

Press release, Borås, 18 February 2025

ELLOS HOLDING AB (PUBL) YEAR-END REPORT OCTOBER - DECEMBER 2024

The year-end report for Ellos Holding AB (publ) is published today.

The group was formed on October 15, 2024, when the parent company Ellos Holding AB (publ), org.nr 559495-4116, acquired all shares in the subsidiary Ellos Group Nordic AB (publ), org.nr 559318-3618. This interim report thus covers the period October 15–December 31, 2024 for the group and October 1–December 31, 2024 for the parent company.

15 OCTOBER – 31 DECEMBER 2024

- Net sales for the group amounted to SEK 997.8 million during the period.
- The gross profit amounted to SEK 400.7 million with a gross margin of 40.2 %.
- EBITA amounted to SEK 34.3 million with an EBITA-margin of 3.4 %.
- Operating profit/loss amounted to SEK 19.9 million with an operating margin of 2.0 %.
- Cash flow from operations amounted to SEK 35.7 million.
- Inventories amounted to SEK 661.7 million at the end of the period.

Comment from the CEO of Ellos Holding AB (publ)

POSITIVE CLOSING OF 2024 FOR ELLOS GROUP WITH NEW AND FAVOURABLE CONDITIONS FOR PROFITABLE GROWTH

Ellos Group took several important steps forward during 2024 to strengthen our position as one of the leading shopping destinations in the Nordics. After intensive work, we succeeded to get a new long-term financing in place to support growth and continued positive development, as well as new owners in the form of a group of Nordic institutional and private investors, who all strongly believe in Ellos Group and the future potential of our e-commerce sites. Q4 is a strong quarter considering that the period's results are burdened by more than 80 million SEK in costs related to the refinancing, the historically higher debt levels, and the unfavourable development in the USD exchange rate. Since the change of ownership, we have a new, stronger balance sheet with lower debt, providing us with a robust platform for future growth and development.

We achieved a turnover of nearly 1 billion SEK for the period. This is a sign that our long-term focus on refining our customer offering is yielding results. During the period, we saw higher customer activity,

especially in fashion, where we also observed positive development throughout 2024. Meanwhile, the home furnishing market continued to be challenging, which affected our results for the period and for 2024 as a whole. With subdued inflation, lower interest rates, and a more active housing market ahead, we have a brighter outlook on the market and consumer purchasing interest in the home furnishing segment.

The period's results are negatively impacted by significant costs of 37.5 million, which we have incurred in connection with the refinancing to achieve a new stronger balance sheet with lower debt. Furthermore, the results are negatively affected by high interest costs due to historically high debt levels and high interest rates. The interest costs for the period for the bonds amounted to 53.4 million. The corresponding costs given our lower debt and better interest terms with the current STIBOR 3 months, would amount to 20 million, a positive difference of 33.4 million. Finally, the period's results are burdened by a negative currency effect of 9.5 million, mainly related to the strong exchange rate development for USD. In total,

ELLOS GROUP

these items burden the period's results by 80.4 million. Considering this and the still challenging market within the home segment, we are making a strong quarter and our view is that we continue to strengthen our position in the market.

As a result of the ownership change, our Board of Directors is now led by Morten E. Astrup, who represents one of our largest owners. Joakim Friedman, founder of Sportamore and now CEO of Wallism, is also part of our new board. Together, we in the board have established a good dialogue and consensus regarding the company and the future. With this in place, we have an excellent starting point and can continue to provide our customers with attractive and affordable offers within home furnishing and fashion.

Our strategy of focusing on the core customer guides us in everything we do, and we are receiving positive feedback from our customers on our entire customer offer. During the period, Carolina Gynning and Carina Berg continued as ambassadors for Ellos in exciting formats. We also launched well-received collections for this year's holidays and festivities, with a focus on fashion and

home furnishing.

Our inventory position remained well balanced from a long-term perspective. During the period we intensified our efforts to implement our Climate Action Plan by specifying targets for 2025 and preparing and collecting data for future sustainability reporting.

We have a brighter outlook for 2025 with positive growth opportunities, while we remain humble given the geopolitical unrest that prevails in the world around us. For 2025, we intend to follow our set strategy and established path by continuously improving our offer to the core customer combined with a focus on growth, improving efficiency and improving cash flow.

With new favourable conditions in place and based on Ellos Group's appreciated offer, I very much look forward to continuing our positive, profitable journey as a leading Nordic shopping destination for home furnishing and fashion.

Hans Ohlsson, CEO

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ABOUT ELLOS GROUP

The Ellos Group, which includes the online stores Ellos, Jotex, Homeroom and payment brand Elpy, is a leading shopping destination for fashion and home furnishings in the Nordic region. Working closely with our millions of customers, we offer attractive and sustainable products for the woman in mid-life, her family and home. We continuously develop our business through innovation, creativity, and sustainability, and always focusing on the customer. The Ellos Group, headquartered in Borås, and with operations in all Nordic countries and selected European markets, has around 500 employees and sales of around SEK 3.3 billion.

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