

Press release
Lerum, 23th November 2018

Oboya initiate sales of production facility and land in China

Oboya Horticulture Industries AB (publ) ("Oboya") initiates the sale of its wholly owned subsidiary Oboya Metal Products Co., Ltd.'s production plant and land in Qingdao, China. The underlying market valuation of the building and the land amounted to between approximately CNY 35 - 45 million, corresponding to approximately SEK 46 - 59 million.

Oboya initiates the sale of the subsidiary Oboya Metal Products Co., Ltd's production plant and land in Qingdao, China. The production plant and associated land was acquired in 2006 and covers an area of approximately 12,000 square meters. The sale is due to the fact that the area has evolved from industrial area to residential and cultural area in recent years. The underlying market valuation of fixed assets amounts to between CNY 35 - 45 million, equivalent to between approximately SEK 46 -59 million. The sales of the fixed assets will take time and are expected to carry out in the first half year of 2019.

The sale will not affect Oboya's business and future growth plans in China, the production will continue in another rented production facility, or the production will be transferred to Oboya's own production facility in Ho Chi Minh City, Vietnam. Oboya currently has three production facilities in China, two of them are located in Qingdao and one is located in Kunming. The liquidity from the sales of SEK 46-59 million will contribute positively to the Group's liquidity and will be used partly for repayment of loans and partly for financing Oboya's future growth.

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This information is insider information that Oboya Horticulture Industries AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 09.00 on November 23th, 2018.

About Oboya Horticulture Industries AB

Oboya Horticulture aims to become a world-leading total supplier of consumables and logistics products for the cultivation industry as well as consumer products for home cultivation and indoor environments. Production takes place in factories in China, Poland, Denmark, Vietnam and Kenya. More information about the company is available at www.oboaya.se.

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