

COMPANY ANNOUNCEMENT

No. 170/2023

Tvis, 26 June 2023

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TCM Group A/S Launches Offering of up to 1,221,419 New Shares in a Directed Issue

TCM Group A/S ("TCM" or the "Company") has resolved to launch an offering (the "Offering") of new shares (the "New Shares"). The Offering will begin immediately and will be completed through an accelerated bookbuilding process consisting of up to 1,221,419 New Shares of DKK 0.1 each, representing up to 13.4% of the Company's currently registered share capital in a private placement directed at qualified institutional and professional investors in Denmark and certain other jurisdictions. Certain members of the Company's Board of Directors and Executive Management have indicated to subscribe for New Shares for a total amount of DKK 1,510,000 in connection with the Offering.

USE OF PROCEEDS AND BACKGROUND FOR THE OFFERING

Following the Company's acquisition of Aubo Production A/S, as announced in Company Announcement no. 167/2023 of 19 June 2023, the Company has been considering raising additional equity and strengthening TCM's capital structure. The net proceeds from the Offering are intended to provide the Company with a robust capital structure after the acquisition of Aubo Production A/S and allow for pursuance of potential strategic investments and business initiatives.

THE OFFERING

The Offering will be made pursuant to applicable exemptions from the obligation to publish a prospectus to eligible qualified and professional institutional investors in Denmark and in certain other jurisdictions at market price and without pre-emption rights for the Company's existing shareholders. Certain members of the Company's Board of Directors and Executive Management have indicated to subscribe for New Shares for a total amount of DKK 1,510,000 in connection with the Offering.

The books for the Offering will open immediately and can close at any time. The offer price will be determined after the close of the accelerated bookbuilding process. The final pricing and number of New Shares is expected to be announced as soon as practically possible thereafter. If the Placing is oversubscribed, an individual allocation of the New Shares will be made by the Board of Directors.

TCM have in connection with the Offering, agreed to undertake a lock-up commitment for 180 calendar days following settlement of the Offering (subject to certain exceptions), including the issuance of shares to the sellers of Aubo Production A/S as announced in Company Announcement no. 167/2023 of 19 June 2023 (and company announcement no. 169/2023 of 26 June 2023), and each of the members of its Board and Executive Management have in connection with the Offering, agreed to undertake a lock-up commitment for 90 calendar days following settlement of the Offering (subject to certain exceptions).

SOLE GLOBAL COORDINATOR AND BOOKRUNNER

Carnegie Investment Bank, filial af Carnegie Investment Bank AB (publ), Sverige is acting as Sole Global Coordinator and Bookrunner in connection with the Offering.

Kromann Reumert acts as Danish legal advisor to the Company. Gorrissen Federspiel Advokatpartnerselskab acts as Danish legal advisor to the Sole Global Coordinator and Bookrunner.

NEW SHARES

The decision to launch an Offering of up to 1,221,419 New Shares, of a nominal value of DKK 0.10 each, in a directed issue is made pursuant to section 5.1 in the Company's Articles of Association according to which the Board of Directors is authorized to make share capital increases without pre-emption rights for the existing shareholders at market price.

The New Shares will rank pari passu in all respects with existing shares in TCM. The New Shares will be negotiable instruments, and no restrictions will apply to their transferability. No shares, including the New Shares, carry or will carry any special rights. Rights conferred by the New Shares, including voting rights and dividend rights, will apply from the time when the capital increase is registered with the Danish Business Authority. The New Shares must be registered in the name of the holder in the Company's register of shareholders.

The Offering represents up to 13.4% of the current registered share capital before the Offering and up to 11.8% of the registered share capital post the Offering.

The New Shares will be issued under the temporary ISIN code DK0062498176. No application for admission to trading and official listing has been, or will be, filed for the New Shares issued under the temporary ISIN code, and the temporary ISIN code will only be registered with VP Securities A/S ("Euronext Securities") for subscription of the New Shares. The temporary ISIN code in Euronext Securities will be merged with the permanent ISIN code for the existing shares, DK0060915478, as soon as possible following registration of the share capital increase with the Danish Business Authority. The New Shares are expected to be admitted to trading and official listing on Nasdaq Copenhagen A/S in the permanent ISIN code for the existing shares, DK0060915478, on or around 3 July 2023.

The admission to trading and official listing of the New Shares is subject to the Offering not being withdrawn prior to the settlement of the Offering and the Company making an announcement to that effect.

SETTLEMENT

The Offering will be settled through Euronext Securities by way of book entry against cash payment.

EXPECTED TIMETABLE FOR THE OFFERING

<i>Date</i>	<i>Event</i>
Expected Monday 26 June 2023	Launch
Expected Tuesday 27 June 2023	Trade date, pricing, allocation and announcement of the results of the Offering,
Expected Tuesday 27 June 2023	Notice from Nasdaq re expected listing of the New Shares
Expected Thursday 29 June 2023	Settlement and payment for the New Shares
Expected Thursday 29 June 2023	Registration of the capital increase with the Danish Business Authority
Expected Friday 30 June 2023	Admission to trading and official listing of the New Shares on Nasdaq Copenhagen A/S
Expected Monday 3 July 2023	Temporary ISIN code in Euronext Securities is merged with permanent ISIN code

DISCLAIMER

This company announcement contains forward-looking statements. These statements are not guarantees of future performance and involve certain risks and uncertainties, in particular this announcement should not be construed as a confirmation neither that the Offering will complete, nor of the deal size or the price. Therefore, actual future results and trends may differ materially from what is forecast in this report due to a variety of factors.

This announcement is intended for the sole purpose of providing information. Persons needing advice should consult an independent financial adviser. This announcement does not constitute an investment recommendation.

This announcement is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia, the "United States"), Canada, Japan, South Africa, Hong Kong or Australia, except as permitted by applicable law, or any other jurisdiction in which such publication or distribution is unlawful.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States, Canada, Japan, South Africa, Hong Kong, Australia or any other jurisdiction in which such offers or sales are unlawful (the "Excluded Territories"). Any failure to comply with this may constitute a violation of US, Canadian, Japanese, South African, Hong Kong or Australian securities laws or the securities laws of other states as the case may be.

The securities offered in connection with the Offering have not been and will not be registered under any applicable securities laws of any state, province, territory, county or jurisdiction of the Excluded Territories. Accordingly, such securities may not be offered, sold, resold, taken up, exercised, renounced, transferred, delivered or distributed, directly or indirectly, in or into the Excluded Territories or any other jurisdiction if to do so would constitute a violation of the relevant laws of, or require registration of such securities in, the relevant jurisdiction. There will be no public offer of securities in the United States or elsewhere.

This announcement is not a prospectus and has been prepared on the basis that any offers of securities referred to herein in any member state of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 on prospectuses (the "Prospectus Regulation"). The information set forth in this announcement is only being distributed to, and directed at, persons in member states of the European Economic Area who are qualified investors ("Qualified Investors") within the meaning of the Prospectus Regulation.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by TCM or by any of its affiliates or agents, or the Sole Global Coordinator and Bookrunner, as to or in relation to, the accuracy, completeness or sufficiency of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers in connection with the Company's Offering of the New Shares and/or the private placement referred to herein, and any liability therefore is expressly disclaimed.

The Sole Global Coordinator and Bookrunner and its affiliates is acting exclusively for TCM Group A/S and no-one else in connection with the Offering. It will not regard any other person as its respective clients in relation to the Offering and will not be responsible to anyone other than TCM Group A/S for providing the protections afforded to its respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in TCM Group A/S have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in TCM Group A/S may decline and investors could lose all or part of their investment; the shares in TCM Group A/S offer no guaranteed income and no capital protection; and an investment in the shares in TCM Group A/S is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the contemplated share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Carnegie Investment Bank, filial af Carnegie Investment Bank AB (publ), Sverige will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in TCM Group A/S. Each distributor is responsible for undertaking its own target market assessment in respect of the shares in TCM Group A/S and determining appropriate distribution channels.

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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, billigskabe.dk, Celebert and Just Wood. See www.tcmgroup.dk for more information.