

Stockholm, February 21<sup>st</sup>, 2018

Dear Shareholders,

The recent management decision of the Board of Directors of Design Your Home Holding AB (“DYH” or, the “Company”) in relation to the resumption of trading of shares on the stock exchange Euronext in Paris (Access, formerly known as Marché Libre), ISIN: SE0007045380 has raised questions among some shareholders regarding recent developments of DYH.

The Board of Directors is firmly of the opinion that there is no need for any concern regarding the Company’s operational business.

We would also like to use this opportunity to give you an update on developments since the suspension of trading and the most recent events.

### **Financial Status of the Company**

In 2017 and currently the Group had more than 30 employees. On the basis of the unaudited accounts for DYH, the consolidated net turnover for the Group in 2016 was approximately 5,8 MEUR. Compared to the year before, where the Group had a consolidated net turnover of approximately 3,6 MEUR, this was an increase of 61% in revenue.

Audited financials for 2016 for Company will be presented 3 weeks prior to the AGM for 2016, which is scheduled for 06 April 2018 in Sweden.

The Company’s current draft financial statements for 2016 showed almost no revenue and only costs for maintaining the Company according to Swedish Law. The Group’s revenue is generated in its operational subsidiaries:

- DYH Ltd. had an audited revenue of 3,479,875 EUR (*1,398K EUR in 2015*) and an operational loss of approx. 198,000 EUR in 2016 (approx. *29,000 profit in 2015*).
- ROOMOX Ltd, as reflected in its unaudited accounts, achieved a revenue of 2,258,308 EUR in 2016 (approx. *1.850 EUR in 2015*) and an

operational loss of 806,654 EUR (*20K EUR profit in 2015*). The loss was incurred because of expansion of the AMAZON business and the increased marketing costs for the penetrating pricing strategy of Roomox, which is characterized by the low setting of an initial price of a product to rapidly reach a wide fraction of the market and initiate word of mouth.

- German based ATON GmbH, as reflected in its audited accounts, achieved the following in 2016: revenue of 2,624,039 EUR and operational loss of 68,051.87 EUR as compared to a revenue of 1,365,577 EUR in 2015 and a bigger loss of 147,346 EUR the same year. This loss was mainly due to a switch of accounting rules from German GAAP to IFRS in 2014 and a different valuation of ATON's investment property and corresponding depreciation rules of IFRS.

To summarize we can say that with a view to the 2016 financial year as a whole and on a quarterly basis, revenues could be consistently increased. Total sales increased by 61% compared to 2015. The revenue increase was closely connected to higher marketing cost, especially in the case of ROOMOX with its high loss in 2016. This development found its halt in 2017, where the numbers will show about the same consolidated revenue of the Group, with, proportionately, substantially lower costs compared to the previous years.

Please find financial statements 2016 (Balance sheet and P&L) for the subsidiary companies available for download on this website under Reports and Figures: <http://www.dyh-ab.se/en/investorrelations/>

The 2017 financials for the Company are about to be completed and will be presented at the AGM for 2017 which will be held not later than June 2018 in compliance with Swedish Law.

## **Business Strategy**

Subsidiaries DYH and ROOMOX established themselves in their respective markets during 2016 and 2017 and were able to expand and increase their market penetration. By way of example through the web-shops [www.dyh.com](http://www.dyh.com) and [www.roomox.com](http://www.roomox.com) as well as AMAZON channels (Vendor Central and Seller Central) 34.006 orders with altogether 43.428 items were delivered to

customers in 2017. Also, the new FF24-Rent option was introduced to public with press release dated 03. October 2017.

DYH will continue its business strategy to be implemented namely based on the following components:

- Websites dyh.com and roomox.com are using a penetration pricing strategy.
- DYH's and ROOMOX's multi-lingual platforms offer a high degree of scalability to further increase their European market presence.
- Low overheads and cost structures guarantee a competitive advantage.
- Technological features such as the DYH's mobile application create a unique customer experience and customer retention (3D Interactive package on dyh.com).
- Partnerships with designers are rapidly increasing the product range and reduce the costs incurred with respect to the product design.
- DYH AB continues to aim to be a leader through the use of intelligent innovations and technology in the design and furnishing of apartments and houses.
- A high level of customer satisfaction is one of the most important prerequisites for sustainable business success for DYH AB and its brands.
- DYH AB primarily intends to largely benefit from current and future furniture market growth, especially online. Additional products, a continuous development of ROOMOX and the acquisition of additional brands and distribution channels.
- DYH AB is still targeting a gross profit margin of 50%, as done in all of its price calculations, to ensure sound financials and to maintain our risk-bearing capacity.

### ***Important Business Events during 2016***

- Partnership with Finnish company Vividworks for developing the 3D-Roomplaner was intensified with further developments and improvements of the 3D interior design software.
- Strategic partnership with "Amazon Prime" since March 2016
- Voluntary suspension of trading of DYH shares on the Marché Libré / EuroNext in July 2016, due to unusual movements of sales orders and

stock price movements. Very likely false statements and accusations made through the world-wide-web have, at least in part, triggered the disadvantageous and operationally unjustified stock price movements. The Board still holds that the decision was in the best interest of all shareholder and also as company can operate properly and business still meeting the assumptions of management.

- Vividworks produced a video with DYH to show them as reference for their products (<http://www.vividworks.com/#references>) in October 2016

### ***Important Business Events during 2017***

- The two resigning board members in 2016 were replaced by Connie D'Orville and Andreas Garke at an EGM in January 2017. Due to illness Mrs D'Orville left the Board in November 2017.
- Since December ROOMOX beanbags are exclusively part of the FC Barcelona Merchandising World:



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This gives the opportunity to offer special edition beanbags, fully branded in the recognized colours, symbols and logo of the prominent Football Team

- Strategic partnership with Fast Finance 24 Group. DYH Ltd. will be one of the few eTailers offering product purchase on its website via the Rent-to-Own option in Europe. DYH customers can now purchase items by paying in full, or by renting the product (rent-to-own) via making small weekly instalments for a contracted period of time via our Rent-to-Own payment option, visible directly on the product page.
- Constant improvement of the manageability and ease of use of the 3D-Roomplanner.

### **Expected future developments**

The Group will continue to focus in 2018 and beyond on a deeper and broader market penetration in Europe. The already existing customer base of 100.000 customers throughout Europe will be slowly but steadily expanded.

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We are thanking you as our Shareholders for your understanding and continued support.

A handwritten signature in blue ink, consisting of a series of fluid, overlapping loops and strokes, representing the name Armin Dartsch.

Armin Dartsch  
Chairman of the Board

### ***Disclaimer re "forward looking statements"***

*This document may contain statements related to our future business and financial performance and future events or developments involving DYH that may constitute forward-looking statements. These statements may be identified by words such as "expect," "look forward to," "anticipate" "intend," "plan," "believe," "seek," "estimate," "will," "project" or words of similar meaning. We may also make forward-looking statements in other reports, in presentations,*

*in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of DYH's Board and management, of which many are beyond DYH' control. These are subject to a number of risks, uncertainties and factors, including but not limited to those described in disclosures, in particular in the respective chapter in the annual report. Should one or more of these risks or uncertainties materialize or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of DYH may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. DYH neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.*

**About Design Your Home Group:** Design Your Home Group represents companies within the European ecommerce furniture industry. The holding company represents two online shops – [www.roomox.com](http://www.roomox.com) and [www.dyh.com](http://www.dyh.com) as well as producing its own line of various furniture brands. The online shops are operational in over 20 European countries, trading and providing customer service in 8 languages. Design Your Home Group operates from offices in Stockholm, London and Berlin. Design Your Home Holding AB (publ) is listed since September 3rd 2015 in Euronext Paris, Marché Libre segment. For more details you can visit [www.dyhab.se](http://www.dyhab.se)