreak and is having a negative impact on the MQ Group.

As a result of the effects of the COVID-19, MQ has initiated measures to minimise the negative economic impact of this global pandemic and to respond to the reduced demand for shopping in person. Conversely, we are seeing clear growth in online shopping and in light of this we have introduced free shipping and returns for our customers. MQ will be taking action and reviewing the cost structure in several areas, including reprioritising and deferring costs and investments in non-critical segments of the business.

In order to safeguard the health and safety of our customers and employees, we have enhanced our in-store cleaning and hygiene procedures, with a focus on essential contact surfaces such as changing rooms and checkout counters. We are also postponing planned in-store customer events. MQ is adapting its staff resources to this diminished demand and is entering into negotiations regarding short-term temporary lay-offs of staff as demanded by the current situation. As part of this, we are implementing a number of measures such as reduced opening hours and staffing in our stores, increased allocation of product supply for online shopping and reductions to all costs and investments for this period.

We are also in discussion with all property owners regarding the level of rent during this challenging period and we are working together with Svensk Handel (the Swedish Trade Federation) to push for additional support measures for our industry

MQ is striving to protect the health and safety of its employees and customers and is focusing on measures to limit transmission of the virus in society. We are following developments closely and adjusting our actions in accordance with advice and regulations from local authorities, while striving to mitigate any disruption to our business. As the situation is hugely unpredictable, we cannot rule out the risk of future disruption in spite of all our precautions.

For further information, please contact:

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This constitutes information that MQ Holding AB (publ) is legally obliged to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, on 25 March 2020 at 10.00 CET.

MQ Holding AB owns and operates fashion stores under the business area Marqt. Marqt is a chain of concept stores offering men's and women's fashions, as well as exciting new product categories adapted to the flexible way of working in the modern age with currently comprise a total of 119 stores as well as online shopping. During 2020, all of MQ's stores will be converted into concept stores under the name Marqt. The MQ Holding share has been listed on the NASDAQ OMX Stockholmsince 18 June 2010. For more information, see www.mq.se