

# INTERIM REPORT

## FIRST QUARTER

### 2024



  
BORÅSTAPETER

  
Cole & Son®  
MADE IN ENGLAND

Wall & decò

pappelina®

ARTSCAPE  
WINDOW FILM DESIGN

  
BORÅS TAPETFABRIK

**embellence**  
GROUP

# A strong start to the year

## First quarter 2024

- Net sales amounted to MSEK 214.2 (197.5), up 8.5% (exchange rate effect +0.7%)
- EBITA amounted to MSEK 33.6 (27.1), up 24.0%
- Adjusted EBITA amounted to MSEK 33.6 (27.1), up 24.0%.
- Adjusted EBITA margin amounted to 15.7% (13.7)
- Net profit for the period amounted to MSEK 16.3 (12.9) and earnings per share for the period before dilution to SEK 0.72 (0.57)
- Operating cash flow amounted to MSEK 14.4 (2.2)

## Significant events during the quarter

- No significant events to report.

## Significant events after the end of the quarter

- No significant events to report.

MSEK	Jan–Mar 2024	Jan–Mar 2023	R12	Full-year 2023
<b>Group</b>				
Net sales	<b>214.2</b>	197.5	<b>757.2</b>	740.5
EBITA	<b>33.6</b>	27.1	<b>98.4</b>	92.0
Adjusted EBITA*	<b>33.6</b>	27.1	<b>101.6</b>	95.1
Profit before tax	<b>21.6</b>	16.8	<b>56.6</b>	51.8
Net profit for the period	<b>16.3</b>	12.9	<b>42.7</b>	39.3
Operating cash flow	<b>14.4</b>	2.2	<b>76.7</b>	64.5
EBITA margin, %	<b>15.7%</b>	13.7%	<b>13.0%</b>	12.4%
Adjusted EBITA margin, %	<b>15.7%</b>	13.7%	<b>13.4%</b>	12.8%
Net debt	<b>203.2</b>	236.9	<b>203.2</b>	204.4
Net debt/EBITDA R12	<b>1.6</b>	2.2		1.7
Net debt/EBITDA R12 excl. IFRS 16 effects	<b>1.4</b>	1.8		1.5
Equity ratio, %	<b>52.7%</b>	47.9%	<b>52.7%</b>	51.7%
Earnings per share for the period before dilution (SEK)	<b>0.72</b>	0.57	<b>1.89</b>	1.74
Earnings per share for the period after dilution (SEK)	<b>0.72</b>	0.57	<b>1.89</b>	1.74
No. of employees	<b>225</b>	238		228

\*EBITA excluding acquisition costs and restructuring costs.

# A strong start to the year

**We started 2024 by delivering higher sales and improved earnings. The trend was mainly driven by strong growth for Boråstapeter, Wall&decò and Artscape in the US. At the same time, forward-looking initiatives continued in relation to our offering, product development and production.**

At a time when demand for interior decoration products remains uncertain and volatile, I am pleased to see that our product launches and commercial initiatives are bearing fruit, especially in the US.

Net sales for the quarter amounted to MSEK 214.2 (197.5), the highest to date for a single quarter. Compared with the year-earlier quarter, that corresponds to an increase of 8.5%. Organic sales growth was strong for the third consecutive quarter. Exchange rate effects contributed 0.7%.

Gross profit increased to MSEK 124.9 (113.0), corresponding to a gross margin of 58.3% (57.2) – a direct result of changes in the product mix and price increases. EBITA amounted to MSEK 33.6 (27.1), corresponding to an EBITA margin of 15.7% (13.7). The earnings growth was mainly attributable to the strong sales trend and an improved gross margin.

While freight and material costs remained higher year-on-year, they have now begun to fall from these high levels. Costs for sales and administration rose slightly, largely due to participation in trade fairs and reinforcement of the sales organisations for several of our brands.

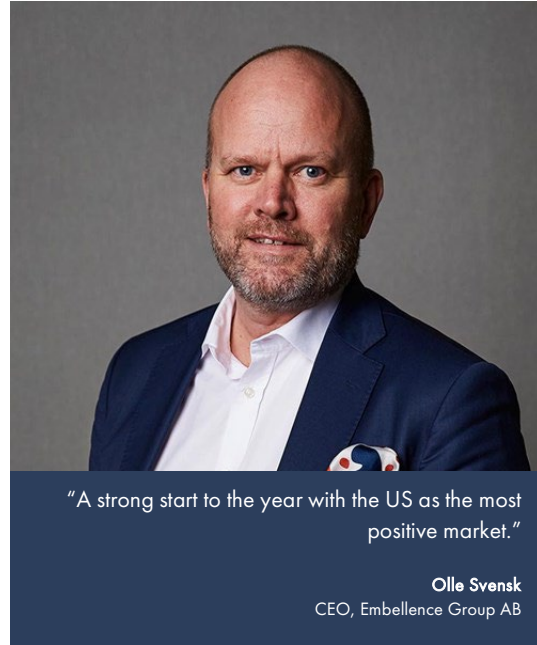
Cash flow from operating activities amounted to MSEK 14.4 (2.2) for the quarter. The improvement was mainly due to strong operating income.

## **Strong trend in the US**

The sharp sales growth during the quarter was driven by a strong trend in the US for Boråstapeter, Wall&decò and Artscape. Overall, sales in the Rest of World segment rose almost 42% compared with the year-earlier period. The strong sales also had a clearly positive impact on the segment's adjusted EBITA margin, which increased to 21% (12) during the quarter.

## **Stable in Europe, still cautious in the Nordics**

Sales in Europe remained stable overall, mainly due to the positive momentum for Wall&decò in countries such as Italy. It is also gratifying that the UK is showing signs of recovery. Demand is more subdued in Germany and France.



Boråstapeter and Pappelina showed a weaker trend in the Nordics, which also led to slightly lower capacity utilisation for the Borås Tapetfabrik manufacturing unit. The market remains uncertain, especially in Sweden.

## **Continued strong focus on forward-looking initiatives**

During the quarter, active and focused efforts with forward-looking investments and initiatives continued in all brands in relation to launches, sales and communication.

The first quarter is trade-fair time in the interior design industry and Embellence Group was particularly proud of Wall&decò's launch of d.ecodura™ at Maison & Objet, the leading design and decoration fair in Paris in January. This is the very first wallpaper where conventional fossil-based vinyl has been replaced by wood-based residue from the forest industry. This reduces the carbon footprint by nearly 50% compared with previous products, while maintaining properties such as durability and water resistance. This is also a good example of product development synergies between our brands, since Wall&decò's d'ecodura™ is based on insights from Pappelina's Bio-edition, which we launched at the end of 2022.

The individuals brands in Embellence Group also build continuously on their most successful iconic designs, with new trending colour palettes and new versions. During the quarter,

Cole & Son launched its Hummingbird design for both wallpaper and fabric. The design dates back to the 1780s and captures Cole & Son's brand in the premium segment. Swedish Pappelina also released its Elements Collection with this year's soft nature-inspired colour updates in some of their best-selling designs.

Boråstapeter launched the Orangeri collection – a hand-painted blend of botanical patterns that fill rooms with vitality and harmony. A joyous, contemporary wallpaper collection that brings the beauty of nature indoors, and received a very positive reception from both the media and customers.

During the quarter, Artscape launched a new updated range for one of its largest customers, and a new and exclusive window film collection in fabric.

In addition, efforts to strengthen the brands' sales channels continued. Wall&decò's network was expanded in Portugal and Spain, for example, and Boråstapeter's own online sales were launched in Germany and Austria.

### **Clarify the strategy moving forward**

The year began well, and we will now continue to increase the tempo. Our overall targets are to continue growing organically, to further develop our five strong brand companies and to continue strengthening us as a Group. While the situation remains cautious in several of our main markets, the trend is slowly but surely moving in the right direction.

My colleagues and I are looking forward to telling you more about our exciting ventures and updated long-term strategy at our Capital Markets Day in Stockholm on 21 May. More information is available at <https://www.embellencegroup.com/>.

Borås, May 2024,

Olle Svensk  
CEO Embellence Group AB

# Group performance

## Net sales

Net sales for the quarter amounted to MSEK 214.2 (197.5), up 8.5% compared with the year-earlier quarter. Exchange rate effects contributed 0.7%.

Sales declined 5.5% in the Nordics compared with the year-earlier quarter. Sales remained more or less unchanged in Europe compared with the year-earlier quarter. Sales in Rest of World increased by a full 41.6%.

## Earnings

Adjusted EBITA for the quarter amounted to MSEK 33.6 (27.1). The earnings improvement was mainly attributable to the strong sales trend and improved gross margin. The adjusted EBITA margin amounted to 15.7% (13.7%).

Net profit for the quarter amounted to MSEK 16.3 (12.9), corresponding to earnings per share before dilution of SEK 0.72 (0.57).

## Net financial items

Net financial items for the quarter were MSEK -7.5 (-5.1). Interest expense accounted for MSEK -3.8 and currency effects for the remaining amount, primarily loans in USD.

## Cash flow

Cash flow from operating activities amounted to MSEK 14.4 (2.2) for the quarter. The improvement was mainly due to strong operating income. Working capital increased -26.5 MSEK (-25), primarily due to an increase in accounts receivable which, in turn, were a direct result of the strong sales.

Cash flow from investing activities for the quarter amounted to MSEK -6.7 (-4.5).

Cash flow from financing activities for the quarter amounted to MSEK -5.9 (-8.0), mainly the result of changes in bank overdraft facilities and repayment of lease liabilities and loans.

Cash flow for the quarter was MSEK 1.8 (-10.3).

## Investments and divestments

The Group's investments in tangible and intangible assets amounted to MSEK 6.7 (4.5).

## Financial position

At the end of the quarter, the Group's total assets amounted to MSEK 865.3 (863.3). The equity ratio was 52.7% (47.9), and cash and cash equivalents at the end of the quarter amounted to MSEK 41.2 (56.7). The Group's total net debt amounted to MSEK 203.2 (236.9) at the end of the quarter. At the end of the quarter, net debt/EBITDA (R12) was 1.6 times. (2.2).



## Net sales trend

MSEK	Jan–Mar 2024	%
Net sales 2023	<b>197.5</b>	
Organic growth	<b>15.3</b>	<b>7.8%</b>
Currency	<b>1.4</b>	<b>0.7%</b>
Net sales 2024	<b>214.2</b>	<b>8.5%</b>

## Net sales per segment

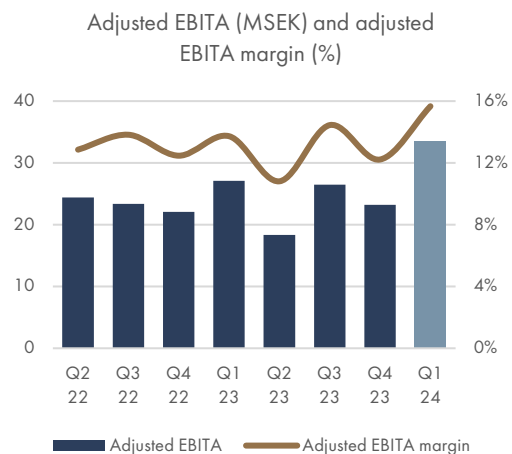
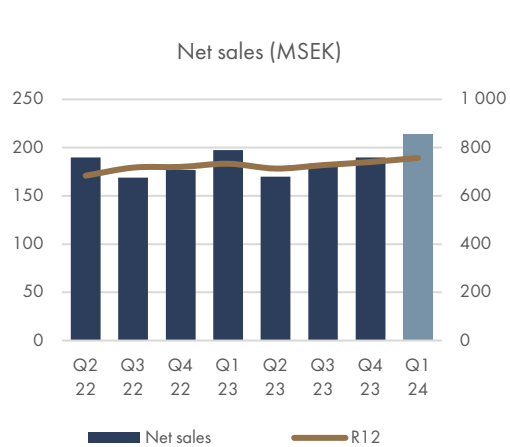
MSEK	Jan–Mar 2024	Jan–Mar 2023	R12	Full-year 2023
Nordics	<b>77.9</b>	82.4	<b>281.5</b>	286.0
<i>of which premium</i>	<b>30%</b>	30%	<b>31%</b>	<i>31%</i>
Europe	<b>64.8</b>	64.6	<b>251.1</b>	251.0
<i>of which premium</i>	<b>78%</b>	83%	<b>80%</b>	<i>81%</i>
Rest of World	<b>71.5</b>	50.5	<b>224.6</b>	203.5
<i>of which premium</i>	<b>94%</b>	92%	<b>92%</b>	<i>91%</i>
Total	<b>214.2</b>	197.5	<b>757.2</b>	740.5

## Adjusted EBITA per segment

MSEK	Jan–Mar 2024	Jan–Mar 2023	R12	Full-year 2023
Nordics	<b>8.0</b>	11.0	<b>28.6</b>	31.7
Europe	<b>10.9</b>	10.1	<b>43.2</b>	42.4
Rest of World	<b>14.7</b>	6.0	<b>29.8</b>	21.0
Total	<b>33.6</b>	27.1	<b>101.6</b>	95.1

## Cash flow

MSEK	Jan–Mar 2024	Jan–Mar 2023	R12	Full-year 2023
Cash flow from operating activities	<b>14.4</b>	2.2	<b>73.3</b>	64.5
Cash flow from investing activities	<b>-6.7</b>	-4.5	<b>-14.9</b>	-16.1
Cash flow from financing activities	<b>-5.9</b>	-8.0	<b>-75.8</b>	-77.9
Cash flow for the period	<b>1.8</b>	-10.3	<b>-17.4</b>	-29.5



## NORDICS:

# Continued cautious demand

### Net sales and earnings

Net sales in the Nordics amounted to MSEK 77.9 (82.4), a decrease of 5.5%, mainly due to a weaker start and several bank holidays during Easter.

Adjusted EBITA was MSEK 8.0 (11.0), corresponding to an adjusted EBITA margin of 10% (13%).

Net sales Q1

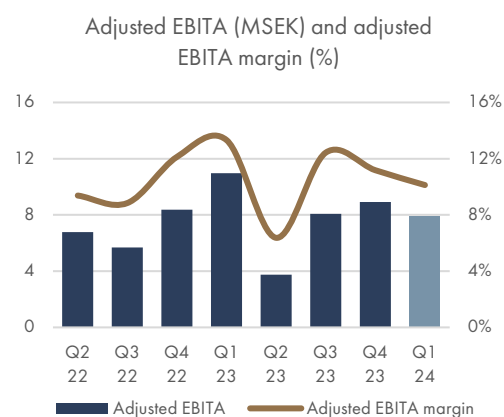
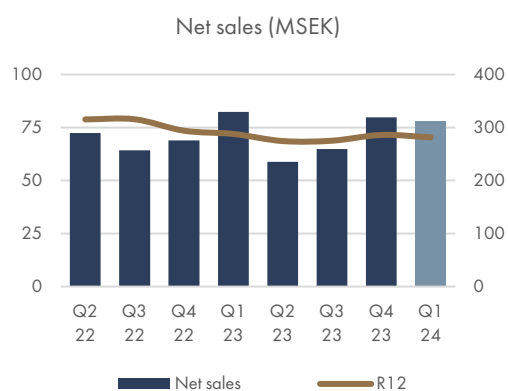
**77.9**

MSEK

% of total sales

**36%**

MSEK	Jan-Mar 2024	Jan-Mar 2023	R12	Full-year 2023
<b>NORDICS</b>				
Net sales	<b>77.9</b>	82.4	<b>281.5</b>	286.0
Adjusted EBITA	<b>8.0</b>	11.0	<b>28.6</b>	31.7
Adjusted EBITA margin	<b>10%</b>	13%	<b>10%</b>	11%
Share of premium	<b>30%</b>	30%	<b>31%</b>	31%



## EUROPE:

# Stable development due to good sales to the hospitality segment

### Net sales and earnings

Net sales in Europe totalled MSEK 64.8 (64.6). Sales were adversely impacted by a weaker trend in Germany and France, which was offset, however, by a stronger performance in Italy, for example, and a stable UK. The trend here was primarily driven by successful sales to hospitality.

Adjusted EBITA was MSEK 10.9 (10.1), corresponding to an adjusted EBITA margin of 17% (16).

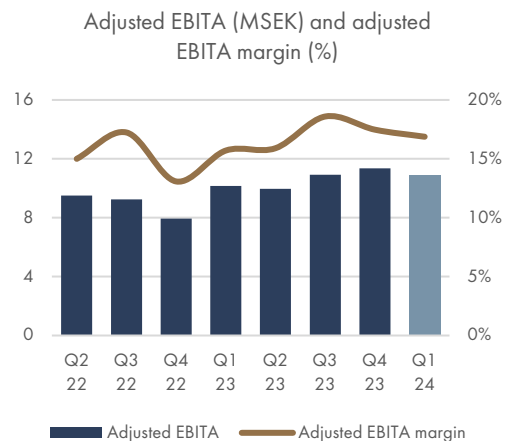
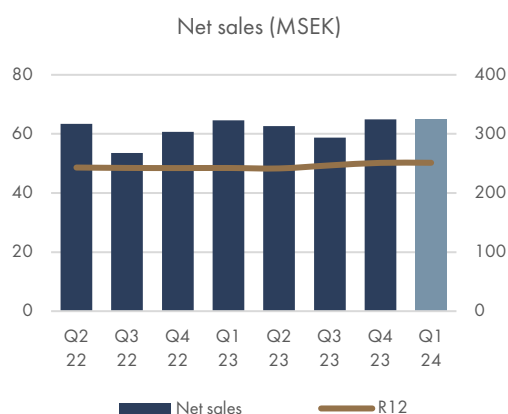
Net sales Q1

**64.8**  
MSEK

% of total sales

**30%**

MSEK	Jan-Mar 2024	Jan-Mar 2023	R12	Full-year 2023
<b>EUROPE</b>				
Net sales	<b>64.8</b>	64.6	<b>251.1</b>	251.0
Adjusted EBITA	<b>10.9</b>	10.1	<b>43.2</b>	42.4
Adjusted EBITA margin	<b>17%</b>	16%	<b>17%</b>	17%
Share of premium	<b>78%</b>	83%	<b>80%</b>	81%





## REST OF WORLD:

# Sharp sales growth in the US

### Net sales and earnings

Net sales in Rest of World amounted to MSEK 71.5 (50.5), up by a full 41.6% compared with the year-earlier period. The increase was mainly attributable to strong sales in the US, due to a positive trend for Boråstapeter and Wall&decò, and Artscape's launch of a new range.

Adjusted EBITA amounted to MSEK 14.7 (6.0) and the adjusted EBITA margin was 21% (12), compared with the year-earlier period. The higher margin was largely due to the strong sales trend combined with an improved gross margin.

Net sales Q1

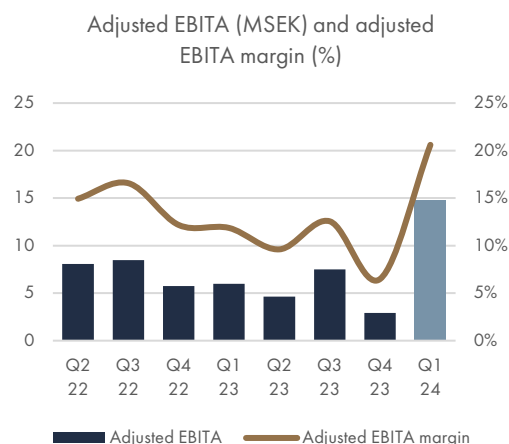
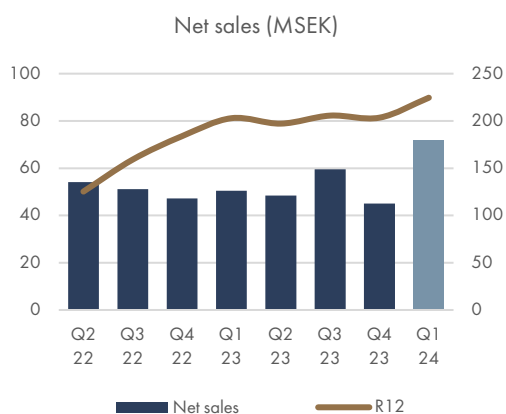
**71.5**

MSEK

% of total sales

**34%**

MSEK	Jan-Mar 2024	Jan-Mar 2023	R12	Full-year 2023
<b>REST OF WORLD</b>				
Net sales	<b>71.5</b>	50.5	<b>224.6</b>	203.5
Adjusted EBITA	<b>14.7</b>	6.0	<b>29.8</b>	21.0
Adjusted EBITA margin	<b>21%</b>	12%	<b>13%</b>	10%
Share of premium	<b>94%</b>	92%	<b>92%</b>	91%



# Other Group

## **Organisation**

The number of FTEs on 31 March 2024 was 225 (238).

## **Related-party transactions**

No related-party transactions took place.

## **Risks and uncertainties**

Embellence Group works continuously to identify and manage the risks associated with the Group's operations. The company has a well-functioning risk-management process in place whereby risks are consolidated, reported and monitored by Group management. For a complete description of the risks impacting the company, refer to the 2023 Annual Report.

## **Seasonal variations**

Some seasonal variations arise, with the first and fourth quarters normally tending to be slightly stronger.

## **Accounting policies**

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Parent Company, recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board was applied to the preparation of this interim report. Accounting policies and the basis of calculations are the same as the policies applied in the company's most recent annual report. The carrying amount is a good approximation of fair value for financial assets and liabilities.

## **Significant events during the quarter**

No significant events to report.

## **Significant events after the end of the quarter**

No significant events to report.

## **Audit**

This report was not subject to review by the Group's auditors.

# Parent Company

## **First quarter 2024**

The Parent Company's net sales amounted to MSEK 3.2 (3.3). Net loss for the period after tax amounted to MSEK -10.3 (-6.5).

# Signatures and assurance

The undersigned assure that the interim report provides a fair review of the Parent Company and the Group's operations, financial position and earnings and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

Borås, 7 May 2024

Magnus Welander  
Chairman

Olof Svensk  
CEO

Karin Dennford

Anneli Kansbod

Henrik Nyqvist

Christina Ståhl

# Condensed consolidated income statement

MSEK	Jan-Mar		Full-year
	2024	2023	2023
<b>Net sales</b>	<b>214.2</b>	<b>197.5</b>	<b>740.5</b>
Cost of goods sold	-89.3	-84.5	-307.9
<b>Gross profit</b>	<b>124.9</b>	<b>113.0</b>	<b>432.5</b>
Selling and administrative expenses	-95.7	-91.5	-364.2
Other operating income	1.4	1.1	5.2
Other operating expenses	-1.5	-0.7	-3.5
<b>Operating profit</b>	<b>29.1</b>	<b>21.9</b>	<b>69.9</b>
Net financial items	-7.5	-5.1	-18.1
<b>Profit before tax</b>	<b>21.6</b>	<b>16.8</b>	<b>51.8</b>
Tax	-5.3	-3.9	-12.5
<b>Net profit for the period</b>	<b>16.3</b>	<b>12.9</b>	<b>39.3</b>
<b>Earnings per share for the period before dilution<sup>1)</sup> (SEK)</b>	<b>0.72</b>	<b>0.57</b>	<b>1.74</b>
<b>Earnings per share for the period after dilution<sup>1)</sup> (SEK)</b>	<b>0.72</b>	<b>0.57</b>	<b>1.74</b>
<b>Other comprehensive income</b>			
Actuarial gains and losses after tax	0.0	0.0	-0.1
Translation differences	24.9	2.3	-5.0
<b>Total other comprehensive income</b>	<b>24.9</b>	<b>2.3</b>	<b>-5.1</b>
<b>Comprehensive income for the period</b>	<b>41.2</b>	<b>15.2</b>	<b>34.2</b>

<sup>1)</sup> Refer to Note 1 on page 21.

# Condensed consolidated balance sheet

MSEK	31 March		Full-year
	2024	2023	2023
<b>Assets</b>			
Intangible non-current assets	369.7	377.6	358.5
Tangible non-current assets	79.2	73.6	74.5
Right-of-use assets	54.6	65.1	54.8
Deferred tax assets	7.6	3.0	5.0
Financial non-current assets	3.3	3.7	3.2
<b>Total non-current assets</b>	<b>514.5</b>	<b>523.0</b>	<b>496.0</b>
Inventories	131.4	132.7	136.4
Accounts receivable	136.1	115.1	93.4
Current tax assets	12.7	3.6	11.8
Other receivables	4.6	10.4	4.6
Prepaid expenses and accrued income	24.8	21.8	21.7
Cash and cash equivalents	41.2	56.7	37.9
<b>Total current assets</b>	<b>350.8</b>	<b>340.3</b>	<b>305.8</b>
<b>Total assets</b>	<b>865.3</b>	<b>863.3</b>	<b>801.8</b>

# Condensed consolidated balance sheet (cont.)

MSEK	31 March		Full-year
	2024	2023	2023
<b>EQUITY AND LIABILITIES</b>			
Share capital	56.5	56.5	56.5
Other contributed capital	84.4	84.4	84.4
Reserves	49.3	31.8	24.4
Retained earnings, including net profit for the year	265.8	241.2	249.6
<b>Equity attributable to Parent Company shareholders</b>	<b>456.0</b>	<b>413.9</b>	<b>414.9</b>
Provisions for pensions	6.9	6.9	6.6
Deferred tax liabilities	16.2	15.3	16.6
Other non-current interest-bearing liabilities	55.3	69.9	57.4
Lease liabilities	43.1	51.0	42.8
Other non-current liabilities	0.0	0.0	0.0
<b>Total non-current liabilities</b>	<b>121.5</b>	<b>143.1</b>	<b>123.4</b>
Other current interest-bearing liabilities	16.0	37.5	36.4
Bank overdraft facility	115.2	117.5	90.6
Lease liabilities	14.8	17.8	15.1
Accounts payable	58.4	59.8	53.3
Other current liabilities	30.5	22.4	20.2
Accrued expenses and deferred income	52.9	51.3	47.9
<b>Total current liabilities</b>	<b>287.7</b>	<b>306.3</b>	<b>263.5</b>
<b>Total liabilities</b>	<b>409.2</b>	<b>449.4</b>	<b>386.9</b>
<b>Total equity and liabilities</b>	<b>865.3</b>	<b>863.3</b>	<b>801.8</b>

## Indebtedness

MSEK	31 March		Full-year
	2024	2023	2023
Lease liabilities	57.9	68.6	57.9
Bank overdraft facility	115.2	117.5	90.6
Other interest-bearing receivables and liabilities	71.3	107.5	93.8
<b>Gross debt</b>	<b>244.4</b>	<b>293.6</b>	<b>242.3</b>
Cash and cash equivalents	-41.2	-56.7	-37.9
<b>Net debt</b>	<b>203.2</b>	<b>236.9</b>	<b>204.4</b>
EBITDA (R12)	125.2	109.7	118.5
<b>Net debt/EBITDA (R12)</b>	<b>1.6</b>	<b>2.2</b>	<b>1.7</b>
<b>Net debt/EBITDA excl. IFRS 16 effects (R12)</b>	<b>1.4</b>	<b>1.8</b>	<b>1.5</b>
Equity ratio	<b>52.7%</b>	<b>47.9%</b>	<b>51.7%</b>
Quota value per share (SEK)	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>

# Condensed consolidated cash flow statement

MSEK	Jan-Mar		Full-year
	2024	2023	2023
<b>OPERATING ACTIVITIES</b>			
Operating profit	29.1	21.9	69.9
<i>Adjustments for non-cash items</i>			
Depreciation and amortisation	11.2	11.7	48.5
Other	8.2	-0.2	-2.9
<b>Total</b>	<b>48.5</b>	<b>33.4</b>	<b>115.5</b>
Interest received	0.2	0.1	1.1
Interest paid	-3.9	-4.6	-18.7
Tax paid	-3.9	-1.7	-16.9
<b>Cash flow from operating activities before changes in working capital</b>	<b>40.9</b>	<b>27.2</b>	<b>81.0</b>
Cash flow from changes in working capital	-26.5	-25.0	-16.5
<b>Cash flow from operating activities</b>	<b>14.4</b>	<b>2.2</b>	<b>64.5</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of tangible and intangible assets	-6.7	-4.5	-16.1
Acquisition of companies, less acquired cash and cash equivalents	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-6.7</b>	<b>-4.5</b>	<b>-16.1</b>
<b>FINANCING ACTIVITIES</b>			
Change in bank overdraft facilities	24.7	-0.5	-27.4
Repayment of lease liabilities	-4.1	-3.3	-16.4
New borrowing	0.0	0.0	0.0
Repayment of loans	-26.5	-3.9	-15.7
Option premiums repaid/received	0.0	-0.3	-0.3
Dividend	0.0	0.0	-18.1
<b>Cash flow from financing activities</b>	<b>-5.9</b>	<b>-8.0</b>	<b>-77.9</b>
Cash flow for the period	<b>1.8</b>	<b>-10.3</b>	<b>-29.5</b>
Cash and cash equivalents at beginning of period	<b>37.9</b>	<b>66.2</b>	<b>66.2</b>
Exchange rate differences in cash and cash equivalents	<b>1.5</b>	<b>0.8</b>	<b>1.2</b>
Cash and cash equivalents at end of period	<b>41.2</b>	<b>56.7</b>	<b>37.9</b>



# Consolidated statement of changes in equity

MSEK	2024
<b>Opening equity, 1 Jan 2024</b>	<b>414.9</b>
Net profit for the period	16.3
Other comprehensive income	24.9
<b>Closing balance, 31 Mar 2024</b>	<b>456.0</b>

MSEK	2023
<b>Opening balance, 1 Jan 2023</b>	<b>399.1</b>
Net profit for the period	39.3
Other comprehensive income	-5.1
Dividend	-18.1
Option premiums repaid	-0.3
<b>Closing balance, 31 Mar 2023</b>	<b>414.9</b>

# Condensed Parent Company income statement

MSEK	Jan-Mar		Full-year
	2024	2023	2023
<b>Net sales</b>	<b>3.2</b>	<b>3.3</b>	<b>13.2</b>
Administrative expenses	-7.6	-5.5	-24.3
<b>Operating loss</b>	<b>-4.4</b>	<b>-2.2</b>	<b>-11.1</b>
Net financial items	-8.6	-6.1	104.8
<b>Profit/loss after financial items</b>	<b>-13.0</b>	<b>-8.3</b>	<b>93.7</b>
Group contributions	0.0	0.0	64.2
Other appropriations	0.0	0.0	-9.5
<b>Profit/loss before tax</b>	<b>-13.0</b>	<b>-8.3</b>	<b>148.4</b>
Tax	2.7	1.8	-5.7
<b>Net profit/loss for the period</b>	<b>-10.3</b>	<b>-6.5</b>	<b>142.7</b>

# Condensed Parent Company balance sheet

MSEK	31 March		Full-year
	2024	2023	2023
<b>ASSETS</b>			
Intangible non-current assets	0.8	1.3	0.9
Deferred tax assets	3.1	0.3	0.4
Financial non-current assets	617.5	617.2	617.4
<b>Total non-current assets</b>	<b>621.4</b>	<b>618.8</b>	<b>618.7</b>
Current tax assets	1.2	0.9	0.0
Other receivables	0.0	3.6	0.4
Prepaid expenses and accrued income	2.6	3.4	1.0
<b>Total current assets</b>	<b>3.8</b>	<b>7.9</b>	<b>1.4</b>
<b>Total assets</b>	<b>625.2</b>	<b>626.7</b>	<b>620.1</b>

MSEK	31 March		Full-year
	2024	2023	2023
<b>EQUITY AND LIABILITIES</b>			
Share capital	56.5	56.5	56.5
Statutory reserve	10.0	10.0	10.0
Share premium reserve	101.9	101.9	101.9
Retained earnings, including net profit for the year	150.6	29.9	160.9
<b>Equity attributable to Parent Company shareholders</b>	<b>319.0</b>	<b>198.3</b>	<b>329.3</b>
<b>Untaxed reserves</b>	<b>17.6</b>	<b>8.1</b>	<b>17.6</b>
Provisions for pensions	1.6	1.2	1.5
Other non-current interest-bearing liabilities	55.3	69.9	57.4
Other non-current liabilities	0.0	0.0	0.0
<b>Total non-current liabilities</b>	<b>56.9</b>	<b>71.1</b>	<b>58.9</b>
Other current interest-bearing liabilities	16.0	37.5	36.4
Bank overdraft facility	115.1	117.5	90.5
Accounts payable	0.9	1.1	1.1
Liabilities to Group companies	94.2	185.7	78.2
Other current liabilities	0.5	2.2	3.6
Accrued expenses and deferred income	5.0	5.2	4.5
<b>Total current liabilities</b>	<b>231.7</b>	<b>349.2</b>	<b>214.3</b>
<b>Total liabilities</b>	<b>288.6</b>	<b>420.3</b>	<b>273.2</b>
<b>Total equity and liabilities</b>	<b>625.2</b>	<b>626.7</b>	<b>620.1</b>

# Quarterly overview

## Quarterly data, Group

MSEK	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net sales	189.9	169.0	176.9	197.5	169.9	183.2	189.8	<b>214.2</b>
Adjusted EBITA	24.4	23.4	22.0	27.1	18.4	26.5	23.2	<b>33.6</b>
Adjusted EBITA margin, %	12.8%	13.8%	12.5%	13.7%	10.8%	14.4%	12.2%	<b>15.7%</b>
Share of premium, %	65%	67%	62%	63%	69%	64%	61%	<b>65%</b>

## Quarterly data per segment

MSEK	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
<b>Net sales per segment</b>								
Nordics	72.4	64.3	69.0	82.4	58.9	64.9	79.8	<b>77.9</b>
Europe	63.4	53.6	60.7	64.6	62.7	58.7	65.0	<b>64.8</b>
Rest of World	54.1	51.1	47.2	50.5	48.3	59.6	45.0	<b>71.5</b>
<b>TOTAL</b>	<b>189.9</b>	<b>169.0</b>	<b>176.9</b>	<b>197.5</b>	<b>169.9</b>	<b>183.2</b>	<b>189.8</b>	<b>214.2</b>

MSEK	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
<b>Adjusted EBITA per segment</b>								
Nordics	6.7	5.7	8.4	11.0	3.8	8.1	8.9	<b>8.0</b>
Europe	9.6	9.2	7.9	10.1	10.0	10.9	11.4	<b>10.9</b>
Rest of World	8.1	8.5	5.7	6.0	4.6	7.5	2.9	<b>14.7</b>
<b>Total adjusted EBITA</b>	<b>24.4</b>	<b>23.4</b>	<b>22.0</b>	<b>27.1</b>	<b>18.4</b>	<b>26.5</b>	<b>23.2</b>	<b>33.6</b>
Items affecting comparability	-2.4	-2.4	-7.3	0.0	-3.2	0.0	0.0	<b>0.0</b>
<b>EBITA</b>	<b>22.0</b>	<b>21.0</b>	<b>14.7</b>	<b>27.1</b>	<b>15.2</b>	<b>26.5</b>	<b>23.2</b>	<b>33.6</b>
Impairment of intangible assets	-4.7	-4.9	-5.0	-5.2	-5.5	-5.6	-5.7	<b>-4.5</b>
<b>Total EBIT</b>	<b>17.3</b>	<b>16.1</b>	<b>9.8</b>	<b>21.9</b>	<b>9.7</b>	<b>20.9</b>	<b>17.5</b>	<b>29.1</b>

# Notes

SEK	Jan-Mar 2024	Jan-Mar 2023	Full-year 2023
<b>Net profit for the period</b>			
Earnings per share before dilution	0.72	0.57	1.74
Earnings per share after dilution	0.72	0.57	1.74
<b>Performance measures used in the calculation of earnings per share before and after dilution (MSEK)</b>			
Net profit for the period	16.3	12.9	39.3
<i>Profit above is attributable to Parent Company shareholders in its entirety.</i>			
<b>Weighted average number of shares before and after dilution</b>			
<i>Before dilution</i>			
Weighted average number of ordinary shares for calculation of earnings per share before dilution	22,583,877	22,583,877	22,583,877
<i>Warrants</i>			
Adjustment for calculation of earnings per share after dilution attributable to warrants	0	0	0
<i>After dilution</i>			
Weighted average number of ordinary shares and potential ordinary shares used as denominator for calculation of earnings per share after dilution	22,583,877	22,583,877	22,583,877

# Definitions

## Share of premium

Net sales of premium products divided by total net sales.

## Number of employees

Total number of employees included on Embellence Group's payroll at the end of the period.

## Gross margin

Gross profit divided by net sales.

## Gross profit

Net sales less cost of goods sold.

## EBITA

Earnings before interest, taxes and amortisation.

## EBITA margin

EBITA divided by net sales.

## EBITDA

Earnings before interest, taxes, depreciation and amortisation.

## Adjusted EBITA

EBITA adjusted for items affecting comparability.

## Adjusted EBITA margin

Adjusted EBITA divided by net sales.

## Items affecting comparability

Material costs that impact comparability of accounting periods. These items include, but are not limited to, restructuring costs, listing costs, acquisition costs and losses in connection with divestments of operations.

## Net debt

The sum of non-current interest-bearing liabilities, non-current lease liabilities, current interest-bearing liabilities, current lease liabilities, liabilities and receivables against Group companies and bank overdraft minus cash and cash equivalents.

## Net debt/EBITDA

Net debt divided by EBITDA, rolling 12 months.

## Net debt/EBITDA excl. IFRS 16

Net debt divided by EBITDA, rolling 12 months, excluding lease liabilities, interest and impairments under IFRS 16.

## Net sales – organic growth

Change in net sales after adjustments for net sales that have arisen from acquired or divested operations, in constant currencies.

## Premium sales

Wallpaper for which the end consumer pays more than SEK 700 per roll.

Artscape's products and the majority of Pappelina's product range.

## Earnings per share in SEK

Profit after tax divided by the normal number of shares.

## Earnings per share in SEK after dilution

Earnings after tax divided by the average number of shares outstanding during the period plus the number of shares that would have been issued as an effect of the ongoing incentive programmes.

## Equity ratio

Equity attributable to Parent Company shareholders as a percentage of total assets.

## About Embellence Group AB

Embellence Group acquires, owns and develops strong brands in wallpaper, textiles, rugs and other interior decoration.

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## Financial calendar

2024 Annual General Meeting – 8 May  
Capital Market Day – 21 May  
Q2 2024 – 18 July  
Q3 2024 – 24 October  
Q4 2024 – 20 February 2025