



## ***AD-HOC-ANNOUNCEMENT***

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### **Sale of edding Argentina S.A.**

edding AG has sold its shares in edding Argentina S.A. to the founder and owner of the company Parallel S.A. in Buenos Aires, Argentina, with effect from 31 March 2023. A symbolic purchase price of USD 1.00 was agreed, plus recoverable current assets (inventories and accounts receivable).

With the implementation of the Strategy 2025+, the edding Group withdrew from a dedicated strategy for the Latin America region at the beginning of 2021. Since then, the risks from our activities in Argentina were no longer in balance with the expected strategic benefits and can be significantly reduced through this sale. The business with Parallel S.A. as a distributor and partner in the Argentinian market will be continued.

Despite the only symbolic purchase price and partially due severance payments, the sale has a positive effect on the net assets, financial position and results of operations of the Group compared to the going concern scenario. The avoided loss for 2023 compared to a going concern is currently estimated to be in the low to mid six-digit euro range.

The Management Board does not expect the sale to have a material impact on the guidance for 2023 published on 28 February 2023

**About edding AG:** Founded in Hamburg in 1960, the company generated Group sales revenues of EUR 159.2 million in 2022 with an annual average of 735 employees. Under the edding, Legamaster and Playroom brands, the company offers long-lasting, high-quality products and solutions for private and commercial use. The portfolio includes markers and writing instruments, visual

communication products such as flipcharts, whiteboards and e-screens, innovative digital applications as well as tattoo ink. The company's fundamental values embrace responsibility towards the environment and society. edding wants to empower people to express their personality, ideas and thoughts and make them visible on a wide variety of surfaces.

**About Parallel S.A.:** The company was founded in 1973 by Mr. Facundo Mendizabal and, according to its own information, employs 44 people, who generated sales revenues of around 26 million USD in 2022. The company specialises in the positioning, distribution and marketing of internationally known brands and products on the Argentinian market. The portfolio includes branded products from Unilever and Philips.

Ahrensburg, 13 March 2023

edding Aktiengesellschaft  
The Management Board

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**Contact:**

edding AG, Sönke Gooss (CFO)  
Bookkoppel 7, 22926 Ahrensburg  
Tel. 04102/808-200, Fax 04102/808-204  
e-Mail: [investor@edding.de](mailto:investor@edding.de)