

The background of the entire page is a photograph of a snowy mountain range under a night sky. A vibrant aurora borealis (northern lights) is visible, displaying shades of green and blue. The mountains are covered in snow, and the sky is filled with stars and the soft glow of the aurora. The text is overlaid on the upper left portion of this image.

# GoNorth<sup>®</sup>

Go North Group AB  
Q4 Interim Report

# Interim Report Fourth Quarter 2024

## Fourth quarter Oct – Dec 2024 (compared to Oct – Dec 2023)

- › Net sales were KSEK 159,714 (185,801).
- › Adjusted EBITDA was KSEK -18,135 (-16,526).
- › EBITA was KSEK -18,655 (-23,985).
- › Net financial debt / Adjusted EBITDA was N/A (N/A).
- › Cash flow from operating activities was KSEK -3,238 (-42,119).
- › ROCE was -1.8% (-1.5%).

## FINANCIAL OVERVIEW

KSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net Sales	159,714	185,801	558,544	650,273
Adjusted EBITDA	-18,135	-16,526	-12,146	-4,004
EBITA	-18,655	-23,985	-14,238	-30,491
Net financial debt/Adjusted EBITDA	N/A	N/A	N/A	N/A
Cash flow from operating activities	-3,238	-42,119	-26,670	-189,089
ROCE	-1.8%	-1.5%	-19.5%	-12.8%

*For definitions, please refer to page 13.*

## Update from CEO

The fourth quarter of 2024 is most accurately described as a time of accelerated change at Go North. To deepen the transition towards a business with a commercial core, organizational and process changes took place, while more deeply instilling a pragmatic, cost-conscious way of working, ensuring profitable business practices. Revenue continues to improve across the Go North portfolio, and with an established lower fixed cost structure, we believe we have a solid base to build on.

A significant number of accounting adjustments, some pertaining to previous years, led to a reduction in our reported EBITDA in quarter four 2024. Without these adjustments, we see an increase in EBITDA in quarter four 2024 vs quarter four 2023.

In quarter three 2024, the company entered a formal reconstruction process, and it continued during quarter four. The primary objectives of stabilizing the business and reducing debt remained steadfast, and ongoing negotiations were fruitful, leading us to believe that the future of Go North will be positive post reconstruction.

Ryan Looyen, CEO

# Financial Reports

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in KSEK	Financial period			
	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	159,714	185,801	558,544	650,273
Capitalized work on own account	-	1,505	193	10,811
Other operating income	5,224	61	7,053	1,391
<b>Total Income</b>	<b>164,937</b>	<b>187,367</b>	<b>565,790</b>	<b>662,475</b>
Cost of goods sold	-50,640	-59,017	-153,286	-177,641
<b>Gross profit</b>	<b>114,297</b>	<b>128,350</b>	<b>412,504</b>	<b>484,834</b>
Selling and administrative costs	-127,538	-151,185	-415,055	-512,621
Depreciation, amortization & impairments*	-4,624	-966	-251,846	-95,139
Other operating costs	-4,893	-714	-9,594	-714
<b>Operating profit (loss)</b>	<b>-22,759</b>	<b>-24,515</b>	<b>-263,992</b>	<b>-123,640</b>
Financial income	3,851	12,072	57,629	14,580
Financial expenses	-57,745	-19,829	-181,341	-107,981
<b>Net financial items</b>	<b>-53,894</b>	<b>-7,757</b>	<b>-123,712</b>	<b>-93,401</b>
<b>Profit (loss) before tax</b>	<b>-76,653</b>	<b>-32,272</b>	<b>-387,704</b>	<b>-217,041</b>
Tax related to previous years	-2,831	-	-2,831	-
Deferred tax	397	-	2,908	-
<b>Profit (loss) for the period</b>	<b>-79,088</b>	<b>-32,272</b>	<b>-387,627</b>	<b>-217,041</b>

Profit (loss) for the period and total comprehensive income are, in their entirety, attributable to shareholders of the parent company.

The Group has no items that are recognized as other comprehensive income. Total comprehensive income is therefore the same as net profit for the period.

Depreciation, amortization and impairments includes both impairment and reversal of previous impairments.

**Earnings per share, calculated on profit (loss) for the period attributable to parent company shareholders of number ordinary shares:**

Amounts in KSEK	Financial period			
	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Earnings per share, basic	-44.56	-18.2	-218.38	-122.3
Number of shares	1,775,045	1,775,045	1,775,045	1,775,045

## Management Comments

### Net sales

During the fourth quarter, net sales amounted to KSEK 159,714 (185,801). No acquisitions were made during the quarter. Go North owns 1 brand less compared to same quarter last year for a total of 33 brands (34).

### Adjusted EBITDA

In the fourth quarter, adjusted EBITDA was KSEK -18,135 (-16,526). The lower adjusted EBITDA is due to large adjustments for one-time acquisition costs of KSEK 7,043 in the same quarter last year.

### EBITA

EBITA in the fourth quarter was KSEK -18,655 (-23,985). The increased EBITA compared to previous year is due to reduced fixed personnel costs in the current year as well as a large adjustment made in the same quarter last year to expense equity raise costs.

### Net debt/Adjusted EBITDA

During the fourth quarter both this year and last, the Net financial debt/Adjusted EBITDA ratio was negative.

### Cash flow from operating activities

In the fourth quarter, cash flow from operating activities was KSEK -3,238 (-42,119). The cash flow from operating activities in the current quarter increased in general due to reduced headcount as well as external services when compared to the same quarter last year.

### ROCE

During the fourth quarter, the return on capital employed (ROCE) stood at -1.8% (-1.5%). This KPI has worsened relative to the previous year mainly due to larger financial income in the previous year relative to the operating profit.

## Significant events in the fourth quarter, October – December 2024

Due to extremely high debt with unsustainable interest rates between 11-15%, negative equity in the parent and three subsidiaries and the related establishment of balance sheets for liquidation purposes (kontrollbalansräkning in Swedish) in the second quarter, Go North Group AB filed for reconstruction with the Swedish courts on September 12, 2024. The Swedish courts accepted the application on September 16, 2024. The reconstruction process has enabled an extension of the deadline for resolving the negative equity in Go North Group AB to be two months after the reconstruction ends. The reconstruction process requires all outstanding debt in Go North Group AB to be frozen as of the reconstruction date, to allow for the process of renegotiating outstanding debt to levels which can be carried by the ongoing business.

Together with the legal administrator of the reconstruction, Magnus Löfving, Go North prepared a reconstruction plan that was presented to creditors during the fourth quarter. The objective of the reconstruction plan was to renegotiate the outstanding debt and find a realistic plan for Go North's future as a going concern. The reconstruction deadline was extended until mid-March 2025.

In the second week of November 2024, Go North's top fourth quarter product was taken down by Amazon due to patent infringement claims. This had a significant impact on the November and December revenue.

Additionally, a legal case was ongoing throughout the fourth quarter with the former owner of a brand Go North owns.

During the fourth quarter, Go North launched its own e-commerce website, gonorthshop.com and started fulfilling customer orders there using fulfillment by Amazon.

## Significant events after the end of the reporting period

Go North's negotiations with bondholders are ongoing. It is unknown at this time whether the reconstruction deadline will be extended beyond March 2025.

Go North made further internal reorganizations during February and as part of that process outsourced its finance function in Sweden.

Equity was restored in two out of four subsidiaries which had previously established balance sheets for liquidation during the second quarter 2024. The Board took a decision in February 2025 to liquidate the other two subsidiaries, as these have no active business.

## Parent company

The net sales for the parent company during the fourth quarter was KSEK -1,944 (32,693). The reason for the negative net sales in the current year was due to a true-up of incorrectly calculated management fee income in the parent company. The parent company's net profit during the same period was KSEK -83,747 (-14,498).

On September 12, 2024 the parent company (Go North Group AB) filed for reconstruction with the Swedish courts. The Swedish courts accepted the application on September 16, 2024 and appointed Magnus Löfving at Advokatfirman Lindahl KB as the legal administrator of the reconstruction.

## CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

Amounts in KSEK

Financial period

	Dec 31, 2024	Dec 31, 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Brands	302,889	562,639
Other intangible assets	12,562	15,579
Property, plant and equipment assets	472	847
Right-of-use assets	623	2,492
Other assets	211	-
<b>Total non-current assets</b>	<b>316,757</b>	<b>581,557</b>
<b>Current assets</b>		
Stock	91,914	95,703
Account receivables	113	89
Other current receivables	45,001	40,683
Prepaid expenses and accrued income	11,050	7,628
Cash and cash equivalents	90,329	14,742
<b>Total current assets</b>	<b>238,407</b>	<b>158,845</b>
<b>TOTAL ASSETS</b>	<b>555,164</b>	<b>740,402</b>

Amounts in KSEK

Financial period

	Dec 31, 2024	Dec 31, 2023
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	500	500
Other capital contributed	288,185	285,388
Retained earnings	-268,652	-51,611
Net profit for the year	-387,627	-217,041
<b>Total equity attributable to Parent Company's shareholders</b>	<b>-367,594</b>	<b>17,236</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bond loan	714,549	-
Liabilities to credit institutions	55,247	45,354
Leasing liabilities	-	574
Deferred tax liability	9,867	16,662
Other non-current liabilities	-	29,807
Provisions	1,587	3,126
<b>Total non-current liabilities</b>	<b>781,250</b>	<b>95,523</b>
<b>Current liabilities</b>		
Bond loan	-	523,269
Accounts payable	16,142	7,769
Leasing liabilities	574	2,204
Liabilities to credit institutions	-	63
Other current liabilities	75,634	73,059
Accrued expenses and prepaid income	49,158	21,279
<b>Total current liabilities</b>	<b>141,508</b>	<b>627,643</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>555,164</b>	<b>740,402</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in KSEK

Attributable to shareholders of the parent company

	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for the year	Total equity
<b>Opening balance at Jan 1, 2023</b>	500	240,048	-	-51,611	188,937
Profit (loss) for the period	-	-	-	-217,041	-217,041
<b>Total comprehensive income for the period</b>	-	-	-	-217,041	-217,041
<b>Transactions with shareholders in their role as owners</b>					
New share issue	-	-	-	-	-
Bonus issue	-	-	-	-	-
Issue cost	-	-2,038	-	-	-2,038
Shareholders contribution	-	47,378	-	-	47,378
<b>Closing balance at Dec 31, 2023</b>	500	285,388	-	-268,652	17,236
<b>Opening balance at Jan 1, 2024</b>	500	285,388	-	-268,652	17,236
Profit (loss) for the period	-	-	-	-387,627	-387,627
<b>Total comprehensive income for the period</b>	-	-	-	-387,627	-387,627
<b>Transactions with shareholders in their role as owners</b>					
Issue cost	-	-	-	-	-
Reversal of issue costs	-	2,797	-	-	2,797
Shareholders contribution	-	-	-	-	-
<b>Closing balance at Dec 31, 2024</b>	500	288,185	-	-656,279	-367,594



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Amounts in KSEK

Financial period

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Cash flow from operating activities</b>				
Profit/loss after financial items	-76,653	-32,272	-387,703	-217,041
Adjustments for items not included in cash flow*	53,870	-20,611	345,869	96,430
Income tax paid	-	-	-	-9,662
<b>Cash flow from operating activities before changes in working capital</b>	<b>-22,783</b>	<b>-52,883</b>	<b>-41,834</b>	<b>-130,273</b>
<b>Cash flow from changes in working capital</b>				
Increase (-) /decrease (+) of inventories	-9,891	16,893	3,789	-30,473
Increase (-) /decrease (+) of operating receivables	-9,839	21,136	-7,764	-9,199
Increase (+) /decrease (-) of operating liabilities	39,275	-27,265	19,139	-19,144
<b>Total changes in working capital</b>	<b>19,545</b>	<b>10,764</b>	<b>15,164</b>	<b>-58,816</b>
<b>Cash flow from operating activities</b>	<b>-3,238</b>	<b>-42,119</b>	<b>-26,670</b>	<b>-189,089</b>
<b>Cash flow from investing activities</b>				
Investment in rented facilities	-211	-	-211	-
Sale of tangible assets	224	-	224	-
Investments in intangible fixed assets	-662	-14,096	-11,463	-297,884
Investments in tangible assets	-	-	-	-343
<b>Cash flow from investing activities</b>	<b>-649</b>	<b>-14,096</b>	<b>-11,450</b>	<b>-298,227</b>
<b>Cash flow from financing activities</b>				
Increase/repayments of loans	-	-	113,707	297,276
New issue/shareholders contribution	-	-	-	47,378
Change in overdraft facility/loans	-	-	-	-1,838
Amortization of lease liabilities	-	-529	-	-
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-529</b>	<b>113,707</b>	<b>342,816</b>
<b>Closing cash and cash equivalents</b>				
Decrease/increase in liquid assets	-3,887	-56,744	75,587	-144,500
Opening cash and cash equivalents	94,216	71,486	14,742	159,242
<b>Closing cash and cash equivalents</b>	<b>90,329</b>	<b>14,742</b>	<b>90,329</b>	<b>14,742</b>

# Parent Company

## Income statement

Amounts in KSEK	Financial period			
	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Operating income</b>				
Net sales	-1,944	32,693	55,549	97,561
Capitalized work on own account	-	1,505	193	10,811
Other operating income	68	1,421	173	2,741
<b>Total income</b>	<b>-1,876</b>	<b>35,619</b>	<b>55,915</b>	<b>111,113</b>
Sales and administration costs	-19,580	-25,209	-73,097	-108,173
Other operating costs	-102	-	-140	-
Depreciation, amortization and impairments	-11,286	-24,880	-208,181	-197,249
<b>Operating profit</b>	<b>-32,844</b>	<b>-14,470</b>	<b>-225,503</b>	<b>-194,309</b>
Results from shares in subsidiaries	-	-	-	2,542
Financial income	2,727	10,967	56,085	13,473
Financial expenses	-58,179	-24,726	-183,929	-113,329
<b>Financial items - net</b>	<b>-55,452</b>	<b>-13,759</b>	<b>-127,844</b>	<b>-97,314</b>
<b>Profit after financial items</b>	<b>-88,296</b>	<b>-28,229</b>	<b>-353,347</b>	<b>-291,623</b>
Group contributions received	4,152	9,843	4,152	9,843
Deferred tax	397	3,888	2,908	3,888
Income tax	-	-	-	-
<b>Net profit for the period</b>	<b>-83,747</b>	<b>-14,498</b>	<b>-346,287</b>	<b>-277,892</b>

The Parent Company has no items that are recognized as other comprehensive income. Total comprehensive income is therefore the same as net profit for the period.

## Balance sheet

Amounts in KSEK

Financial period

	Dec 31, 2024	Dec 31, 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Brands	219,229	438,526
Other intangible assets	12,561	15,579
Property, plant and equipment assets	472	847
Shares in group companies	34,647	34,130
Other assets	211	-
<b>Total non-current assets</b>	<b>267,120</b>	<b>489,082</b>
<b>Current assets</b>		
Receivables from group companies	113,159	155,014
Accounts receivables	113	89
Other current receivables	11,336	848
Prepaid expenses and accrued income	1,220	1,960
Cash and cash equivalents	73,670	2,933
<b>Total current assets</b>	<b>199,498</b>	<b>160,844</b>
<b>TOTAL ASSETS</b>	<b>466,618</b>	<b>649,926</b>

Amounts in KSEK

Financial period

	Dec 31, 2024	Dec 31, 2023
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	500	500
Fund for development expenditure	12,561	15,555
Other capital contributed	275,625	272,631
Retained earnings	-355,200	-77,307
Net profit for the year	-346,287	-277,893
<b>Total equity attributable to parent company's shareholders</b>	<b>-412,802</b>	<b>-66,514</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bond loan	714,549	-
Liabilities to credit institutions	55,247	45,354
Deferred tax liability	9,867	12,775
Other non-current liabilities	-	29,807
<b>Total non-current liabilities</b>	<b>779,663</b>	<b>87,936</b>
<b>Current liabilities</b>		
Bond loan	-	523,269
Liabilities to group companies	-	800
Accounts payable	2,500	3,805
Liabilities to credit institutions	-	63
Other current liabilities	64,406	83,700
Accrued expenses and prepaid income	32,851	16,867
<b>Total current liabilities</b>	<b>99,757</b>	<b>628,504</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>466,618</b>	<b>649,926</b>

## Notes to the consolidated statements

### General

Go North Group AB ("Go North"), Corp. Id. No 559252-2188 is a Parent Company registered in Sweden and domiciled in Gothenburg, with address Första Långgatan 28B, 413 27, Gothenburg, Sweden.

All amounts are stated in SEK thousand (KSEK) unless stated otherwise. Amounts in brackets refer to the comparative year.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary Accounting Rules for Groups. The group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For the Parent Company, the report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. The accounting policies adopted are consistent with those applied for the 2023 Annual Report and should be read in conjunction with that Annual Report.

### Related party transactions

No related party transactions have been performed during the period.

### Note 1 – Distribution of revenue

The disaggregation of net sales in geographic markets and time of reporting is summarized below. Previous periods were found to contain estimates and have been updated to reflect the true split between markets. The main markets affected by this correction were the split between the UK & Europe.

Amounts in KSEK

Financial period

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Geographic market</b>				
USA	145,003	171,832	496,234	589,554
EU	6,992	3,043	37,368	32,960
United Kingdom	7,045	5,865	21,893	23,341
Canada	523	921	2,412	3,887
Other	151	4,140	637	531
<b>Net sales</b>	<b>159,714</b>	<b>185,801</b>	<b>558,544</b>	<b>650,273</b>

### Note 2 – Financial instruments at fair value

The Group's financial instruments are recognized at amortized cost. The carrying amount offers a reasonable estimate of fair value.

## Definitions of financial measurements used in the financial overview

In the financial overview Go North presents alternative performance measurements (APM) together with the financial measurements established by IFRS. This is in order to better explain the development of the business and the financial position. However, such measurements shall not be considered as a substitute for the key measurements required under IFRS. The alternative performance measurements presented in this report are described below.

Financial measure	APM/IFRS	Definition	Rationale
<b>Net Sales</b>	IFRS	Total revenue generated excluding any sales returns, allowances, and discounts	This measure shows how well Go North sells its products and generates other revenue.
<b>Adjusted EBITDA</b>	APM	Net income with interest, taxes, depreciation, amortization and one-time acquisition costs and one-time restructuring costs added back.	The core measure for Go North's underlying health and ability to generate cash, when filtering out one-time change activities.
<b>EBITA</b>	APM	Operating profit excluding amortization and impairment of brands.	The measure enables comparisons of profit generation over time regardless of amortization of acquisition-related intangible assets and regardless of the corporate tax rate and the company's financing structure. However, depreciation on tangible assets is included, which is a measure of a resource consumption that is necessary to generate the result.
<b>Net Financial Debt/Adjusted EBITDA ratio</b>	APM	The quarter's Adjusted EBITDA has been annualized by multiplying with 4. The half-year's Adjusted EBITDA has been annualized by multiplying with 2.	This shows how many years it would take for Go North to pay back its debt if net financial debt and Adjusted EBITDA are held constant.
<b>Cash flow from operating activities</b>	IFRS	Operating Income plus depreciation minus taxes plus change in working capital.	This indicates the amount of money generated in from ongoing, regular business activities.
<b>ROCE</b>	APM	Dividing net operating profit by capital employed. Capital employed being share capital, other equity contributions and borrowings.	This measure helps to understand how well Go North generates profits from its capital as it is put to use.

## Other Information

### Significant Risks and Uncertainties

Go North is in a challenging financial position, facing major current risks in capital structure and longer term liquidity risks, as well as legal risks related to overdue stability payments and earn-outs for previous acquisitions.

It is uncertain whether the Group will have enough liquidity to fulfil its financial obligations and finance its ongoing business in the coming periods.

The capital structure, with significantly more debt than asset value, has resulted in large negative equity with uncertainties related to if, when and how this can be restored. If the negative equity cannot be restored in the parent company, it will be forced to liquidate according to Swedish law.

### Personnel

The total number of employees at the end of Q4 was 27, not including consultants.

### Auditor's Review

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

### Financial Calendar

30 April 2025 – Annual Report 2024

### For more information, please contact:

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