



PRESSRELEASE 16<sup>TH</sup> OF APRIL, 2020

## MQ Holding AB files for bankruptcy

**The Board of MQ Holding (publ) AB ("MQ") has today decided to file for bankruptcy. The application will be filed in to Gothenburg District Court during Thursday the 16th of April.**

The decision to file for bankruptcy is based on a significant decrease in the level of sales in March and beginning of April and which is considered to have a significant impact on the consumer market for a longer period even after COVID-19. The Board of Directors have assessed that the conditions to continue MQ's operations have changed significantly. The additional actions to reduce costs in this pandemic are not considered sufficient given an already challenging economic situation. Nor has it been possible at present situation to access governmental loan guarantees through the company's creditors. On March 18, 2020, MQ announced a fully guaranteed rights issue subject to the approval of the Extraordinary General Meeting. The rights issue was aimed to get MQ back to profitability in a financial strained situation; however, the situation changed increasingly due to the impact of COVID-19, which can be expected to continue for a longer period and is expected to affect the consumer market even after the pandemic. The changed consumer behaviour with reduced traffic to the stores has affected the Group significantly, as e-commerce sales cannot make up for the reduced sales in the physical stores. It is not considered possible to obtain the additional financing that is required in a restructuring procedure. The rights issue will therefore be discontinued and the previously announced Extraordinary General Meeting will be cancelled. Ingvar Larsson, President and CEO for MQ comments: "It's a deeply sad decision that the Board has been forced to take, not at least for our staff, our suppliers and partners. We have done everything we could to enable the operation to continue, but under current circumstances we must realize that unfortunately it is not possible."

The Company has proposed Lars-Henrik Andersson, member of the Swedish Bar Association, from the law firm Cirio, as insolvency administrator.

For further information, please contact:

Ingvar Larsson, President and CEO: +46 31-388 80 70

Claes-Göran Sylvén, Chairman of the Board: +46 708 54 99 64

*This information is information that MQ Holding 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 persons set out above, on 16 April 2020 at 09.00 CET.*

MQ Holding AB owns and runs retail fashion stores under the business area MarQet. MarQet is a concept store chain that offers women's and men's fashion and new exciting product categories adapted for a contemporary work-life. In 2020, all of MQ's retail stores shall be transformed into concept stores under the name MarQet and the business area comprise 159 stores and e-commerce. The MQ Holding stock has been listed at Nasdaq Stockholm since June 18, 2010. For further information, see [www.mq.se](http://www.mq.se)