

## **Correction of earlier press release regarding risk for write-downs of debts**

**The management of Oboya Horticulture Industries AB ("Oboya" or "Company") has after that the press release regarding potential impairment charges for bad debts of about 53 MSEK on 4th of June, 2020, together with the Company's auditors taken on a thorough analysis of these debts. Altogether, the conclusion is that there is currently no need for any additional write-downs, and that the vast majority of these debts continue to be deemed as worthy.**

Oboya's management and auditors have after the earlier press release regarding bad debts of about 53 MSEK, taken on a thorough analysis of the Company's debts. It should be noted, that the Board of Directors of Oboya has not made any decision concerning write-down of debts referred to in that press release.

Altogether the conclusion is that there is currently no need for any write-downs of about 53 MSEK. The debts of 2015 and 2016, combined amounting at about 31 MSEK, are since earlier secured through agreements on installment plans, which have been evaluated and approved by the Company's auditors in China and Sweden. The receivables of 2017 amounting at 22 MSEK, are already paid to about 50%, and out of the balance of about 11 MSEK about 8 MSEK is deemed as worthy. In the financial statements for 2019, a reservation of about 4 MSEK for potential impairment charges has been made. If it is deemed to be a need for additional write-downs, it will be proposed accordingly to the board for decision in conjunction with the report for the second quarter of 2020.

The earlier press release has created a situation where Swedbank has frozen all bank account of the Oboya group in Sweden. We will work together with Swedbank to enable a reopening as soon as possible.

We deeply regret that the earlier press release regarding potential impairment charges was published. We will urgently re-evaluate the company's policy and practices regarding issuing of information and communication.

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*"This is 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 21.00 CEST on June 7<sup>th</sup>, 2020."*

**About Oboya Horticulture Industries AB**

Oboya Horticulture aims to develop into a world-leading total supplier in daily consumables and logistics products to the cultivation industry as well as consumer products for home cultivation and indoor environments. Production takes place in factories in China, Vietnam and Poland. More information about the company can be found at [www.oboya.se](http://www.oboya.se).