

## NEW NORDIC HEALTHBRANDS AB (PUBL) SIX-MONTH REPORT JANUARY – JUNE 2024



Historic sales increase during Q2 and continued strong trend after the first half of the year.

### Second quarter (1 April 2023 - 30 June 2023)

- The group's net sales in SEK increased by 8.4 percent during the quarter to SEK 140.9 million (129.9). In local currencies., the increase was 8.3 percent.
- Gross margin decreased to 65.4 percent (66.5) percent and the gross profit amounted to SEK 92.1 million (86.4) million.
- Operating profit improved to -1.9 MSEK (-2.6) MSEK.
- The period's result after tax decreased to SEK -4.5 (-3.1) million equal to SEK -0.72 (-0.50) per share\*.
- Cash flow from current operations amounted to MSEK 0 (11.6).

### First half of the year (January 1. 2023 - June 30. 2023)

- The group's net sales in SEK increased by 5.8 percent during the first six months of the year to SEK 271.1 million (256.2). In local currencies, the increase was 5.0 percent.
- Gross margin decreased to 64.4 percent (64.8) percent and the gross profit amounted to SEK 174.7 million (SEK 165.9 million).
- Operating profit decreased to -5.7 MSEK (-0.4) MSEK.
- The period's result after tax decreased to SEK -7.9 (-2.5) million equal to SEK -1.27 (-0.40) per share\*.
- Cash flow from current operations amounted to -15.8 MSEK (18.4) MSEK.

\* There are no dilution effects

## COMMENTS BY KARL KRISTIAN BERGMAN JENSEN

We have had good revenue growth and we have a sales record in the first half of the year. During the quarter and for the entire half year, we made progress in Europe, North America, and Rest of the World. This includes major markets such as the US, UK, and Germany.

We see strong revenue growth with record sales in the first half of the year in three out of four geographic areas. Europe (+9.6%), North America (+9.5%), and Rest of the World (+90%). In the Nordic region sales have decreased (-10,8%), and special measures will now be implemented to reverse the trend.

The Nordic countries

Sales are still not up to expectations in Denmark and Sweden. We are experiencing greater competition in both countries with price pressure as a result. In 2023, the major retailers increased their inventory, which has taken long to turn over. Consumer behavior is characterized by external factors such as general concern with inflation, higher interest rates, and geopolitical instability. The reduced sales mainly relates to the 'Inner Beauty' food supplement segment.

Reduced sales and earnings in Denmark and Sweden during the first half of the year is also the main reason for our unsatisfactory results. We expect retailers' inventory adjustments to now subside and we also expect a more positive buying pattern from our consumers in the second half of the year. Already in June, we have seen improvements in Denmark. In close cooperation with the largest retailers, we have drawn up an action program for the autumn regarding product range and marketing efforts.

Unlike Sweden and Denmark, sales are increasing in Norway. From an international perspective, pharmacies is our biggest retailer channel, followed by drugstores, and health stores. In addition, we have now started selling directly to consumers in Norway through our website [www.vitagold.no](http://www.vitagold.no). For now, only the product Vita Gold™, which is specially developed for this purpose.

## The rest of Europe

We have continued our investments in Switzerland and Spain. Markets that still cost us money to establish ourselves in, but which at the same time represent great future potential. In these two markets, we are focusing on building distribution through pharmacies and expect a positive result only in 2026.

## North America

In the United States, we have now completed a package of measures that lasted for more than two years. We have reviewed governance, competence, product range and sales channels and after the first half of the year, we see a new positive trend with both increased turnover and profitability.

Canada shows positive growth and results in the first half of the year and we see great potential for continued stable growth.

## Rest of the World (Asia, Central Asia, and Australia)

In Asia, especially in China and in Vietnam, there has been good progress in the cooperation with our distributors. We expect this development to continue. The potential in Asia is great with a larger market for dietary supplements than in Europe. During the first half of the year, we see a record-breaking increase in sales and with improved profitability.

The future potential in Australia is great and investment continues with a focus on building distribution through pharmacies and health stores. Sales are increasing, but we do not expect to achieve a positive result for two to three years.

During the first half of the year, we have down regulated our investments in some less significant markets, which also contributes to the result in the short term. In Portugal, we make a limited investment to test the market through a distributor who markets and sells some products through its channels and customer relationships.

Just this quarter, we started the collaboration with a large pharmaceutical and OTC company regarding the takeover of the distribution of New Nordic in Kazakhstan and a number of countries in Central Asia. We look forward to working with this strong distributor and expect increased sales in the area.

## Innovation and development

We have just initiated a new plan for growth in our dietary supplements under the name "Driving Power Categories". It is a plan that we are presenting internationally to the trade now and during the autumn, to jointly increase growth in new plant-based categories that are also supported by trends on social media. "Power Categories" are product categories that are growing faster than the rest of the dietary supplement market. Current examples are magnesium, collagen, and mushrooms, but there are also other exciting "Power Categories" that we are currently exploring.

We will also launch products that can help maintain and strengthen our competitive advantage against new competitors including our resellers' own products.

After the first half of the year, we see growth in sales and revenue from the range of food supplements and cosmetics with hair and skin care. Within dietary supplements, the "Gummies" segment has particularly good growth in sales, especially in USA, Canada, and England.

## Summary

The reason for our overall growth is increased and more effective marketing efforts as well as successful innovation.

Our gross profit is lower than our ambition. During the first half of the year, we have succeeded in renegotiating agreements with some of our contract manufacturers and have thus achieved lower cost prices, which we expect to be reflected in the gross profit in the second half of the year. We also carry out price increases with respect for the consumer's financial capacity.

During the first half of the year, we have had costs of a one-off nature in connection with establishing our own warehouse in Landskrona, upgrading our financial system and launching the new New Nordic webstore in 24 countries. All these major initiatives have now been implemented. Our warehouse in Landskrona will serve Sweden and Denmark as well as some smaller export countries. Our webshops are improved and also contain the possibility for subscription purchase.

I thank the entire New Nordic team for a continued great effort to create growth and thereby work towards better profitability in the company.

I am convinced that we in Denmark and Sweden will return to high profitability in the second half of the year, that the USA is in positive development again, that our other European markets and Asia will continue the excellent growth curve, and finally that our three new investment markets Switzerland, Spain, and Australia are on the right path forward.

I look forward to the second half of the year in New Nordic, where we focus on creating profits and positive earnings per share.

Karl Kristian Bergman Jensen

Malmö, 31 July 2024



## DEVELOPMENT OF THE GROUP

Income statement and cash flow are compared with the corresponding period of the previous year. Items in the balance sheet refer to the time at the end of the period and are compared with the corresponding period in the previous year, June 30, 2023. The second quarter refers to the period April - June 2024.

Rounding differences may affect the summations in the tables in this report.

### NET REVENUE

Net sales in the quarter amounted to SEK 140.887.000 (SEK 129.921.000), which is an increase of 8.4% in Swedish kronor. Currency effects in the quarter had a smaller impact on the change in net sales than it had in previous periods and the currency-adjusted organic growth in the quarter amounted to 8.3%. No structural effects in the form of changed group composition have had an impact in the period, but the growth is entirely organic.

Demand for the group's products remains good, which is reflected in the continued growth in the group's sales, and the quarter is a historically good quarter in terms of sales. In the near term, only the fourth quarter of 2023 has shown a higher net turnover. All months saw sales over SEK 45 million, with May being the best month with sales over SEK 50 million. What mainly continued to contribute to the positive sales trend in the quarter are investments in marketing activities.

Three out of four geographic markets have progressed in the quarter and the largest monetary increase is the European market with an increase of SEK 4.711 thousand, closely followed by the rest of the world which increased by SEK 3.979 thousand and North America which increased by SEK 3.680 thousand. The only market that lost sales in the quarter was the Nordics, which declined by SEK -1.404.000.

Percentage-wise, the Rest of the World continues to increase the most and increased by 67.8% in the quarter, which is an effect of persistent work together with established and new distributors mainly in Vietnam and China. The percentage increase of 10.6% in Europe comes largely from two of the markets that have the greatest potential for the group, in the form of Germany and Great Britain, which increased by SEK 3.010.000 and SEK 2.548.000 respectively.

The increase of 9.4% in North America comes entirely from the USA, which increased by SEK 6.392k, which is an effect of long-term strategic work with focused efforts to reverse the negative trend we had there. The Nordics, the only market showing negative percentage development, reduced sales by -3.5% in the quarter, which is mainly driven by poorer sales development in Denmark.

For the first half of 2024, the group's net sales increased by 5.8% to SEK 271.106 thousand (SEK 256.182 thousand). It is a similar development as in the second quarter where three out of four geographical areas are moving forward and the three markets increase sales together by SEK 23.835 thousand, while the Nordic market lost SEK -8.911 thousand.

### GROSSMARGIN

Gross profit in the quarter amounted to SEK 92.109.000 (SEK 86.365.000), which is an increase of SEK 5.744.000 or 6.7%. The gross margin decreased slightly in the quarter and amounted to 65.4% (66.5%), which is a decrease of 1.1%. The slightly decreased gross margin is an effect of changes in product mix. Continued focus on products that are favorable to the Group's total gross profit and gross margin is a high priority and work on it will continue to reach more satisfactory gross profit levels.

For the first half of 2024, the group's gross profit amounted to SEK 174.686 thousand (SEK 165.903 thousand) and is an increase of SEK 8.783 thousand or 5.3%.

## OTHER EXTERNAL COSTS

Other external costs increased by SEK 3.919 thousand or 5.5% to SEK -75.248 thousand (SEK -71.329 thousand) in the quarter. The increase is a combination of higher market activity that generated increased marketing costs and continued overheads related to the start-up of own warehouse operations. The strategic initiative to bring home parts of the group's inventory (Sweden, Denmark and Germany) has also led to increased overheads in the second quarter, but in the medium term will drive efficiencies and above all will give us an increased control of the group's products.

Personnel costs have increased slightly in the quarter and amounted to -18.230.000 SEK (-17.277.000 SEK), which is mainly explained by the personnel mix and general wage increases.

For the first half of 2024, other external costs amounted to SEK -143.462 thousand (SEK -131.584 thousand) and personnel-related costs to SEK -35.880 thousand (SEK -33.955 thousand).

## EARNINGS BEFORE DEPRECIATION (EBITDA)

The group's earnings before depreciation (EBITDA) amounted to SEK -1.369 thousand (SEK -2.241 thousand) in the quarter, which is an improvement of SEK 871 thousand. The marginal improvement is driven by the increased sales that the quarter demonstrated, which resulted in a higher gross profit that absorbed the increased overheads. Other external costs and personnel costs have together increased by SEK -4.872 thousand or 5.5% in the quarter, while gross profit improved by SEK 5.744 thousand or 6.7% in SEK, which positively affected EBITDA.

For the first half of 2024, the group's earnings before depreciation (EBITDA) amounted to SEK -4.657 thousand (SEK 363 thousand), which is a deterioration of SEK 5.020 thousand.

## FINANCIAL ITEMS

Financial items in the quarter amount to -180.000 SEK (-98.000 SEK) and are a combination of exchange rate effects and interest costs. Net interest has contributed negatively by SEK -559 thousand (SEK -238 thousand), which is an effect of increased interest in recent periods when the group's overdraft facility runs at variable interest.

The group's financial items for the first half of the year amounted to SEK -1.013 thousand (SEK -294 thousand).

## FINANCIAL POSTS

Financial items in the quarter amount to SEK -840 thousand (SEK -180 thousand) and are a combination of exchange rate effects and interest costs. The net interest has contributed negatively by SEK -621 thousand (SEK -559 thousand), which is due to a combination of the interest rate situation and the utilization rate of the group's overdraft facility.

The group's financial items for the first half of 2024 amounted to SEK -992 thousand (SEK -1.013 thousand).

## TAX

Tax for the period amounted to SEK 1.733.000 (-278.000). The group's effective tax for the period was -63.20% (-9.9%), which is a combination of local tax rates, no deferred tax related to new capitalized loss deductions and other temporary differences.

The group's tax for the first half of 2024 amounted to SEK -1.180.000 (SEK -1.093.000).

## PROFIT AFTER TAX

The result for the period amounted to SEK -4.475 thousand (SEK -3.087 thousand). Earnings per share amounted to SEK -0.72 (SEK -0.50) and there are no dilution effects.

The group's result for the first half of 2024 amounted to SEK -7.863 thousand (SEK -2.501 thousand). Earnings per share amounted to SEK -1.27 (SEK -0.40).

## WORKING CAPITAL

The group realized a net working capital in the quarter of SEK 113.583 thousand (SEK 119.493 thousand), corresponding to 20.7% (24.4%) of the net sales for the last twelve month period (R12). The inventory position has increased and amounts to SEK 106.636 thousand at the end of the quarter, which is an increase of SEK 8.871 thousand when compared with the corresponding period in 2023. Increased purchases of raw materials and greater activity in production are the main reasons for the increased inventory. Inventory is a prioritized area and activities are carried out to achieve a better balance over time as optimized inventory creates better conditions for growth as it contributes to healthy capital tying up.

## NET DEBT (+) / NET CASH (+)

The group's net debt (+) increased to SEK 32.255 thousand (SEK 21.555 thousand). The increase is a combination of a higher utilization rate of the group's overdraft and less cash and cash equivalents.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents decreased to SEK 11.868.000 (SEK 16.575.000), mainly driven by cash flow from current operations and in particular working capital.

## INTEREST-BEARING LIABILITIES

Interest-bearing liabilities (short- and long-term) have increased to SEK 44.123.000 (SEK 38.130.000), mainly driven by an increased overdraft as a result of changed capital tie-up needs and the earnings trend.

## SHAREHOLDERS EQUITY

Equity decreased to SEK 100.052 thousand (SEK 113.966 thousand). The equity ratio amounted to 39.7% (44.6%) and equity per share amounted to SEK 16.15 (SEK 18.40).

## CASH FLOW

The cash flow for the period amounted to SEK 2.180.000 (SEK 4.527.000) driven by the cash flow from operating activities, which developed somewhat negatively, and the cash flow from financing activities, which developed positively. Short-term loans taken out contributed SEK 3.314.000 (-SEK 7.086.000) of the total change.

The cash flow for the first half of 2024 amounted to SEK -1.972 thousand (SEK 5.373 thousand).

## CASH FLOW FROM CURRENT OPERATIONS

Cash flow from current operations amounted to SEK -42 thousand (SEK 11.602 thousand). Compared to the corresponding period of the previous year, it is a deterioration that comes from a combination of reduced operating profit and negative changes in working capital and especially operating liabilities.

Cash flow from current operations in the first half of 2024 amounted to SEK -15.799k (18.397k), which is also driven by a negative change in working capital and a worsening result.

## CASH FLOW FROM INVESTMENT ACTIVITIES

The cash flow from investment activities amounted to SEK -186k (-193k) and the rate of investment in mainly tangible and intangible fixed assets is still low even though investments, mainly inventory, in the new leased warehouse have been carried out in the quarter.

The cash flow from investment activities in the first half of 2024 amounted to SEK -806 thousand (SEK -1.157 thousand).

## CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities amounted to SEK 2.409 thousand (-6.882 thousand). The change is mainly due to increased overdrafts in the period when compared with the corresponding period of the previous year, as the utilization rate of overdrafts increased in the period.

Cash flow from financing activities in the first half of 2024 to SEK 14.632 thousand (-11.867 thousand), which is also explained by a higher utilization rate of the group's overdraft facility.

## PERSONNEL

The number of employees, converted to full-time employees, at the end of the quarter amounted to 71 people (74) and the average number of employees in the period amounted to 71 people (72).

## OTHER INFORMATION

New Nordic's operations create value for the company's customers and shareholders. In 2023 and beyond, the company will continue to develop herbal supplements and beauty products to address specific health and beauty needs. New Nordic will market these products to a growing number of consumers worldwide. Everything with care for people and nature. The products will be marketed under the characteristic New Nordic brand. A brand that reflects the Scandinavian cultural heritage, the Scandinavian values and the company's passion for herbs and a healthy life.

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

In the quarter, the process of moving from an external warehouse to an internal warehouse in Landskrona was completed. In addition, an agreement has been entered into with the group's main bank for a temporary increase in overdraft facilities in order to meet the liquidity needs in the short term.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No material events have occurred up to the time this report was released for publication.

## RISKS AND UNCERTAINTIES

A number of factors can affect New Nordic's results and operations. Many of these can be handled through internal routines, while some others are more affected by external influences. There are risks and uncertainties in connection with consumer trends, weather conditions, negative macroeconomic changes, geopolitical risks, sustainability and external factors in production countries, regulatory issues, trade interventions, foreign exchange and tax, but also in connection with expansion into new markets, the launch of new products, changes in consumer behavior and how the brand is managed. There are also certain risks related to the group's reputation, so-called "reputational risks".

For a more detailed description of risks and uncertainties, reference is made to the annual report and consolidated accounts for 2023 under "Risk factors".

## ACCOUNTING PRINCIPLES

The consolidated accounts for the interim report have, like the 2023 annual accounts, been prepared in accordance with the Annual Accounts Act and BFAR 2012:1 (K3). Statements and valuation principles in this interim report are consistent with those used in the most recently published annual report. For complete accounting principles, refer to the latest published annual report.

The parent company's financial reports are prepared in accordance with the Annual Accounts Act and RFR 2 BFAR 2012:1 (K3), and according to the same accounting principles as those applied in the most recently published annual report.

## SIGNIFICANT ESTIMATES AND JUDGMENTS

Significant estimates and judgments appear in the accounting principles in the annual report for 2022. No significant changes have been made to these positions that could have a significant impact on the current interim report.

## RELATED PARTY TRANSACTIONS

New Nordic's circle of related parties and the extent of transactions with related parties are described primarily in note 24 in the annual report for 2023. No transactions have been carried out during the period between New Nordic and related parties that have had a significant impact on the company's position and results. All transactions take place on market terms and pricing takes place at arm's length.

Intra-group sales in the quarter amounted to SEK 50.728 thousand (SEK 62.810 thousand) and for the first half of 2024 amounted to SEK 110.475 thousand (SEK 122.320 thousand)

## AUDIT OF ACCOUNTS

This report has not been reviewed by the company's auditor.

## CERTIFIERAD ADVISER

New Nordic Healthbrands AB's certified advisor is Mangold Fondkommission AB.

Telephone: 08-50301550

## THE PARENT COMPANY

New Nordic Healthbrands AB (publ). org. no. 556698-0453. is a registered limited liability company based in Malmö. Sweden. The share is listed on Nasdaq First North Growth Market. Stockholm.

During the first quarter. the parent company had net sales of SEK 47.431.000 (SEK 45.453.000) and the profit for the period amounted to SEK -10.653.000 (SEK -2.827.000). The net sales in the first half of 2024 amounted to SEK 101.848 thousand (SEK 84.265 thousand) and the profit for the period amounted to SEK -11.688 thousand (SEK -3.203 thousand) The equity ratio amounted to 35.3% (46.7%) and the balance sheet total amounted to SEK 147.784 thousand (SEK 156.147.000).

## UPCOMING REPORTS AND EVENTS

|                                      |                   |
|--------------------------------------|-------------------|
| Nine months report 2024              | October 31, 2024  |
| Full year report 2024                | February 28, 2025 |
| Annual report 2024                   | March 28, 2025    |
| Three month report 2025              | April 29, 2025    |
| Annual General Meeting in Malmö 2025 | April 29, 2025    |

## FOR FURTHER INFORMATION

Karl Kristian Bergman Jensen, CEO, [kk@newnordic.com](mailto:kk@newnordic.com)

Ivan Ruscic, CFO, [ivan@newnordic.se](mailto:ivan@newnordic.se)

Claes Libell, Group Financial Controller and Investor Relation Manager, [claes@newnordic.se](mailto:claes@newnordic.se)

Malmö July 31, 2024. New Nordic Healthbrands AB (publ)

The board

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The year-end report has not been reviewed by the company's auditor.

The board and CEO ensure that the interim report gives a fair picture of the group's operations. position and results. Carina Brorman, board member, Kirsten Ægidius, board member, Lennart Sjölund, board chairman. Marinus Blaabjerg Sørensen, board member, Karl Kristian Bergman Jensen, CEO and board member.

*The information in this report is that which New Nordic Healthbrands AB (publ) is obliged to make public according to the EU's market abuse regulation. The information was submitted for publication through the above contact person on July 31, 2024 at 8:00 (CET).*



## GROUP INCOME STATEMENT

| (SEK thousand)                      | THREE<br>MONTHS<br>2024 | THREE<br>MONTHS<br>2023 | SIX<br>MONTHS<br>2024 | SIX<br>MONTHS<br>2023 | TWELVE<br>MONTHS<br>2023 |
|-------------------------------------|-------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| Sales                               | 140 887                 | 129 921                 | 271 106               | 256 182               | 533 849                  |
| Cost of goods sold                  | -48 778                 | -43 555                 | -96 421               | -90 280               | -185 620                 |
| <b>Gross profit</b>                 | <b>92 109</b>           | <b>86 365</b>           | <b>174 686</b>        | <b>165 903</b>        | <b>348 229</b>           |
| Other external expenses             | -75 248                 | -71 329                 | -143 462              | -131 584              | -279 473                 |
| Personnel expenses                  | -18 230                 | -17 277                 | -35 880               | -33 955               | -70 029                  |
| <b>EBITDA</b>                       | <b>-1 369</b>           | <b>-2 241</b>           | <b>-4 657</b>         | <b>363</b>            | <b>-1 272</b>            |
| Depreciations                       | -533                    | -389                    | -1 035                | -759                  | -1 893                   |
| <b>Operating profit. EBIT</b>       | <b>-1 902</b>           | <b>-2 630</b>           | <b>-5 691</b>         | <b>-395</b>           | <b>-3 165</b>            |
| Financial income                    | 4                       | 0                       | 299                   | 2                     | 76                       |
| Financial costs                     | -844                    | -180                    | -1 291                | -1 015                | -2 826                   |
| <b>Profit after financial items</b> | <b>-2 742</b>           | <b>-2 809</b>           | <b>-6 684</b>         | <b>-1 408</b>         | <b>-5 915</b>            |
| Tax                                 | -1 733                  | -278                    | -1 180                | -1 093                | -280                     |
| <b>Profit for the period</b>        | <b>-4 475</b>           | <b>-3 087</b>           | <b>-7 863</b>         | <b>-2 501</b>         | <b>-6 194</b>            |
| Average number of shares            | 6 195 200               | 6 195 200               | 6 195 200             | 6 195 200             | 6 195 200                |
| Shares by the end of the period*    | 6 195 200               | 6 195 200               | 6 195 200             | 6 195 200             | 6 195 200                |
| EBITDA per share                    | -0.22                   | -0.36                   | -0.75                 | 0.06                  | -0.21                    |
| Earnings per share                  | -0.72                   | -0.50                   | -1.27                 | -0.40                 | -1.00                    |

\*There are no dilution effects

## GROUP CONSOLIDATED FINANCIAL STATEMENT

| (SEK thousand)                               | 2024-06-30     | 2023-06-30     | 2023-12-31     |
|--|----------------|----------------|----------------|
| <b>ASSETS</b>                                |                |                |                |
| <b>Fixed assets</b>                          |                |                |                |
| Intangible assets                            | 3 526          | 3 663          | 3 567          |
| Tangible and fixed assets                    | 4 646          | 3 706          | 4 389          |
| Other fixed assets                           | 10 822         | 8 660          | 11 147         |
| <b>Total fixed assets</b>                    | <b>18 994</b>  | <b>16 028</b>  | <b>19 103</b>  |
| <b>Current assets</b>                        |                |                |                |
| Inventories                                  | 106 636        | 97 765         | 105 111        |
| Current receivables                          | 95 250         | 100 291        | 85 689         |
| Tax receivables                              | 1 895          | 4 952          | 1 197          |
| Other assets                                 | 7 462          | 11 216         | 15 006         |
| Prepaid expenses and accrued income          | 10 210         | 8 757          | 9 141          |
| Liquid funds                                 | 11 868         | 16 575         | 13 813         |
| <b>Total current assets</b>                  | <b>233 321</b> | <b>239 556</b> | <b>229 957</b> |
| <b>TOTAL ASSETS</b>                          | <b>252 315</b> | <b>255 584</b> | <b>249 060</b> |
| (SEK thousand)                               | 2024-06-30     | 2023-06-30     | 2023-12-31     |
| <b>EQUITY AND LIABILITIES</b>                |                |                |                |
| <b>Eget kapital inklusive årets resultat</b> | <b>100 052</b> | <b>113 966</b> | <b>106 030</b> |
| <b>Long-term debt</b>                        |                |                |                |
| Long-term interest bearing debt              | 2 029          | 1 878          | 2 184          |
| Deferred tax                                 | 270            | 0              | 667            |
| <b>Total long-term debt</b>                  | <b>2 299</b>   | <b>1 878</b>   | <b>2 850</b>   |
| <b>Short-term debt</b>                       |                |                |                |
| Short-term interest bearing debt             | 42 094         | 36 253         | 26 641         |
| Current liabilities                          | 86 329         | 75 074         | 86 442         |
| Other liabilities                            | 5 139          | 9 132          | 11 551         |
| Tax liabilities                              | 2 401          | 2 857          | 2 009          |
| Deferred costs and prepaid income            | 14 001         | 16 424         | 13 538         |
| <b>Total short-term liabilities</b>          | <b>149 965</b> | <b>139 741</b> | <b>140 180</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>          | <b>252 315</b> | <b>255 584</b> | <b>249 060</b> |

## CHANGE IN EQUITY

| (SEK thousand)                                 | Share capital | Conversion reserve | Other equity including profit for the year | Total equity   |
|--|---------------|--------------------|--|----------------|
| <b>Closing balance as of December, 31 2022</b> | <b>6 195</b>  | <b>3 275</b>       | <b>103 102</b>                             | <b>112 572</b> |
| Profit for the period                          | 0             | 0                  | -2 501                                     | -2 501         |
| Conversion reserve                             | 0             | 3 896              | 0  | 3 896          |
| <b>TOTAL PROFIT FOR THE PERIOD</b>             | <b>0</b>      | <b>3 896</b>       | <b>-2 501</b>                              | <b>1 395</b>   |
| Dividend                                       | 0             | 0                  | 0  | 0              |
| <b>Total transactions with shareholders</b>    | <b>0</b>      | <b>0</b>           | <b>0</b>                                   | <b>0</b>       |
| <b>Closing balance as of June 30, 2023</b>     | <b>6 195</b>  | <b>7 171</b>       | <b>100 600</b>                             | <b>113 966</b> |
| <b>Closing balance as of December, 31 2023</b> | <b>6 195</b>  | <b>2 993</b>       | <b>96 842</b>                              | <b>106 030</b> |
| Profit for the period                          | 0             | 0                  | -7 863                                     | -7 863         |
| Conversion reserve                             | 0             | 1 885              | 0  | 1 885          |
| <b>TOTAL PROFIT FOR THE PERIOD</b>             | <b>0</b>      | <b>1 885</b>       | <b>-7 863</b>                              | <b>-5 978</b>  |
| DIVIDEND                                       | 0             | 0                  | 0  | 0              |
| <b>Total transactions with shareholders</b>    | <b>0</b>      | <b>0</b>           | <b>0</b>                                   | <b>0</b>       |
| <b>Closing balance as of June 30, 2024</b>     | <b>6 195</b>  | <b>4 878</b>       | <b>88 979</b>                              | <b>100 052</b> |

## CASH FLOW STATEMENTS

| (SEK thousand)   | THREE<br>MONTHS<br>2024 | THREE<br>MONTHS<br>2023 | SIX<br>MONTHS<br>2024 | SIX<br>MONTHS<br>2023 | TWELVE<br>MONTHS<br>2023 |
|--|-------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| <b>OPERATING PROFIT</b>  | <b>-1 902</b>           | <b>-2 630</b>           | <b>-5 691</b>         | <b>-395</b>           | <b>-3 165</b>            |
| Adjustment for items not included in the cash flow                             |                         |                         |                       |                       |                          |
| Impairments  | 533                     | 389                     | 1 035                 | 759                   | 1 893                    |
| Other items not affecting cash flow  | -10                     | 494                     | 135                   | 584                   | 349                      |
| Interest received  | 4                       | 0                       | 6                     | 2                     | 77                       |
| Interest paid  | -625                    | -628                    | -1 160                | -1 255                | -2 826                   |
| Income tax paid  | -184                    | 1 810                   | -1 336                | 657                   | 21                       |
| <b>CASH FLOW FROM CURRENT OPERATIONS<br/>BEFORE CHANGES IN WORKING CAPITAL</b> | <b>-2 184</b>           | <b>-564</b>             | <b>-7 012</b>         | <b>351</b>            | <b>-3 651</b>            |
| <b>CASH FLOW FROM CHANGES IN WORKING<br/>CAPITAL</b>                           |                         |                         |                       |                       |                          |
| Change in inventory  | 60                      | -2 340                  | -2 167                | 12 393                | 4 914                    |
| Change in operating receivables  | 2 170                   | -7 287                  | -4 681                | -7 530                | 2 755                    |
| Change in operating liabilities  | -88                     | 21 793                  | -1 939                | 13 182                | 24 010                   |
| Change in working capital  | <b>2 142</b>            | <b>12 166</b>           | <b>-8 786</b>         | <b>18 046</b>         | <b>31 679</b>            |
| <b>CASH FLOW FROM CURRENT OPERATIONS</b>                                       | <b>-42</b>              | <b>11 602</b>           | <b>-15 799</b>        | <b>18 397</b>         | <b>28 028</b>            |
| <b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>                                    |                         |                         |                       |                       |                          |
| Acquisition of intangible fixed assets   | -21                     | -166                    | -442                  | -273                  | -922                     |
| Acquisition of tangible fixed assets   | -163                    | -13                     | -809                  | -876                  | -2 144                   |
| Sale of tangible fixed assets  | 0                       | 0                       | 0                     | 0                     | 0                        |
| Change in other long-term receivables  | -2                      | -14                     | 444                   | -8                    | -331                     |
| <b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>                                    | <b>-186</b>             | <b>-193</b>             | <b>-806</b>           | <b>-1 157</b>         | <b>-3 397</b>            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                     |                         |                         |                       |                       |                          |
| Short-term loans taken out   | 3 314                   | 0                       | 15 453                | 0                     | 0                        |
| Amortization of short-term loans   | 0                       | -7 086                  | 0                     | -12 095               | -21 707                  |
| Change in other long-term liabilities  | -906                    | 205                     | -821                  | 229                   | 535                      |
| Dividend to shareholders   | 0                       | 0                       | 0                     | 0                     | 0                        |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                     | <b>2 409</b>            | <b>-6 882</b>           | <b>14 632</b>         | <b>-11 867</b>        | <b>-21 172</b>           |
| <b>CASH FLOW FOR THE PERIOD</b>  | <b>2 180</b>            | <b>4 527</b>            | <b>-1 972</b>         | <b>5 373</b>          | <b>3 459</b>             |
| Exchange rate gains/losses in liquid assets                                    | -177                    | 503                     | 27                    | 500                   | -349                     |
| Cash and cash equival. at the beginning of the period                          | 9 865                   | 11 545                  | 13 813                | 10 703                | 10 703                   |
| <b>LIQUID FUNDS AT THE END OF THE PERIOD</b>                                   | <b>11 868</b>           | <b>16 575</b>           | <b>11 868</b>         | <b>16 576</b>         | <b>13 813</b>            |

## THE PARENT COMPANY'S INCOME STATEMENT

| (SEK thousand)                      | THREE<br>MONTHS<br>2024 | THREE<br>MONTHS<br>2023 | SIX<br>MONTHS<br>2024 | SIX<br>MONTHS<br>2023 | TWELVE<br>MONTHS<br>2023 |
|-------------------------------------|-------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| Sales                               | 47 431                  | 45 453                  | 101 848               | 84 265                | 197 279                  |
| Cost of goods sold                  | -41 228                 | -33 987                 | -90 045               | -62 977               | -156 265                 |
| <b>Gross profit</b>                 | <b>6 202</b>            | <b>11 467</b>           | <b>11 803</b>         | <b>21 288</b>         | <b>41 014</b>            |
| Other external expenses             | -13 863                 | -14 066                 | -26 690               | -26 600               | -54 818                  |
| Personnel expenses                  | -2 110                  | -1 508                  | -4 278                | -3 082                | -6 629                   |
| <b>EBITDA</b>                       | <b>-9 771</b>           | <b>-4 108</b>           | <b>-19 164</b>        | <b>-8 393</b>         | <b>-20 433</b>           |
| Depreciations                       | -319                    | -171                    | -618                  | -331                  | -709                     |
| <b>Operating profit. EBIT</b>       | <b>-10 090</b>          | <b>-4 279</b>           | <b>-19 782</b>        | <b>-8 724</b>         | <b>-21 142</b>           |
| Financial income                    | 0                       | 1 995                   | 9 147                 | 6 602                 | 9 835                    |
| Financial costs                     | 13                      | 18                      | 26                    | 34                    | 108                      |
| <b>Profit after financial items</b> | <b>-575</b>             | <b>-561</b>             | <b>-1 079</b>         | <b>-1 115</b>         | <b>-2 110</b>            |
|                                     | <b>-562</b>             | <b>1 452</b>            | <b>8 094</b>          | <b>5 521</b>          | <b>7 833</b>             |
| Tax                                 | <b>-10 653</b>          | <b>-2 827</b>           | <b>-11 688</b>        | <b>-3 203</b>         | <b>-13 309</b>           |
| <b>Profit for the period</b>        |                         |                         |                       |                       |                          |
| Sales                               | <b>0</b>                | <b>0</b>                | <b>0</b>              | <b>0</b>              | <b>1 114</b>             |
| Cost of goods sold                  |                         |                         |                       |                       |                          |
| <b>Gross profit</b>                 | <b>-10 653</b>          | <b>-2 827</b>           | <b>-11 688</b>        | <b>-3 203</b>         | <b>-12 195</b>           |
| Other external expenses             | 0                       | 0                       | 0                     | 0                     | 0                        |
| Personnel expenses                  | <b>-10 653</b>          | <b>-2 827</b>           | <b>-11 688</b>        | <b>-3 203</b>         | <b>-12 195</b>           |

## THE PARENT COMPANY'S BALANCE SHEET

| (SEK thousand)                       | 2024-06-30     | 2023-06-30     | 2023-12-31     |
|--------------------------------------|----------------|----------------|----------------|
| <b>ASSETS</b>                        |                |                |                |
| Fixed assets                         | 39 572         | 39 559         | 39 208         |
| Current assets                       | 108 212        | 116 588        | 114 296        |
| <b>TOTAL ASSETS</b>                  | <b>147 784</b> | <b>156 147</b> | <b>153 504</b> |
| <b>EQUITY AND LIABILITIES</b>        |                |                |                |
| Equity including profit for the year | 52 221         | 72 902         | 63 910         |
| Untaxed reserves                     | 95 563         | 83 246         | 89 594         |
| Current liabilities                  | 147 784        | 156 147        | 153 504        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>156 147</b> | <b>161 746</b> | <b>161 122</b> |

## KEY FIGURES

| (SEK thousand)                             | THREE MONTHS 2024 | THREE MONTHS 2023 | SIX MONTHS 2024 | SIX MONTHS 2023 | TWELVE MONTHS 2023 |
|--|-------------------|-------------------|-----------------|-----------------|--------------------|
| Net sales                                  | 140 887           | 129 921           | 271 106         | 256 182         | 533 849            |
| Gross profit                               | 92 109            | 86 365            | 174 686         | 165 903         | 348 229            |
| EBITDA                                     | -1 369            | -2 241            | -4 657          | 363             | -1 272             |
| Operating profit                           | -1 902            | -2 630            | -5 691          | -395            | -3 165             |
| Profit after financial items               | -2 742            | -2 809            | -6 684          | -1 408          | -5 915             |
| Profit after tax for the period            | -4 475            | -3 087            | -7 863          | -2 501          | -6 194             |
| Gross margin, %                            | 65.4%             | 66.5%             | 64.4%           | 64.8%           | 65.2%              |
| EBITDA, %                                  | -1.0%             | -1.7%             | -1.7%           | 0.1%            | -0.2%              |
| Operating margin, %                        | -1.4%             | -2.0%             | -2.1%           | -0.2%           | -0.6%              |
| Profit margin, %                           | -1.9%             | -2.2%             | -2.5%           | -0.5%           | -1.1%              |
| Balance Sheet                              | 252 315           | 255 584           | 252 315         | 255 584         | 249 060            |
| Equity                                     | 100 052           | 113 966           | 100 052         | 113 966         | 106 030            |
| Return on equity, %                        | -4.5%             | -2.7%             | -7.9%           | -2.2%           | -5.8%              |
| Equity ration, %                           | 39.7%             | 44.6%             | 39.7%           | 44.6%           | 42.6%              |
| Debt ratio                                 | 1.52              | 1.24              | 1.52            | 1.24            | 1.35               |
| Interest subscription rate                 | -3.39             | -4.02             | -4.76           | -0.25           | -1.09              |
| Investments                                | 184               | 179               | 1 251           | 1 149           | 3 066              |
| Cash flow from current operations          | -42               | 11 602            | -15 799         | 18 397          | 28 028             |
| Number of employees. average               | 71                | 72                | 71              | 73              | 71                 |
| Number of employees. end of period         | 71                | 74                | 71              | 74              | 73                 |
| Net sales per employee                     | 1 984             | 1 804             | 3 818           | 3 509           | 7 519              |
| Gross profit per employee                  | 1 297             | 1 200             | 2 460           | 2 273           | 4 905              |
| Profit per employee                        | -39               | -39               | -94             | -19             | -83                |
| Average number of shares in the period     | 6 195 200         | 6 195 200         | 6 195 200       | 6 195 200       | 6 195 200          |
| Number of shares at the end of the period* | 6 195 200         | 6 195 200         | 6 195 200       | 6 195 200       | 6 195 200          |
| Own shares at the end of the period*       | 0                 | 0                 | 0               | 0               | 0                  |
| EBITDA per share, SEK                      | -0.22             | -0.36             | -0.75           | 0.06            | -0.21              |
| Earnings per share for the period, SEK     | -0.72             | -0.50             | -1.27           | -0.40           | -1.00              |
| Eget kapital per aktie, SEK                | 16.15             | 18.40             | 16.15           | 18.40           | 17.11              |

\* There is no dilution effect

## TURNOVER DISTRIBUTED BY GEOGRAPHIC AREA

| (SEK thousand)        | THREE MONTHS 2024 |             | THREE MONTHS 2023 |             | SIX MONTHS 2024 |             | SIX MONTHS 2023 |             | TWELVE MONTHS 2023 |             |
|-----------------------|-------------------|-------------|-------------------|-------------|-----------------|-------------|-----------------|-------------|--------------------|-------------|
|                       |                   | %           |                   | %           |                 | %           |                 | %           |                    | %           |
| <b>NET SALES</b>      |                   |             |                   |             |                 |             |                 |             |                    |             |
| The Nordic countries  | 39 009            | 28%         | 40 413            | 31%         | 73 640          | 27%         | 82 550          | 32%         | 168 644            | 32%         |
| Europe                | 49 116            | 35%         | 44 405            | 34%         | 100 947         | 37%         | 92 141          | 36%         | 194 490            | 36%         |
| North America         | 42 914            | 30%         | 39 235            | 30%         | 79 284          | 29%         | 72 410          | 28%         | 146 705            | 27%         |
| The rest of the world | 9 847             | 7%          | 5 869             | 5%          | 17 237          | 6%          | 9 081           | 4%          | 24 010             | 4%          |
| <b>TOTAL</b>          | <b>140 887</b>    | <b>100%</b> | <b>129 921</b>    | <b>100%</b> | <b>271 106</b>  | <b>100%</b> | <b>256 182</b>  | <b>100%</b> | <b>533 849</b>     | <b>100%</b> |



## QUARTERLY HISTORY

| (SEK millions)                                | 2024  |       | 2023  |       |       |       | 2022  |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   | Q1    | Q2    | Q1    | Q2    | Q3    | Q4    | Q1    | Q2    | Q3    | Q4    |
| Net sales                                     | 130.2 | 140.9 | 126.3 | 129.9 | 135.1 | 142.5 | 123.3 | 130.7 | 121.8 | 111.7 |
| Change compared to the previous period, %     | 3.1%  | 8.4%  | 2.4%  | -0.6% | 10.9% | 27.7% | -3.5% | -7.4% | -2.5% | -7.7% |
| EBITDA  | -3.3  | -1.4  | 2.6   | -2.2  | 3.5   | -5.2  | 2.0   | -6.3  | 7.1   | -6.0  |
| EBITDA, %                                     | -2.5% | -1.0% | 2.1%  | -1.7% | 2.6%  | -3.6% | 1.7%  | -4.8% | 5.8%  | -5.3% |
| Operating profit                              | -3.8  | -1.9  | 2.2   | -2.6  | 3.1   | -5.9  | 1.8   | -6.6  | 6.8   | -6.6  |
| Operating margin, %                           | -2.9% | -1.4% | 1.8%  | -2.0% | 2.3%  | -4.1% | 1.4%  | -5.1% | 5.6%  | -6.0% |
| Profit before tax                             | -3.9  | -2.7  | 1.4   | -2.8  | 2.3   | -6.8  | 1.6   | -6.7  | 5.8   | -5.8  |
| Profit after tax                              | -3.4  | -4.5  | 0.6   | -3.1  | 2.0   | -5.7  | 1.0   | -7.5  | 7.2   | -3.5  |
| Liquid funds                                  | 9.9   | 11.9  | 11.5  | 16.6  | 13.6  | 13.8  | 10.2  | 6.0   | 11.4  | 10.7  |
| Incentory                                     | 107.7 | 106.6 | 95.4  | 97.8  | 97.6  | 105.1 | 120.0 | 112.1 | 108.2 | 110.2 |
| Equity  | 104.5 | 100.1 | 113.5 | 114.0 | 114.2 | 106.0 | 122.0 | 108.4 | 116.1 | 112.6 |
| Balance Sheet                                 | 257.5 | 252.3 | 239.7 | 255.6 | 259.8 | 249.1 | 252.1 | 249.9 | 265.4 | 251.7 |
| Earning per share                             | -0.55 | -0.72 | 0.09  | -0.50 | 0.33  | -0.92 | 0.16  | -1.21 | 1.16  | -0.57 |
| Equity per share                              | 16.86 | 16.15 | 18.32 | 18.40 | 18.44 | 17.12 | 19.69 | 17.49 | 18.74 | 18.17 |
| Cash flow from the current business per share | -2.54 | -0.01 | 1.10  | 1.87  | -0.04 | 1.42  | -0.54 | -1.86 | -0.48 | 0.37  |
| Equity ratio, %                               | 40.6% | 39.7% | 47.3% | 44.6% | 44.0% | 42.6% | 48.4% | 43.4% | 43.7% | 44.7% |

## DEFINITIONS

**Return on equity:**

Profit for the period attributable to the parent company's shareholders, expressed as a percentage of equity attributable to the parent company's shareholders at the end of the period.

**Gross profit:**

Net sales reduced by cost of merchandise.

**Gross Margin:**

Cost of merchandise (excluding other operating income) divided by net sales.

**Gross profit per employee:**

Gross profit divided by average number of employees.

**EBITDA margin:**

Operating profit before depreciation and write-downs as a percentage of net sales.

**Equity per share:**

Equity divided by average number of shares.

**Free cash flow:**

Cash flow from operating activities and cash flow from investment activities.

**Investments in intangible/tangible facilities:**

Investments in fixed assets excluding acquisitions and disposals of operations.

**Items affecting comparability:**

Items that have no clear connection with the ordinary business and are of such a nature that it cannot be expected to occur frequently or regularly and that it is an item of substantial value.

**Net sales per employee:**

Net sales in the period divided by the average number of employees in the period.

**Net debt (+) / net cash (-):**

Interest-bearing liabilities reduced by cash and cash equivalents.

**Growth in local currency:**

Growth in local currency weighted by the local currency's share of net sales in SEK in the period.

**Earnings per share. SEK:**

The period's result attributable to the parent company's shareholders in relation to the average number of outstanding shares based on a rolling twelve-month calculation.

**Profit per employee:**

Profit after financial items divided by average number of employees.

**Interest coverage ratio. times:**

Profit before tax with additions for interest costs in relation to interest costs.

**Operating margin:**

Operating profit expressed as a percentage of net sales.

**Working capital. net:**

Current assets excluding liquid funds reduced by non-interest-bearing short-term liabilities.

**Operating profit (EBIT):**

Profit before financial items and tax.

**Operating profit per employee:**

Operating profit in the period divided by the average number of employees in the period.

**Solidity:**

Equity expressed as a percentage of total assets.

**Profit margin:**

Profit before tax expressed as a percentage of net sales.