

# ELLOS GROUP

FNG Nordic AB (publ) group\*\*

## INTERIM REPORT JANUARY – DECEMBER 2021

"Q4 – Continued growth resulting in Q4 record sales of SEK 1 billion"

### THE FOURTH QUARTER 2021

- Net sales increased by 6.6 % to SEK 1 059.3 (993.3) million. Currency effects had a positive effect on growth of 0.6 %.
- The gross margin decreased to 50.6 (52.1) %.
- The operating profit/loss\* amounted to SEK 10.4 (-325.9) million. The operating margin\* was 1.0 (-32.8) %.
- Adjusted EBITA\* amounted to SEK 38.9 (99.4) million. The adjusted EBITA margin\* stood at 3.7 (10.0) %.
- Adjusted EBITDA\* amounted to SEK 63.7 (121.8) million. The adjusted EBITDA margin\* stood at 6.0 (12.3) %.
- Cash flow from operating activities amounted to SEK 43.5 (89.4) million.
- Operating cash flow\* totalled SEK 25.6 (72.1) million.
- Cash and cash equivalents amounted to SEK 196.3 (320.7) million.

### FULL YEAR 2021

- Net sales increased by 13.0 % to SEK 3 589.1 (3 174.9) million. Currency effects had a negative effect on growth of 0.5 %.
- The gross margin increased to 51.4 (47.3) %.
- The operating profit/loss\* amounted to SEK 43.6 (-343.4) million. The operating margin\* was 1.2 (-10.8) %.
- Adjusted EBITA\* amounted to SEK 161.4 (290.2) million. The adjusted EBITA margin\* stood at 4.5 (9.1) %.
- Adjusted EBITDA\* amounted to SEK 257.5 (381.5) million. The adjusted EBITDA margin\* stood at 7.2 (12.0) %.
- Cash flow from operating activities amounted to SEK -16.3 (131.4) million.
- Operating cash flow\* totalled SEK -74.4 (95.1) million.
- Cash and cash equivalents amounted to SEK 196.3 (320.7) million.

FINANCIALS KPI'S, AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	Change	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020	Change
Net sales	1 059,3	993,3	6,6%	3 589,1	3 174,9	13,0%
Gross margin, %	50,6	52,1		51,4	47,3	
Operating profit/loss	10,4	-325,9	>100%	43,6	-343,4	>100%
Operating margin, %	1,0	-32,8		1,2	-10,8	
Adjusted EBITA	38,9	99,4	-60,9%	161,4	290,2	-44,4%
Adjusted EBITA- margin, %	3,7	10,0		4,5	9,1	
Adjusted EBITDA	63,7	121,8	-47,7%	257,5	381,5	-32,5%
Adjusted EBITDA- margin, %	6,0	12,3		7,2	12,0	
Profit/loss for the period	-57,4	-334,1	82,8%	-148,2	-493,7	70,0%
Cash-flow from operations	43,5	89,4	-51,3%	-16,3	131,5	>-100%
Operating cash-flow	25,6	72,1	-64,5%	-74,4	95,1	>-100%

\* Not defined according to IFRS. See page 16.

\*\*The interim report is prepared by FNG Nordic AB (publ). In the interim report, however, FNG Nordic AB (publ) is instead referred to as Ellos Group.

#### Q4 – CONTINUED GROWTH RESULTING IN Q4 RECORD SALES OF SEK 1 BILLION

Ellos Group continued to grow in the last quarter of 2021. For the first time ever, our sales reached SEK 1 billion in one quarter, corresponding to a growth of approx. 7 percent. As for 2021 in general as well as the overall online retail market development, the quarter met challenging comparative figures; sales in the same quarter 2020 grew by approx. 28 percent.

The quarter was characterized by short-term pendulum effects of people choosing brick-and-mortar over online retail following lifted restrictions during the year. We continued to see increased competition for customers, resulting in high price inflation in digital marketing. This, in combination with materially higher freight costs, was visible in our bottom-line result. Adjusted EBITA in the fourth quarter amounted to SEK 38.9 million, corresponding to a margin of 3.7 percent. Regardless, we kept delivering a gross margin exceeding 50 percent both in the quarter and for the full year.

It is gratifying to see continued growth both within the Home and Fashion categories, a trend that has also lasted throughout the year. Despite strong comparative figures, growth for the full year landed at 13 percent, with sales totalling almost SEK 3.6 billion.

The European expansion continues as planned and we see great potential ahead supported by a long-term structural growth online, especially in the home segment. We have continued to recruit new customers and develop our offering in these markets. European sales now account for more than 5 percent of our total sales.

During 2021, we have continued to build our customer base and establish conditions for a continued profitable growth post Covid-19. In the fourth quarter, we launched several new collections and exiting collaborations. Among other things, Ellos launched a successful dress collaboration with Johanna Toftby. Our own collections with party dresses such as Ellos Collection, Ellos Plus Collection and Joelle performed strong in the quarter. We are pleased to see that our offers are much appreciated by customers. For our Home offering, we have continued to build out our logistics capacity and the second phase of our logistics center in Viared is operative as of January 2022.

As previously communicated, the board of Ellos Group continues to evaluate strategic options with the objective to give Ellos Group the best possible settings, capital structure and future possibilities.

We continue to look positively on the future as Ellos Group is well positioned on the market to benefit from the long-term strong and structural underlying growth online in the home and fashion segment in the Nordics and Northern Europe.

Robert Furuhjelm, Chairman of the board in FNG Nordic AB (publ).



## FOURTH QUARTER 2021

### SALES

Net sales for the period amounted to SEK 1 059.3 (993.3) million, which is an increase of 6.6 %. Exchange rates have affected net sales positively by 0.6 %. Both home and fashion have had growth during the period.

### RESULTS

Gross profit for the period amounted to SEK 535.7 (517.9) million which is an increase of 17.8 million compared to last year. Cost of goods has been negatively affected in 2021 by, in relation to a normal level, sharply increased shipping costs per unit. The gross margin decreased by 1.5 percentage points compared with the same period last year and amounted to 50.6 (52.1) percent.

The operating profit/loss for the fourth quarter amounted to SEK 10.4 (-325.9) million. Last year, operating profit was affected by a settlement amount amounting to SEK -401.4 million. Selling expenses amounted to SEK 413.8 (356.3) million and administrative expenses amounted to SEK 115.1 (96.8) million. Selling expenses increased by SEK 57.5 million or from 35.9% to 39.1% in relation to net sales. This increase is mainly due to the launch in Europe (Germany, Poland, Austria and the Netherlands) and Homeroom, but can also be attributed to a general price inflation in digital marketing.

Adjusted EBITA amounted to SEK 38.9 (99.4) million and has been adjusted through a reversal of amortization and impairment of acquisition-related intangible assets of SEK 24.8 (23.9) million and non-recurring items of SEK 3.6 (401.5) million. Adjusted EBITDA amounted to SEK 63.7 (121.8) million and has been adjusted through a reversal of amortization, depreciation and impairment of SEK 49.7 (46.3) million and non-recurring items of SEK 3.6 (401.5) million.

### CASH FLOW

Cash flow from operating activities amounted to SEK 43.5 (89.4) million. The cash flow includes bond loan interest expenses amounting to SEK 25.6 (25.7) million.

Inventories decreased compared with the third quarter by SEK -4.6 (-7.3) million, which had a positive effect on cash flow.

Accounts payable increased compared with September by SEK 52.1 (41.6) million and has had a positive effect on cash flow for the quarter.

Cash flow from investments totalled SEK -17.9 (-17.3) million, where the biggest part of it was related to investments in logistics and commercial development projects.

Operating cash-flow amounted to SEK 25.6 (72.1) million.

Cash flow from financing activities amounted to SEK -9.0 (-12.2) million, which comprised change in the group's lease liability.

Cash flow for the period totalled SEK 16.6 (59.9) million.



## THE FULL YEAR 2021

### SALES

Net sales for the period amounted to SEK 3 589.1 (3 174.9) million, which is an increase of 13.0 %. Exchange rates have affected net sales negatively by 0.5 %. Both home and fashion contribute to the increase in sales.

### RESULTS

Gross profit for the period amounted to SEK 1 843.5 (1 502.4) million which is an increase of 341.1 million compared to last year. Last year, the gross margin was negatively affected by a write-down of SEK 158.6 linked to a previous purchasing collaboration within the FNG NV Group. The gross margin was 51.4 (47.3) percent. Cost of goods sold has been negatively affected by, in relation to a normal level, increased shipping costs per unit.

Adjusted gross profit for the period amounts to SEK 1 843.5 (1 661.0) million and adjusted gross margin to 51.4 (52.3) %.

The operating profit/loss for the period amounted to SEK 43.6 (-343.4) million. Last year, operating profit was affected by a settlement amount amounting to SEK -401.4 million. Selling expenses amounted to SEK 1 406.6 (1 134.0) and administrative expenses amounted to SEK 417.0 (343.1) million. Sales costs have increased mainly as a result of increased marketing costs, which are partly driven by inflation in the market. The investment in Europe and in Homeroom also increases marketing costs in relation to sales. Administrative expenses have increased compared with the previous year primarily due to non-recurring items.

Adjusted EBITA amounted to SEK 161.4 (290.2) million and has been adjusted through a reversal of amortization and impairment of acquisition-related intangible assets of SEK 96.5 (95.6) million and non-recurring items of SEK 21.2 (537.9) million. Adjusted EBITDA amounted to SEK 257.5 (381.5) million and has been adjusted through a reversal of amortization, depreciation and impairment of SEK 192.7 (186.9) million and non-recurring items of SEK 21.2 (537.9) million.

### CASH FLOW

Cash flow from operating activities amounted to SEK -16.3 (131.5) million. The cashflow includes bond loan interest expenses amounting to SEK 102.4 (105.7) million.

Inventories were SEK 738.6 (528.9) million at the end of December.

The increase compared with December 2020 amounted to SEK 209.8 (17.6) million and has had a negative effect on cash flow.

Accounts payable amounted to SEK 421.0 (288.5) million. The increase compared with December 2020 amounted to 132.5 (66.0) and has had a positive effect on cash flow for the quarter.

Cash flow from investments totalled SEK -58.1 (-36.4) million, where the biggest part of it was related to investments in logistics as well as the Group's commercial development projects.

Operating cash-flow amounted to SEK -74.4 (95.1) million.

Cash flow from financing activities amounted to SEK -50.1 (-46.5) million, which comprised change in the group's lease liability.

Cash flow for the period totalled SEK -124.5 (48.6) million.



## SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

As of December 31, 2021, Alain Hellebaut is the new CEO and board member of FNG Nordic AB (publ). Alain Hellebaut has extensive experience from retail and he has been a member of the board of FNG NV since June 2021 and chairman of the board since October 2021.

Alain Hellebaut replaces Paul Lembrechts, former CEO and board member of FNG Nordic AB (publ), who formally resigned from his assignments on 31 December 2021.

## EVENTS AFTER CLOSING DATE

On 15 February 2022, FNG Nordic AB (publ) has been informed that holders of the Company's listed bond loan have requested their agent to call for a written procedure. The purpose of the procedure is to amend the terms of the bond loan so to allow for a change of control in the Company and that the bondholders waive certain rights due to such change. This is not expected to affect the Company other than that it will enable the Company's existing financing to remain in the event of a change of control. On 18 February 2022 the changes were approved by the bondholders.

The written procedure, which is a natural step in the strategic review of the Company and Ellos Group, is not expected to affect the Company other than that it will enable the Company's existing financing to remain in the event of a change of control as set out above.

FNG Nordic AB (publ) has on 17 February been informed that the company's parent company is initiating insolvency proceedings in Belgium. The Company and its subsidiaries are not part of the parent company's insolvency proceedings but continue their operations as before. The company is currently evaluating the consequences of the parent company's insolvency. The Company and its subsidiaries are independent of the parent company and are not dependent on the parent company to conduct their business.

## NUMBER OF EMPLOYEES

As at 31 December 2021, the group had 604 (551) employees.

## RISKS AND UNCERTAINTIES

The Group is exposed to several risks, for example in areas such as currency, interest rate and financing risk as well as competition, the economy and IT security, and these risks can affect

operations and earnings. The risks that have been identified are described in the Group's annual report for 2020 on pages 9-12 and 37-39.

A summary of effects on the Group due to covid-19 can be found in the Group's annual report for 2020 on page 5 and no major noticeable changes have taken place during the fourth quarter of 2021. The situation on the global freight market continues to be strained. We are experiencing delivery delays, but not to the level that it would have a significant impact.

It should be noted, however, that there is a great deal of uncertainty in the global market in a number of areas, such as prices and supply of raw materials, production- and transport capacity.

## PLEGDED ASSETS

The group's assets pledged as collateral for financing from Swedbank AB (publ) and the issued bond are unchanged compared with 31 December 2020 and is described in the Group's annual report for 2020 on page 61.

## CONTINGENT LIABILITIES

The Group has received a decision following an ongoing tax audit in the subsidiary Ellos Finland OY. The remark refers to whether VAT is to be levied in the company's financial operations and refers to the years 2018 and 2019. This decision has been appealed, and the Group believes that there are good opportunities for a positive outcome. Further information can be found in the Group's annual report for 2020 on page 61.

## PARENT COMPANY

The Parent Company's operating profit/loss amounted to SEK -1.3 (-401.4) million for the fourth quarter while the operating profit/loss for the year was SEK -0.7 (-400.8) million. The Parent Company's income consists of intra-group services and the main costs was staff costs. Net financial income/expense amounted to SEK -52.7 (-29.6) million for the fourth quarter and to -148.7 (-124.4) million for the year and primarily comprised interest on issued bonds, interest on settlement amount and a change in value on synthetic options.

The subsidiary Ellos Group AB (publ) formed during the year has as of October taken over the staff who had previously been employed by FNG Nordic AB (publ).

The shares in Ellos Group AB will be pledged, in favor of the Group's bond loans and other credit facilities, similar to the shares in other companies within the Group.



DISTRUBUTION OF NET SALES	3 MONTHS	3 MONTHS		12 MONTHS	12 MONTHS	
AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	Change	JAN – DEC 2021	JAN – DEC 2020	Change
Revenue from agreements with customers	974,9	910,9	7,0%	3 267,2	2 863,9	14,1%
Additional purchase price Resurs Bank	84,5	82,4	2,5%	321,9	311,0	3,5%
<b>Total</b>	<b>1 059,3</b>	<b>993,3</b>	<b>6,7%</b>	<b>3 589,1</b>	<b>3 174,9</b>	<b>13,0%</b>

NET SALES PER COUNTRY WHERE THE CUSTOMER IS LOCATED, AMOUNT IN MSEK	3 MONTHS	3 MONTHS		12 MONTHS	12 MONTHS	
	OCT - DEC 2021	OCT - DEC 2020	Change	JAN – DEC 2021	JAN – DEC 2020	Change
Sweden	584,3	575,6	1,5%	1 957,6	1 794,0	9,1%
Norway	183,3	183,9	-0,3%	622,8	566,4	10,0%
Finland	152,6	149,4	2,2%	544,5	539,7	0,9%
Denmark	75,2	75,1	0,1%	277,1	248,5	11,5%
Other Europe	63,9	9,3	>100%	187,0	26,3	>100%
<b>Net sales</b>	<b>1 059,3</b>	<b>993,3</b>	<b>6,7%</b>	<b>3 589,1</b>	<b>3 174,9</b>	<b>13,0%</b>

OTHER INCOME, AMOUNT IN MSEK	3 MONTHS	3 MONTHS		12 MONTHS	12 MONTHS	
	OCT - DEC 2021	OCT - DEC 2020	Change	JAN – DEC 2021	JAN – DEC 2020	Change
Rental income	1,3	0,9	35,6%	4,7	5,0	-5,9%
Royalties	4,9	4,1	18,2%	16,5	12,0	38,2%
Exchange gain	1,3	8,2	-84,6%	11,1	20,9	-46,9%
Other	1,5	1,2	21,1%	3,8	2,7	41,2%
<b>Other income</b>	<b>9,0</b>	<b>14,4</b>	<b>-37,7%</b>	<b>36,1</b>	<b>40,6</b>	<b>-10,9%</b>

OTHER COSTS AMOUNT IN MSEK	3 MONTHS	3 MONTHS		12 MONTHS	12 MONTHS	
	OCT - DEC 2021	OCT - DEC 2020	Change	JAN – DEC 2021	JAN – DEC 2020	Change
Exchange loss	4,6	3,8	20,8%	10,7	7,0	53,0%
Settlement amount	0,0	401,4	>-100%	0,0	401,4	>-100%
Other	0,8	0,0	>100%	1,7	0,9	92,0%
<b>Other costs</b>	<b>5,4</b>	<b>405,2</b>	<b>-98,7%</b>	<b>12,4</b>	<b>409,3</b>	<b>-97,0%</b>



CONSOLIDATED INCOME STATEMENT, AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
Net sales	1 059,3	993,3	3 589,1	3 174,9
Cost of goods sold	-523,6	-475,4	-1 745,6	-1 672,5
<b>Gross profit</b>	<b>535,7</b>	<b>517,9</b>	<b>1 843,5</b>	<b>1 502,4</b>
Selling expenses	-413,8	-356,3	-1 406,6	-1 134,0
Administrative expenses	-115,1	-96,8	-417,0	-343,1
Other income	9,0	14,4	36,1	40,6
Other costs	-5,4	-405,2	-12,4	-409,3
<b>Operating profit/loss</b>	<b>10,4</b>	<b>-326,0</b>	<b>43,6</b>	<b>-343,4</b>
Financial income	1,4	2,4	7,9	8,7
Financial costs	-61,1	-38,0	-185,0	-163,3
<b>Financial items</b>	<b>-59,7</b>	<b>-35,6</b>	<b>-177,1</b>	<b>-154,6</b>
Profit/loss before tax	-49,3	-361,6	-133,5	-498,0
Income tax	-8,1	27,5	-14,7	4,3
<b>Profit/loss for the period</b>	<b>-57,4</b>	<b>-334,1</b>	<b>-148,2</b>	<b>-493,7</b>
Attributable to:				
Parent company's shareholders	-57,4	-334,1	-148,2	-493,7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
<b>Profit/loss for the period</b>	<b>-57,4</b>	<b>-334,1</b>	<b>-148,2</b>	<b>-493,7</b>
<b>Items not to be returned to the income statement</b>				
Actuarial gains/losses	-12,7	4,6	1,4	4,6
Tax effect	2,6	-1,0	-0,3	-1,0
<b>Items not to be returned to the income statement</b>	<b>-10,1</b>	<b>3,7</b>	<b>1,1</b>	<b>3,7</b>
<b>Items that can later be reversed to the income statement</b>				
Translation differences for the period	-23,9	-5,7	-22,5	13,0
Cash-flow hedges change in value	12,2	-69,6	55,9	-57,6
Cash-flow hedges returned to the income statement	-15,0	21,2	-0,8	21,6
Tax effect	0,6	9,8	-11,4	7,3
<b>Items that can later be reversed to the income statement</b>	<b>-26,2</b>	<b>-44,2</b>	<b>21,3</b>	<b>-15,8</b>
<b>Comprehensive income</b>	<b>-93,7</b>	<b>-374,7</b>	<b>-125,8</b>	<b>-505,9</b>
Attributable to:				
Parent company's shareholders	-93,7	-374,7	-125,8	-505,9



CONSOLIDATED STATEMENT OF FINANCIAL POSITION, AMOUNT IN MSEK	2021-12-31	2020-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	677,0	677,0
Trademarks	445,3	447,3
Customer relationships	465,0	559,6
Development expenditure	104,2	109,8
	<b>1 691,5</b>	<b>1 793,7</b>
Right-of-use assets	491,0	549,9
Equipment, tools, fixtures and fittings	57,2	26,1
Investments in leased property	72,7	75,8
Constuction in progress within property, plant and equipment	0,1	7,1
	<b>621,0</b>	<b>658,9</b>
Non-current receivables	6,4	3,4
Deferred tax assets	29,8	57,2
	<b>36,2</b>	<b>60,6</b>
<b>Total non-current assets</b>	<b>2 348,7</b>	<b>2 513,2</b>
<b>Current asset</b>		
Inventories	738,6	528,9
Return assets	12,6	22,4
Accrued income	32,9	31,2
Trade receivables	44,0	37,1
Current receivables from group companies	12,8	12,8
Current tax assets	83,9	89,5
Derivate instruments	44,5	27,3
Other current receivables	47,9	3,2
Prepaid expenses	32,3	45,9
Cash & cash equivalents	196,3	320,7
<b>Total current assets</b>	<b>1 245,8</b>	<b>1 119,0</b>
<b>TOTAL ASSETS</b>	<b>3 594,5</b>	<b>3 632,2</b>

	2021-12-31	2020-12-31
<b>EQUITY AND LIABILITIES</b>		
Share capital	0,5	0,5
Additional paid-in capital	679,9	679,9
Reserves	-10,8	-32,1
Retained earnings including the profit/loss for the year	-729,4	-585,7
<b>Total Equity</b>	<b>-59,8</b>	<b>62,6</b>
<b>Non-current liabilities</b>		
Bond issue	1 467,2	1 454,5
Long-term lease liabilities	432,2	482,9
Other long-term liabilities	42,6	37,7
Deferred tax liabilities	195,7	208,8
Provision for pensions	163,0	165,2
Provision for settlement amount	446,2	401,4
<b>Total non-current liabilities</b>	<b>2 746,9</b>	<b>2 750,5</b>
<b>Current liabilities</b>		
Interest-bearing liabilities	0,0	0,0
Current lease liabilities	60,9	63,4
Trade payables	421,0	288,5
Current liabilities to Group companies	0,1	0,1
Current tax liabilities	49,0	78,2
Derivatives	23,6	65,1
Other current liabilities	114,4	86,2
Repayment liability	27,2	46,7
Accrued expenses	211,2	190,9
<b>Total Current liabilities</b>	<b>907,4</b>	<b>819,1</b>
<b>Total liabilities</b>	<b>3 654,3</b>	<b>3 569,6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 594,5</b>	<b>3 632,2</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AMOUNT IN MSEK	Share capital	Other contributed capital	Translation reserve	Hedging reserve	Retained earnings including profit of the year	Total Equity
<b>OPENING BALANCE AT JANUARY 1, 2021</b>	<b>0,5</b>	<b>679,9</b>	<b>12,3</b>	<b>-44,3</b>	<b>-585,7</b>	<b>62,6</b>
Comprehensive income						
Profit/loss for the period					-148,2	-148,2
<b>Other comprehensive income</b>						
Cashflow hedges						
Change in fair value for the year				55,9		55,9
Transferred to the income statement				-0,8		-0,8
Translation differences			-22,5			-22,5
Actuarial gains/losses					1,4	1,4
Tax attributable to items in other comprehensive income				-11,4	-0,3	-11,6
<b>Other comprehensive income, after tax</b>	<b>0,0</b>	<b>0,0</b>	<b>-22,5</b>	<b>43,8</b>	<b>1,1</b>	<b>22,4</b>
<b>Comprehensive income</b>	<b>0,0</b>	<b>0,0</b>	<b>-22,5</b>	<b>43,8</b>	<b>-147,1</b>	<b>-125,8</b>
<b>Transactions with shareholders</b>						
Contribution received in connection with drawing of options					3,4	3,4
Dividends					0,0	0,0
<b>Transactions with shareholders</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>3,4</b>	<b>3,4</b>
<b>BALANCE AT DECEMBER 31, 2021</b>	<b>0,5</b>	<b>679,9</b>	<b>-10,2</b>	<b>-0,6</b>	<b>-729,4</b>	<b>-59,8</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, AMOUNT IN MSEK	Share capital	Other contributed capital	Translation reserve	Hedging reserve	Retained earnings including profit of the year	Total Equity
<b>OPENING BALANCE AT JANUARY 1, 2020</b>	<b>0,5</b>	<b>664,3</b>	<b>-0,7</b>	<b>15,6</b>	<b>-95,7</b>	<b>552,9</b>
Comprehensive income						
Profit/loss for the period					-493,7	-493,7
<b>Other comprehensive income</b>						
Cashflow hedges						
Change in fair value for the year				-57,6		-57,6
Transferred to the income statement				21,6		21,6
Translation differences			13,0			13,0
Actuarial gains/losses					4,6	4,6
Tax attributable to items in other comprehensive income				7,3	-1,0	6,3
<b>Other comprehensive income, after tax</b>	<b>0,0</b>	<b>0,0</b>	<b>13,0</b>	<b>-28,7</b>	<b>3,7</b>	<b>-12,1</b>
<b>Comprehensive income</b>	<b>0,0</b>	<b>0,0</b>	<b>13,0</b>	<b>-28,7</b>	<b>-490,0</b>	<b>-505,8</b>
<b>Transactions with shareholders</b>						
Contribution received in connection with acquisition of subsidiary		15,6				15,6
Dividends						0,0
<b>Transactions with shareholders</b>	<b>0,0</b>	<b>15,6</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>15,6</b>
<b>BALANCE AT DECEMBER 31, 2020</b>	<b>0,5</b>	<b>679,9</b>	<b>12,3</b>	<b>-44,3</b>	<b>-585,7</b>	<b>62,6</b>

CONSOLIDATED CASH FLOW STATEMENT, AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
Cash-flow from operations before changes in				
working capital	47,3	87,2	82,8	64,2
Cash-flow from changes in working capital	-3,8	2,3	-99,1	67,3
<b>Cash-flow from operations</b>	<b>43,5</b>	<b>89,4</b>	<b>-16,3</b>	<b>131,5</b>
Investments				
Acquisition of subsidiaries	-0,5	0,0	-0,5	0,0
Acquisition of intangible fixed assets	-7,1	-7,2	-18,6	-21,1
Acquisition of tangible fixed assets	-8,8	-10,5	-36,0	-14,9
Acquisition of financial fixed assets	-1,5	0,4	-3,0	-0,4
<b>Cash-flow from investments</b>	<b>-17,9</b>	<b>-17,3</b>	<b>-58,1</b>	<b>-36,4</b>
<b>Operating cash-flow</b>	<b>25,6</b>	<b>72,1</b>	<b>-74,4</b>	<b>95,1</b>
Financing activities				
Payment for warrants	3,4	0,0	3,4	0,0
Payment of fees for raising loans	0,0	0,0	0,0	-1,9
Payment of lease liabilities	-12,4	-12,2	-53,5	-44,6
<b>Cash-flow from financing activities</b>	<b>-9,0</b>	<b>-12,2</b>	<b>-50,1</b>	<b>-46,5</b>
<b>Cash-flow for the period</b>	<b>16,6</b>	<b>59,9</b>	<b>-124,5</b>	<b>48,6</b>
Cash and cash equivalents at beginning of period	179,7	263,4	320,7	272,0
Exchange rate difference in liquid assets	0,0	-2,6	0,1	0,1
<b>Cash and cash equivalents at end of period</b>	<b>196,3</b>	<b>320,7</b>	<b>196,3</b>	<b>320,7</b>



PARENT COMPANY INCOME STATEMENT, AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
Net sales	-1,3	4,0	13,2	20,5
<b>Gross profit</b>	<b>-1,3</b>	<b>4,0</b>	<b>13,2</b>	<b>20,5</b>
Administrative expenses	0,0	-4,0	-13,9	-19,9
Other costs	0,0	-401,4	0,0	-401,4
<b>Operating profit</b>	<b>-1,3</b>	<b>-401,4</b>	<b>-0,7</b>	<b>-400,8</b>
<b>Financial items</b>				
Interest income	-10,2	2,9	12,9	11,6
Interest costs	-42,4	-32,5	-161,6	-136,1
<b>Financial items</b>	<b>-52,7</b>	<b>-29,6</b>	<b>-148,7</b>	<b>-124,4</b>
<b>Profit/loss after financial costs</b>	<b>-54,0</b>	<b>-431,0</b>	<b>-149,5</b>	<b>-525,2</b>
<b>Year-end appropriations</b>				
Received Group contribution	2,1	20,0	2,1	20,0
<b>Profit/loss before tax</b>	<b>-51,9</b>	<b>-411,0</b>	<b>-147,4</b>	<b>-505,2</b>
Income tax	-4,7	-2,6	-0,5	0,5
<b>Profit/loss for the period</b>	<b>-56,6</b>	<b>-413,6</b>	<b>-147,9</b>	<b>-504,7</b>

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME, AMOUNT IN MSEK	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
Profit/loss for the period	-56,6	-413,6	-147,9	-504,7
<b>Comprehensive income</b>	<b>-56,6</b>	<b>-413,6</b>	<b>-147,9</b>	<b>-504,7</b>



PARENT COMPANY'S BALANCE SHEET, AMOUNT IN MSEK	2021-12-31	2020-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
Shares in subsidiaries	2 369,8	1 669,3
Deferred tax assets	0,0	0,5
Long-term receivables	0,0	2,0
<b>Total Fixed assets</b>	<b>2 369,8</b>	<b>1 671,8</b>
<b>Current assets</b>		
Contract assets	0,0	0,0
Receivables from group companies	272,8	364,5
Tax assets	0,1	0,2
Other current assets	0,0	0,0
Prepayments and accrued income	0,5	0,1
Cash and bank	3,2	4,8
<b>Total Current assets</b>	<b>276,5</b>	<b>369,6</b>
<b>TOTAL ASSETS</b>	<b>2 646,3</b>	<b>2 041,5</b>
<b>EQUITY AND LIABILITIES</b>		
Restricted equity	0,5	0,5
Non-restricted equity	675,2	123,1
<b>Total Equity</b>	<b>675,7</b>	<b>123,6</b>
<b>Long-term liabilities</b>		
Bond issue	1 467,1	1 454,4
Long-term liabilities	34,7	36,1
Other provisions	446,2	401,4
<b>Total Long-term liabilities</b>	<b>1 948,1</b>	<b>1 891,8</b>
<b>Current liabilities</b>		
Accounts payable	0,9	0,0
Liabilities to group companies	1,9	0,0
Other current liabilities	0,3	0,2
Accrued expenses and prepaid income	19,5	25,8
<b>Total Current liabilities</b>	<b>22,6</b>	<b>26,0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2 646,3</b>	<b>2 041,5</b>

FINANCIALS KPI'S, AMOUNT IN MSEK	3 MONTHS OKT - DEC 2021	3 MONTHS JUL - SEP 2021	3 MONTHS* APR – JUN 2021	3 MONTHS* JAN -MAR 2021	3 MONTHS OCT-DEC 2020	3 MONTHS JUL - SEP 2020	3 MONTHS APR – JUN 2020	3 MONTHS JAN – MAR 2020
Net sales	1 059,3	846,6	852,9	830,3	993,3	778,0	763,1	640,5
Gross profit	535,7	426,1	460,1	421,7	517,9	252,5	417,7	314,3
Gross margin. %	50,6	50,3	53,9	50,8	52,1	32,5	54,7	49,1
Adjusted gross profit	535,7	426,1	460,0	421,8	517,9	411,1	417,7	314,3
Adjusted gross margin. %	50,6	50,3	53,9	50,8	52,1	52,8	54,7	49,1
Operating profit/loss	10,4	6,6	19,0	7,5	-325,9	-98,5	105,7	-24,7
Operating margin. %	1,0	0,8	2,2	0,9	-32,8	-12,7	13,9	-3,9
EBITA	35,2	30,5	42,9	31,4	-302,0	-74,6	129,6	-0,8
Adjusted EBITA	38,9	36,4	54,6	31,5	99,4	85,0	104,8	0,9
Adjusted EBITA-margin. %	3,7	4,3	6,4	3,8	10,0	10,9	13,7	0,1
EBITDA	60,1	54,6	66,6	54,8	-279,6	-51,3	152,8	21,7
Adjusted EBITDA	63,7	60,6	78,3	54,8	121,8	108,3	128,0	23,4
Adjusted EBITDA-margin. %	6,0	7,2	9,2	6,6	12,3	13,9	16,8	3,7
Financial items	-59,7	-22,2	-50,1	-45,1	-35,7	-41,9	-40,5	-36,6
Profit/loss before tax	-49,3	-15,7	-31,0	-37,5	-361,6	-140,4	65,2	-61,3
Profit/loss for the period	-57,4	-18,4	-34,0	-38,2	-334,1	-150,7	41,0	-49,9
Cash-flow from operations	43,5	7,1	19,7	-86,5	89,4	79,1	13,6	-50,6
Operating cash-flow	25,6	-4,1	5,9	-101,9	72,2	75,1	8,2	-60,3
Cash-flow for the period	16,6	-18,6	-7,4	-115,1	60,0	61,4	-31,6	-41,1
Balance sheet total at the end of the period	3 594,5	3 667,9	3 555,4	3 543,6	3 632,2	3 605,2	3 645,1	3 736,6
Cash and cash equivalents at end of period	196,3	179,7	198,3	205,6	320,7	263,4	202,7	240,3
Inventories at the end of the period	738,6	743,3	624,0	585,3	528,9	536,2	470,4	525,4
Equity at the end of the period	-59,8	30,5	27,6	54,8	62,6	437,3	588,8	558,1
Net debt	1 270,9	1 284,3	1 262,6	1 252,0	1 133,8	1 187,9	1 245,6	1 236,1
Number of employees at the end of the period	604	585	581	556	551	522	521	530

\* The first and second quarters of 2021 have been recalculated due to interest being calculated on the provision of SEK 401.4 million made. The first quarter was charged with SEK 8.6 million and the second quarter with SEK 12.0 million.



## NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

FNG Nordic AB (publ). corporate identity number 559175-1325 is a limited company registered in Sweden with registered office in Stockholm. The Company's address is PO Box 961, 501 10 Borås.

FNG Nordic AB is a subsidiary of FNG Finance Belgium BV, whose registered office is in Belgium, and the company is a part of the in Belgium listed group FNG NV.

Unless otherwise stated, all amounts are shown in SEK thousands.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### General information

The consolidated financial statements for FNG Nordic AB (publ) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and issued by International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC). Furthermore, the group also applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation. RFR 1 Supplementary Accounting Rules for groups. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

Applied accounting principles in the interim report are consistent with the accounting principles that were applied in the preparation of the consolidated and annual report 2020.

New and changed amendments together with new interpretations which come into effect on 1 January 2021 are not expected to have a significant impact on the group's financial statements. IFRS IC has clarified how cloud services are to be reported and this has meant that the group has written down its intangible assets, which has affected the quarter with SEK 0.9 million.

#### Parent Company's accounting policies

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal

Entities. Application of RFR 2 means the Parent Company must, as far as possible, apply all IFRS adopted by the EU within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act. and consider the relationship between accounting and taxation.

### 3. SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of an interim report requires management to make assessments and estimates as well as assumptions that affect the application of the accounting principles and reported amounts for assets, liabilities, income and expenses. Actual outcome may deviate from these estimates and judgments.

Important estimates and assessments made by the company management appear from the annual report for 2020 on pages 35-36.

### 4. TRANSACTIONS WITH RELATED PARTIES

Transactions for the Parent Company and the group with related parties are currently of the same nature as described in annual report 2020 for FNG Nordic AB.

### 5. FAIR VALUE FINANCIAL INSTRUMENTS

The group's financial instruments measured at fair value as at 31 December 2021 comprise currency derivatives. Derivatives contracts with positive values amounted to SEK 44.5 (27.3) million and derivative contracts with negative values amounted to SEK 23.6 (65.1) million. Derivatives transactions are accounted for at gross value.

Financial assets and financial liabilities valued at fair value in the balance sheet (derivatives) are categorized according to the three-level fair value hierarchy in IFRS 13 (Level 1, 2 or 3). Measurement of all currency derivatives is categorized in Level 2. Currency futures are valued based on observable information regarding the currency rates and market interest rates as at the balance sheet date for the remaining term.



## RECONCILIATION OF KPI'S THAT ARE NOT DEFINED ACCORDING TO IFRS

Some of the financial performance measures in this report which are used by management and analysts to assess the group's performance are not defined in IFRS. Below is a reconciliation of the alternative key indicators with the nearest reconcilable item. Management believes that these financial performance measures facilitate analysis and evaluation of this report and provide valuable information to increase the ability to make comparisons between periods. This information should be regarded as complementing, rather than replacing, financial reporting according to IFRS. FNG Nordic group's definitions of these financial performance measures may differ from other companies' definitions of the same terms.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
GROSS PROFIT, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Net sales	1 059,3	993,3	3 589,1	3 174,9
Cost of goods sold	-523,6	-475,4	-1 745,6	-1 672,4
<b>Gross profit</b>	<b>535,7</b>	<b>517,9</b>	<b>1 843,5</b>	<b>1 502,4</b>

Gross profit shows the difference between net sales less and cost of goods sold. Gross profit depends among the others on price development, costs development and product mix.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
GROSS MARGIN, %	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Gross profit, in MSEK	535,7	517,9	1 843,5	1 502,4
Net sales, in MSEK	1 059,3	993,3	3 589,1	3 174,9
<b>Gross margin</b>	<b>50,6</b>	<b>52,1</b>	<b>51,4</b>	<b>47,3</b>

Gross margin shows the difference between net sales less and cost of goods sold in percentage to net sales. Gross margin depends among the others on price development, costs development and product mix.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
ADJUSTED GROSS PROFIT, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Net sales	1 059,3	993,3	3 589,1	3 174,9
Cost of goods sold	-523,6	-475,4	-1 745,6	-1 672,4
<b>Gross profit</b>	<b>535,7</b>	<b>517,9</b>	<b>1 843,5</b>	<b>1 502,4</b>
<b>Non-recurring items</b>				
Reserve of cooperation regarding purchasing platform	0,0	0,0	0,0	158,6
<b>Adjusted gross profit</b>	<b>535,7</b>	<b>517,9</b>	<b>1 843,5</b>	<b>1 661,0</b>

Adjusted gross profit shows the difference between net sales and cost of goods sold adjusted for non-recurring items which refers to items that not occur yearly and are separated from usual business.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
ADJUSTED GROSS MARGIN, %	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Gross profit, in MSEK	535,7	517,9	1 843,5	1 661,0
Net sales, in MSEK	1 059,3	993,3	3 589,1	3 174,9
<b>Adjusted gross margin</b>	<b>50,6</b>	<b>52,1</b>	<b>51,4</b>	<b>52,3</b>

Adjusted gross margin shows adjusted gross profit in percentage to net sales.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
OPERATING PROFIT/LOSS, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Profit/loss before tax	-49,3	-361,6	-133,5	-498,0
Financial items	-59,7	-35,7	-177,1	-154,7
<b>Operating profit/loss</b>	<b>10,4</b>	<b>-325,9</b>	<b>43,6</b>	<b>-343,4</b>

Operating profit/loss shows the result for the operating activities, and this is an important KPI that Ellos Group follows.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
OPERATING MARGIN, %	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Operating profit/loss, in MSEK	10,4	-325,9	43,6	-343,4
Net sales, in MSEK	1 059,3	993,3	3 589,1	3 174,9
<b>Operating margin</b>	<b>1,0</b>	<b>-32,8</b>	<b>1,2</b>	<b>-10,8</b>

Operating margin shows the operating profitability through the relationship of operating profit/loss to net sales.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
EBITA, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Operating profit/loss	10,4	-325,9	43,6	-343,4
Amortization and impairment of acquisition-related intangible assets (Trademarks, Customer relations)	24,8	23,9	96,5	95,6
<b>EBITA</b>	<b>35,2</b>	<b>-302,0</b>	<b>140,1</b>	<b>-247,8</b>

EBITA shows the operating profit/loss before amortization of intangible assets caused by acquisition-related activities.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
EBITDA, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Operating profit/loss	10,4	-325,9	43,6	-343,4
Amortization, depreciation and impairment	49,7	46,3	192,7	186,9
<b>EBITDA</b>	<b>60,1</b>	<b>-279,6</b>	<b>236,2</b>	<b>-156,4</b>

EBITDA shows the operating profit/loss before amortization, depreciation and impairment.

	3 MONTHS	3 MONTHS	12 MONTHS	12 MONTHS
ADJUSTED EBITA, AMOUNT IN MSEK	OCT - DEC 2021	OCT - DEC 2020	JAN – DEC 2021	JAN – DEC 2020
Operating profit/loss	10,4	-325,9	43,6	-343,4
Amortization and impairment of acquisition-related intangible assets (Trademarks, Customer relations)	24,8	23,9	96,5	95,6
<b>Non-recurring items</b>				
Strategic costs	3,6	0,0	31,6	0,0
Acquisition-related costs	0,0	0,1	0,0	-23,1
Reserve of cooperation regarding purchasing platform	0,0	0,0	0,0	158,6
Provision for settlement amount	0,0	401,4	0,0	401,4
Repayment FORA	0,0	0,0	-10,4	0,0
Unused storage areas	0,0	0,0	0,0	1,1
<b>Adjusted EBITA</b>	<b>38,9</b>	<b>99,4</b>	<b>161,4</b>	<b>290,2</b>

Adjusted EBITA shows the operating profit/loss before amortization, of acquisition-related intangible assets adjusted for non-recurring items. Non-recurring items: refer to the items that are not occur yearly and are separated from usual business.

	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
ADJUSTED EBITDA, AMOUNT IN MSEK				
Operating profit/loss	10,4	-325,9	43,6	-343,4
Amortization, depreciation and impairment	49,7	46,3	192,7	186,9
<b>EBITDA</b>	<b>60,1</b>	<b>-279,6</b>	<b>236,2</b>	<b>-156,4</b>
<b>Non-recurring items</b>				
Strategic costs	3,6	0,0	31,6	0,0
Acquisition-related costs	0,0	0,1	0,0	-23,1
Reserve of cooperation regarding purchasing platform	0,0	0,0	0,0	158,6
Provision for settlement amount	0,0	401,4	0,0	401,4
Repayment FORA	0,0	0,0	-10,4	0,0
Unused storage areas	0,0	0,0	0,0	1,1
<b>Adjusted EBITDA</b>	<b>63,7</b>	<b>121,8</b>	<b>257,5</b>	<b>381,5</b>

Adjusted EBITDA shows the operating profit/loss before amortization, depreciation and impairment adjusted for non-recurring items. Non-recurring items: refer to the items that are not occur yearly and are separated from usual business.

	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
ADJUSTED EBITA MARGIN, %				
Net sales	1 059,3	993,3	3 589,1	3 174,9
Adjusted EBITA	38,9	99,4	161,4	290,2
<b>Adjusted EBITA- margin</b>	<b>3,7</b>	<b>10,0</b>	<b>4,5</b>	<b>9,1</b>

Adjusted EBITA-margin shows the relationship between adjusted EBITA and net sales.

	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
ADJUSTED EBITDA MARGIN, %				
Net sales	1 059,3	993,3	3 589,1	3 174,9
Adjusted EBITDA	63,7	121,8	257,5	381,5
<b>Adjusted EBITDA- margin</b>	<b>6,0</b>	<b>12,3</b>	<b>7,2</b>	<b>12,0</b>

Adjusted EBITDA-margin shows the relationship between adjusted EBITDA and net sales.

	2021-12-31	2020-12-31
NET DEBT, AMOUNT IN MSEK		
Interest-bearing liabilities, long-term, excluding pension liabilities and lease liabilities	1 467,2	1 454,5
Interest-bearing liabilities, short-term	0,0	0,0
Cash and cash equivalents	-196,3	-320,7
<b>Net debt</b>	<b>1 270,9</b>	<b>1 133,8</b>

Net debt/net asset comprises interest-bearing liabilities excluding pension liabilities and lease liabilities. Net debt/net asset indicates the extent to which the group is willing to indebt its business.

	3 MONTHS OCT - DEC 2021	3 MONTHS OCT - DEC 2020	12 MONTHS JAN – DEC 2021	12 MONTHS JAN – DEC 2020
OPERATING CASH FLOW, AMOUNT IN MSEK				
Cash flow from operating activities	43,5	89,4	-16,3	131,4
Cash flow from investments	-17,8	-17,3	-58,1	-36,4
<b>Operating cash flow</b>	<b>25,6</b>	<b>72,1</b>	<b>-74,4</b>	<b>95,1</b>

Operating cash flow shows cash flow from operating activities before the cash flow from investment activities.

## DEFINITIONS/GLOSSARY

Number of employees: Number of employees, expressed as full-time equivalents, at the end of the year.

Gross margin (%): Gross profit as a percentage of net sales.

Gross profit: Net sales less cost of goods sold. \*

EBITDA: Operating profit/loss before depreciation/amortization and impairment.

Financial items: Financial items is the net amount of financial income and financial expense.

Adjusted gross margin (%): Adjusted gross profit as a percentage of net sales.

Adjusted gross profit: Net sales less costs of goods sold and non-recurring items.

Adjusted EBITA: Operating profit/loss before amortization of acquisition-related intangible assets and non-recurring items.

Adjusted EBITA margin: Adjusted EBITA as a percentage of net sales.

Adjusted EBITDA: Operating profit/loss before amortization/depreciation and impairment and non-recurring items.

Adjusted EBITDA margin: Adjusted EBITDA as a percentage of net sales.

Net sales: Sales of goods and services, expressed in Swedish kronor, after deduction of VAT, discounts and estimated number of returns, plus handling fees. \*

Net debt/net asset: Interest-bearing liabilities (excluding pension liabilities and lease liabilities) less cash and cash equivalents and interest-bearing assets at the end of the period.

Non-recurring items: Items that are not occur yearly and are separated from usual business.

Operating profit/loss: Profit/loss before net financial income/expense and tax.

Operating margin: Operating profit/loss as a percentage of net sales.

Operating cash flow: The sum of Cash flow from operating activities and Cash flow from investment activities.

\* Definition according to IFRS



## ASSURANCE OF TRUE AND FAIR VIEW

This Interim Report has not been reviewed by the Company's auditors.

The Board of Directors hereby confirms that the Interim Report gives a true and fair view of the activities, financial position and financial performance of the Parent Company and of the group, and that it describes the material risks and uncertainties facing the Parent Company and the companies included in the group.

Borås, 22 February 2022

The Board of Directors

## FUTURE REPORTING AND EVENTS

Annual report 2021  
Interim report first quarter 2022  
Annual General Meeting

8 April 2022  
11 May 2022  
17 May 2022

The interim report will be published and available at Ellos Groups website, [www.ellosgroup.com](http://www.ellosgroup.com). February 22, 2022.

## FOR FURTHER INFORMATION

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## FOR TRANSLATION PURPOSES ONLY

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## ABOUT ELLOS GROUP

The Ellos Group, which includes Ellos, Jotex, Stayhard, and Homeroom, is the Nordic region's leading e-commerce group. 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, Sweden, and with operations in all Nordic countries.

[www.ellosgroup.com](http://www.ellosgroup.com)

