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Bang & Olufsen announces terms of the proposed right issue

Further to company announcements 19.22 and 19.23 dated 12 May 2020, the Board of Directors of Bang & Olufsen A/S hereby announces the terms of the proposed rights issue and the related share capital increase and reduction submitted for approval by the extraordinary general meeting on 3 June 2020:

- **Share capital reduction, agenda item 1:** The nominal value of the company's shares is proposed to be reduced from DKK 10 to DKK 5.

Consequently, the company's share capital is proposed to be reduced by nominally DKK 204,620,145 from nominally DKK 409,240,290 to nominally DKK 204,620,145 (after completion of the cancellation of 2,273,449 treasury shares as approved by the annual general meeting on 21 August 2019).

As mentioned in the notice for the extraordinary general meeting, the share capital reduction will not result in any payments to shareholders, nor in any changes to the shareholders' relative ownership share or voting rights in the company.

- **Share capital increase, agenda item 2:** The rights issue is proposed to be effected at a subscription ratio of 2:1 (1 existing share gives the right to subscribe for 2 new shares) and at a subscription price per new share of DKK 5, corresponding to the issue of 81,848,058 new shares and total gross proceeds of DKK 409,240,290.

Consequently, the share capital is proposed to be increased by nominally DKK 409,240,290 from nominally DKK 204,620,145 to nominally DKK 613,860,435 (after completion of cancellation of treasury share as mentioned above). Article 4, section 1 of the company's Articles of Association is proposed to be amended accordingly upon completion of the rights issue.

The proposed timeline for the rights issue is unchanged.

Subject to approval of above resolutions, each of the company's existing shareholders (registered as such with VP Securities A/S on 10 June 2020 at 5:59 p.m. CEST) will thus be allocated two (2) pre-emptive rights per share held at the time of allocation. One (1) pre-emptive right will give the right to subscribe for one (1) new share in the company. The prospectus regarding the offering is expected to be published on 4 June 2020.

For further information about the extraordinary general meeting and the other terms of the proposals submitted for approval at the meeting, please see company announcement 19.23.

Any questions may be directed to:

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Forward-looking-statement disclaimer:

Certain statements in this announcement are forward-looking statements which are based on the company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts, including with respect to the timing, terms and consummation of the rights issue described herein. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts. These forward-looking statements involve risks, and uncertainties that could cause the actual results of operations, financial condition, liquidity, dividend policy and the development of the industry in which the company's business operates to differ materially from the impression created by the forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, Bang & Olufsen undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.