

## COMPANY ANNOUNCEMENT

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### **TCM Group A/S acquires 100% of the shares in Aubo Production A/S**

TCM Group A/S has today entered into an agreement to acquire 100 % of the shares in Aubo Production A/S. The transaction is expected to close shortly.

Aubo Production A/S is a well-established manufacturer of primarily kitchens, but also bathroom interiors and wardrobes located in Aulum, Denmark. Aubo Production A/S distributes the products through 22 independent retailers in Denmark and through 55 shop-in-shops in the leading Norwegian building material distributor, Optimera. Net sales in 2022 were DKK 292 million and the business has grown sales consistently over a number of years.

The acquisition supports TCM Group's strategy of strengthening the market position of TCM in the core markets and grow the presence of TCM in Norway. With the acquisition TCM substantially improves its foothold in the Norwegian market and does so without creating a conflict with TCM Group's distribution of Svane Køkkenet and Nettoline in Norway.

The management of Aubo Production A/S will remain in place after the transaction, and the production in the facilities in Aulum will continue in full operation.

CEO Torben Paulin:

"We are happy that we have succeeded in reaching an agreement with the current owners of Aubo, the family behind the brand and the management of Aubo. We have for many years enjoyed good relations with our neighbours in Aulum and have been impressed by the development of the brand. We believe that going forward the TCM position in Norway will be considerably strengthened by the combination of the Aubo distribution through Montér/Optimera and the growing presence of Svane Køkkenet and Nettoline as more dealers are added to the present network."

The purchase price for the shares in Aubo will, on a debt free basis, amount to DKK 165 million plus potential earn-out payments linked to the performance of the company going forward. Assuming all targets in the earn-out agreements are met, the total purchase price will amount to in total DKK 225 million.

As part of the acquisition agreement the sellers of the company will issue a vendor note for a part of the sales price as well as accept payment in form of shares in TCM Group amounting to DKK 10 million. The shares will be issued in connection with the closing of the transaction. The remaining cash payment will be financed by a bank credit facility.

As a result of the transaction the full year outlook for TCM Group A/S is revised. Full year revenue is expected to be in the range of DKK 1,050-1,175 million (previously DKK 950-1,050 million), and the guidance for the full year adjusted EBIT is now expected to be in the range of DKK 68-102 million (previously DKK 60-90 million).

**For further information please contact:**

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**About TCM Group**

TCM Group is Scandinavia's third largest manufacturer of kitchens and furniture for bathrooms and storage. The products are designed and produced in Denmark and rooted in a proud tradition of good quality and good craftsmanship. TCM Group pursues a multi-brand strategy, under which the main brand is Svane Køkkenet and the other brands are Tvis Køkken and Nettoline. Combined, the brands cater for the entire price spectrum, and are sold through c. 140 dealers in Denmark and the rest of the Scandinavia. TCM Group sells private label kitchens through DIY stores in Denmark and independent kitchen stores in Norway. TCM Group is supplier to the 45% owned e-commerce kitchen business Celebert, which operates under the brands [kitchn.dk](http://kitchn.dk), [billigskabe.dk](http://billigskabe.dk), Celebert and Just Wood. See [www.tcmgroup.dk](http://www.tcmgroup.dk) for more information.