

Press release, Borås, 7 December 2023

ELLOS GROUP PROVIDES FULL YEAR GUIDANCE REFLECTING CONTINUED STRONG FINANCIAL PERFORMANCE IN OCTOBER AND NOVEMBER

Ellos Group AB (publ) continues its strong financial performance during the first two months of Q4 and provides full year guidance where adjusted EBITA is expected to more than double while the improvement in net leverage already seen over the year will continue and accelerate during Q4.

In Q4 so far, Ellos Group has welcomed hundreds of thousands of new customers – despite a continued difficult market, where consumer purchasing power remains dampened – which is a result from the strategic focus to strengthen the position as the leading e-Commerce player within Fashion and Home Furnishing for Nordic women in mid-life.

'We have seen strong demand for our women's fashion, underwear, sportswear and shoes offering as well as for our offering within beauty. Collectively, they form a key vertical in our offering towards our core customer. The home market has been challenged throughout 2023 but, despite that, we are happy with the development in this vertical as well. Our view is that we continue to gain market shares in the Nordic home market. We are particularly happy with the development in Kitchen and Household which is a new area within our Home offering', says Hans Ohlsson, CEO of Ellos Group.

'As previously communicated, we continue our unflagging efforts to lay a solid foundation for continued profitable growth. Efficiency and cash generation continue to be high on our agenda', continues Hans Ohlsson, CEO of Ellos Group.

2023 guidance

Ellos Group provides guidance for 2023 to reflect the continued strong financial performance during the first two months of Q4. Numbers within brackets are actuals for 2022.

Net sales is expected to amount to SEK 3,400-3,450m (3,624m). Adjusted EBITA is expected in the range of SEK 170-190m (80m), representing an increase of well above 100%. Pre IFRS adjusted EBITDA is expected to amount to SEK 205-225m (114m). Cash flow is expected to be strong for Q4 resulting in an estimated net debt of SEK 1,375-1,400m (1,412m) at year end. Net leverage is expected to be within the range of 6.1-6.8x. Net leverage is Net debt (as defined in the quarterly reports) in relation to Pre IFRS adjusted EBITDA. The 2023 expected results include positive effects from launched cost actions, of which there is still SEK 22m in full year effects to come in 2024.

For more information:

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This information is information that Ellos Group AB (publ) is legally obliged to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. Through the agency of the contact persons shown above, the information was released for publication on 7 December 2023 08.30 CET.

ABOUT ELLOS GROUP

The Ellos Group, which includes the e-stores Ellos, Jotex, Homeroom and payment brand Elpy, is a leading e-commerce group in the Nordic region. Working closely with our millions of customers, we are constantly striving to develop and offer attractive and sustainable fashion and household items for the entire family. Our focus is always on the customer. We continuously work to develop our business through innovation, creativity, and sustainability. The Ellos Group, headquartered in Borås, and with operations in all Nordic countries and selected European markets, has around 600 employees and sales of around SEK 3.6 billion.

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