



byggghemma
GROUP

Prosecution commenced against senior executives regarding VAT management in Åland in previous positions

In May 2018, the Helsinki Administrative Court determined that a subsidiary to Qliro Group (formerly CDON Group) did not pay correct VAT on Åland for the fiscal year 2012 for products that were sold to customers in Finland. Since 2012, there has also been a preliminary investigation pending in Finland against persons who held senior positions at the company in 2008-2014. Some of these people today are employed at Bygghemma Group, including CEO Mikael Olander. Prosecutors in Finland have now, after the Administrative Court's verdict, chosen to commence prosecution also against these persons in relation to Qliro Group's VAT management on Åland, regarding gross tax fraud, alternatively assisting gross tax fraud and accounting offences.

All persons concerned assess the accusations being incorrect and that they during their employments at CDON Group have acted in good faith based on advice from reputable audit firms, as well as approval from CDON group's board. CDON also presented the VAT structure for relevant authorities on Åland before it was launched and was in continuous dialogue with them thereafter.

Information about the now completed preliminary investigation in Finland has been public for a long time and was described in detail in Bygghemma Group's listing prospectus in March 2018 in connection with the IPO on Nasdaq Stockholm. The Board of Directors of Bygghemma Group has expressed their full confidence in these individuals. They do not expect to review this decision until there is a final and not admissible ruling.

"The situation surrounding a preliminary investigation of VAT management in Åland has been known since I became Chairman of the Board of Bygghemma Group in 2017 and neither affects my view of, nor confidence in, Mikael Olander and the other prosecuted. We are confident that the court will make a correct assessment of the situation and free those prosecuted of all suspicions. Mikael Olander has my full support and trust as well as from the Board of Directors," says Henrik Theilbjørn, Chairman of the Board of Bygghemma Group.

For further information, please contact:

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This information is information that Bygghemma Group 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, at 17:30 CET on 22 August 2018.

About Bygghemma Group

Bygghemma Group is the leading online-based provider of home improvement products in the Nordic region. We offer our customers a broad product assortment at competitive prices with convenient home delivery. Our operations comprise two segments, DIY and home furnishing, where DIY sells products from well-known external brands for home and garden improvement and home furnishing sells furniture and décor, primarily under own brands. Bygghemma Group consists of several online stores, including Bygghemma, Trademax, Chilli and Furniturebox. Bygghemma Group had revenue of approximately SEK 4.4 billion in 2017, is headquartered in Malmö and is listed on Nasdaq Stockholm, Mid Cap.