RugVista Group AB (publ) intends to list its 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 DTC[1] online platforms within carpet and rug sales[2], hereby announces its intention to list its shares (the "Listing" or the "Offering") on Nasdaq First North Premier Growth Market ("First North Premier"). The Offering will consist of existing shares in the Company, offered by the Selling Shareholders (as defined below).

The Listing is expected to broaden the Company's shareholder base and give RugVista access to the Swedish and international capital markets. Furthermore, the Listing is expected to reinforce the Company's continued growth and development. RugVista's Board of Directors and Executive Management, together with the main shareholder, Litorina IV L.P. ("**Litorina**"), therefore believe that a listing of the Company's shares is a logical and important next step in RugVista's development. The listing is expected to further increase the awareness of RugVista and its operations among the Company's current and potential customers, suppliers, and future employees. The Offering will consist of existing shares in the Company which are offered by the main shareholder Litorina and by a few other shareholders (together with Litorina, the "**Selling Shareholders**").

Michael Lindskog, CEO of RugVista, comments:
"RugVista has, since it was founded in 2005, established itself as one of the leading players in the European online market for carpet and rug sales. We are optimistic about the future based on additional customer segments realizing the benefits of buying our products online, in combination with our ambitious vision and the growth initiatives that we drive. I am

[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).

humbled by the prospect of welcoming new shareholders the opportunity to join our continued journey."

Erik Lindgren, Chairman of the board of directors of RugVista, comments:
"RugVista has a long track-record of profitable growth and extensive product expertise. The Company's management team has a clear data-driven approach in their decision-making, which has significantly contributed toward the strong growth and increased profitability during the last few years. Our well-defined growth plan will be driven accordingly. A listing of RugVista's shares is a logical and important step in the Company's development, and we look forward to developing RugVista's product offering, operations and brand with the goal of continuing to deliver profitable growth in a listed environment."

Paul Steene, Partner at Litorina Capital Advisors AB, comments:
"RugVista has since its establishment had an amazing development with strong profitable growth. The Company has the merit of establishing itself as one of the leading players in Europe within an attractive niche. Since 2015, when Litorina became main shareholder, RugVista has successfully improved the Company's brand and sustainability profile. Furthermore, we have made investments into the organization and strengthened it with experienced and competent key personnel. The listing of RugVista's shares on First North Premier is expected to support the Company's continued growth and development by broadening the shareholder base, give access to capital markets, and increase brand recognition."

The Offering in brief
The Offering will consist of existing shares in the Company, offered by the Selling Shareholders.

The shares in the Offering will be offered to the general public in Sweden, as well as to institutional investors in Sweden and abroad.

Complete terms, conditions and instructions for the Offering will be included in the prospectus that the Company intends to prepare in connection with the Listing. The prospectus will be published on the Company's website, www.rugvistagroup.com. More information about the process will be published on an ongoing basis.

About RugVista
RugVista Group is one of the leading European direct-to-consumer online platforms within carpet and rug sales through its online stores in 20 different languages, through 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. 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 19 percent. During 2018-2020, the Company's compounded annual growth rate of its net revenue amounted to 24 percent.

Strengths and competitive advantages

RugVista Group considers itself having a number of strengths and competitive advantages that contribute to the Company's ability to realize strategic objectives and reach financial targets:

- Attractive position, growing customer base and scale benefits within the growing European online market for carpet and rug sales.
- A broad and relevant assortment of high-quality design and traditional carpets and rugs at attractive price points, combined with extensive product expertise.
- An optimized "direct-to-consumer" business model that enables a strong cash flow and a history of profitable growth.
- A well-qualified Board of Directors and Executive Management team with extensive and relevant experience.

Financial targets and dividend policy

The Board of Directors has adopted the following financial targets for the medium to long term.

- **Growth:** RugVista Group targets to organically grow net revenues by approximately 20 percent.
- **Profitability:** RugVista Group targets to maintain an EBIT margin of at least 15 percent.
- **Dividend policy:** RugVista Group targets to invest resources into growth and developing the business. In addition, RugVista Group aims to pay out up to 50 percent of annual net profits in dividends to shareholders.

Advisors

Carnegie Investment Bank AB (publ) ("**Carnegie**") and ABG Sundal Collier AB ("**ABGSC**") are Joint Global Coordinators and Joint Bookrunners. Mannheimer Swartling Advokatbyrå is legal advisor to the Company. Baker & McKenzie Advokatbyrå KB is legal advisor to Carnegie and ABGSC. Sundling Wärn Partners AB is independent financial advisor to the Company.

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This press release may contain certain forward-looking information and statements that reflect the Company's current views on future events as well as financial and operational developments. Words such as "refer", "assess", "expect", "can", "plan", "estimate", "calculate", "could" and other expressions that indicate indications or assessments regarding future developments or trends, and which does not relate to historical facts, constitutes forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it is dependent on future events and circumstances. Forward-looking information does not constitute a guarantee regarding future results or development and the actual outcome may differ materially from what is stated in forward-looking information. The Company does not make any representations about publishing updates or revisions of forward-looking information as a result of new information, future events or similar circumstances other than as provided by applicable law.