

CORPORATE NEWS

edding has sold its stake in the Brazilian writing instruments manufacturer Compactor

As communicated in the ad hoc announcement of 8 December 2014, edding International GmbH, a wholly owned subsidiary of edding AG, had at that time acquired control of just under 21 % of the share capital of the Brazilian writing instruments manufacturer Companhia de Canetas Compactor S.A., Rio de Janeiro, (Compactor). The originally agreed purchase price was EUR 3.3 million and was subsequently reduced to EUR 1.7 million in August 2020 shortly before the final tranche was due.

As the edding Group has no longer defined a dedicated strategy for Latin American business since Strategy 2025+ came into force, negotiations were started with the other owners on the sale of the shareholding, which were successfully concluded in November 2022.

The sale generated an after-tax gain of EUR 0.4 million, which will be recognised in the individual financial statements of edding International GmbH. Due to an accounting option exercised at the time of acquisition in accordance with IFRS 9 (fair value through OCI), this effect is recognised in the consolidated financial statements in other comprehensive income (OCI) and does not affect the consolidated income statement.

About Compactor: Compactor is one of the most important companies in the Brazilian writing instruments market. According to the most recently published annual financial statements for 2021, the company generated revenues of around EUR 10.0 million converted at the exchange rates prevailing at the time.

About edding AG: Founded in Hamburg in 1960, the company generated Group sales revenues of EUR 148.6 million in 2021 with an annual average of 702 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 and nail polish. 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.

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edding Aktiengesellschaft
The Management Board

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