

# MQ Holding AB

---

PRESS RELEASE JANUARY 28, 2019

---

## **MQ Holding launches structural action programme to increase profitability**

*In light of weak business development, MQ Holding is implementing a Group-wide action programme to strengthen the company's profits and cost efficiency in the long term. The programme is expected to boost profits by SEK 50 m over the coming financial year.*

During the autumn, MQ has begun various sales-boosting initiatives to increase its profitability and competitiveness, with a focus on the range and an enhanced customer experience, including the development of a new online shopping platform. As part of this process, a structural action programme is now also being launched. The result will be a cost reduction in both of the Group's retail chains – MQ and Joy – the realisation of as yet unutilised synergies from Joy, as well as more intensive closures of unprofitable Joy stores. The one-off restructuring cost is estimated at SEK 10 m.

The closure of unprofitable Joy stores has already begun and a total of 13 stores, one-quarter of the Joy store network, will close under the programme. The decision has also been made to close Joy's head office and merge it at MQ's existing premises. The action programme will bring about a more efficient organisation and a lower cost mass, thus strengthening the company moving forward.

The synergetic effects of two distinct fashion chains under one roof will mean a loss of approximately 25 jobs at the companies' head offices, the majority of them in Joy. Union negotiations will begin immediately.

The action programme is being implemented in all parts of the company in order to reduce costs. The programme encompasses profit-boosting measures totalling SEK 50 m in the coming financial year, excluding one-off costs.

*This information is information that MQ Holding AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set below, on January 28, 2019 at 09.00 CET.*

### **For further information, please contact:**

Ingvar Larsson President and CEO: +46 31 388 80 70

Ola Wahlström, CFO: +46 31 388 80 80

Christine Abrahamsson, IR manager: +46 31 388 80 23

MQ Holding AB owns and operates fashion stores under two business areas: MQ and Joy. MQ is Sweden's largest retailer of fashion brands. Through a select mix of proprietary and external brands, MQ offers high-fashion menswear and womenswear in attractive stores. Joy targets fashion-conscious women at midlife who desire excellent quality, fit and comfort. The two business areas currently comprise a total of 173 stores as well as online sales. The MQ Holding share has been listed on Nasdaq OMX Stockholm since June 18th 2010. For more information, please visit our website at [www.mq.se](http://www.mq.se)