

13 May 2019

## Press release

### **Acquisition of Hot Bath B.V. by FM Mattsson Mora Group**

FM Mattsson Mora Group ("the Group") has agreed the acquisition of Hot Bath B.V. ("Hot Bath"), one of the market leading suppliers of kitchen and bathroom taps and shower systems to specialist outlets primarily in the Netherlands, together with selected international markets. Hot Bath's products are produced in Italy and known for both high quality and design and in 2018 the business delivered revenue of €20.5m, employing 37 people.

The acquisition of Hot Bath represents a key step in the Group's growth strategy: acquiring a fast-growing brand with a complementary product portfolio and a market-leading position in the Netherlands. Hot Bath will operate as a free-standing business unit within the Group and be led by current Managing Director Marius Visser and receive strategic guidance from the founder Erwin Liesting.

Future plans for Hot Bath include:

- continuing sales development in the Netherlands
- sales to new markets under the Hot Bath brand
- potential utilisation of the Hot Bath supply chain within the wider Group

Fredrik Skarp, Group CEO, said "Hot Bath is an excellent strategic fit with our current geographic footprint and product portfolio. We have been highly impressed by its dynamic customer focus and are excited by the opportunity to develop the business with our new colleagues."

Erwin Liesting, founder of Hot Bath remarked, "This deal marks an exciting new chapter in the Hot Bath story and I believe FM Mattsson Mora Group is the best possible home for the business and the team here who have grown Hot Bath from humble beginnings to a market-leader in the Netherlands over the last 12 years."

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FM Mattsson Mora Group will acquire 100% of the share capital of Hot Bath for consideration of €17.7m, payable in cash on completion of the deal of €14.2m, shares in the Group of €3.5m and an earn-out which will become payable if EBITDA exceeds certain growth targets for 2019 and 2020. The 2019 earn-out is capped at €1m. Based on Hot Bath's 2018 results the Group's earnings per share would have been c. 35% higher if Hot Bath were included. The acquisition is subject to certain conditions and is expected to be completed by 14 May.

Further information on Hot Bath can be found at [www.hotbath.nl](http://www.hotbath.nl) and [www.hotbath.it](http://www.hotbath.it).

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This information is such that FM Mattsson Mora Group AB (publ) must disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 11:00 CET on 13 May 2019.

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*FM Mattsson Mora Group conducts the sale, manufacture and product development of water taps under the strong, well-established brands of FM Mattsson, Mora Armatur and Damixa, primarily in the Nordic region. The group's vision is to be the first choice for customers in the bathroom and kitchen. The business generated sales of more than SEK 1.1 billion and had over 480 employees in 2018. FM Mattsson Mora Group is listed on Nasdaq Stockholm.*