CALIDA GROUP press release
ad hoc announcement pursuant to article 53 LR
Sursee (Switzerland), 19 May 2022

CALIDA GROUP acquires premium lingerie brand Cosabella – entering the US market and continuing to consolidate the underwear segment



The CALIDA GROUP acquires American premium lingerie and loungewear brand Cosabella. The acquisition of this internationally recognized, highly profitable company further strengthens the CALIDA GROUP's position in its core segment of underwear and lingerie and paves the way for its US market entry with the brands CALIDA and AUBADE. The CALIDA GROUP's proven brand expertise and platform model will unleash Cosabella's growth potential in both the US and European markets. The closing of the transaction is expected to take place in Q2 2022.

Cosabella was founded in 1983 by Valeria and Ugo Campello in Miami, USA. A family-owned business with its second-generation management employs approximately 50 people and generated sales in the United States of USD 29 million and an EBITDA of USD 4.8 million in 2021. With its strong growing digital business (online share above 50%) and proven omnichannel capabilities, Cosabella is an ideal strategic fit to complete the CALIDA GROUP's existing business with the brands CALIDA, AUBADE, erlich textil as well as LAFUMA MOBILIER and will further enhance its continuous growth. With its Italian heritage, Cosabella embodies a still largely untapped potential in the European market, which will be unleashed with the help of the CALIDA GROUP's advantageous market position in the region. Additionally, this acquisition creates an ideal starting position for the US market entry of its

brands CALIDA and AUBADE. Cosabella will serve as the US hub for the successful geographical expansion of the CALIDA GROUP, which is in line with the strategy ACCELERATE 2026.

With the integration into the CALIDA GROUP, existing production sites and its branding platform will be leveraged by Cosabella, allowing for the optimization of synergies as well as promising growth potential in the two key markets Europe and US. With this acquisition, the group is further enhancing its portfolio with a strong growing, high margin business. The CALIDA GROUP acquires a 100 percent stake in Cosabella for a total package of USD 80 million including earn out thus reinvesting the sales proceeds from MILLET MOUNTAIN GROUP in its core segment of underwear and continuing to execute the ACCELERATE 2026 strategy. In the last five years, Cosabella reached an average annual sales growth of +22% (CAGR 2017-2021) and an EBITDA margin of 16.1% in 2021 (EBITDA margin CALIDA GROUP 2021: 10.6%).

Hans-Kristian Hoejsgaard, Chairman of the Board of Directors of the CALIDA GROUP, says: “With the acquisition of the strong e-commerce brand Cosabella, we continue focusing the CALIDA GROUP on its core segment while simultaneously enhancing its online growth. This transaction is completely in line with the strategy ACCELERATE 2026 and highly accretive for all stakeholders. As a family business, Cosabella shares our group’s values regarding quality, customer service, long-term business development, and inclusion.”

Guido Campello, Managing Director of Cosabella: “Along with my sister, Silvia Campello, and the entire Cosabella team, we are delighted to unleash our growth potential in the US and Europe together with the experts of the CALIDA GROUP. Our company’s continued momentum as an inclusive brand leader further emphasizes that future growth potential. With the CALIDA GROUP’s famous brand expertise and shared platform, we will be able to capitalize on global synergies and advance the evolution of our brand. We are especially happy to have found a partner that shares the same values as our long-standing family business including high quality craftsmanship, inclusiveness, comfort and European production.”

Timo Schmidt-Eisenhart, CEO of the CALIDA GROUP, comments: “We are very pleased to have the internationally recognized Cosabella brand enhancing our product offerings in our core segment of lingerie and underwear. With our long-standing brand expertise, we will strengthen the awareness of Cosabella as a popular lingerie brand in Europe and at the same time will benefit from Cosabella’s US market knowledge. Additionally, Cosabella provides an ideal hub to launch our brands CALIDA und AUBADE in the US market as an added value to this deal. With the Cosabella team’s expertise and experience in this market, we will drive the group’s geographical expansion forward strategically and create further consolidation opportunities in the underwear market. We warmly welcome our Cosabella colleagues and are looking forward to a fruitful partnership.”

Virtual media and analyst conference:
CALIDA GROUP acquires premium lingerie brand Cosabella

Date: 19 May 2022
Time: 10.00 a.m. (CET)

The presentation is accessible as a conference call. You will receive your personal access data after your registration via the following link: **REGISTRATION**.

All documents can be found on the investor page at www.calidagroup.com.

CALIDA GROUP

For further information, please contact:
Calida Holding AG
Sacha Gerber, CFO
investor.relations@calidagroup.com

About the CALIDA GROUP
The CALIDA GROUP is a globally active company for premium underwear with its head office in Switzerland. It consists of the brands CALIDA, AUBADE, erlich textil and now Cosabella in the underwear and lingerie segment as well as the outdoor furniture brand LAFUMA MOBILIER. The CALIDA GROUP stands for high-quality products that delight consumers every day. In 2021, the Group generated sales of over CHF 298 million with around 2,400 employees. The registered shares of Calida Holding AG (CALN) are traded on SIX Swiss Exchange AG.

About Cosabella
Italian for "Everything Beautiful", Cosabella is a luxury intimates and loungewear business. Cosabella creates inclusive timeless designs that evoke confidence and individuality for people of every background, gender and belief. Cosabella's philosophy is rooted in exceptional fit, quality, and Italian heritage. Proud to still be made with the same passion and creativity as when established in 1983.

www.cosabella.com
@shopcosabella
#CosabellaStyle