

The background of the entire page is a photograph of a snowy mountain range under a night sky. The sky is filled with a vibrant aurora borealis, showing shades of green and blue. The mountains are covered in snow, and the overall scene is serene and majestic.

GoNorth[®]

Go North Group AB
Q3 Interim Report

Interim Report Third Quarter 2023

Third quarter July - Sep 2023 (compared to July - Sep 2022)

- ▶ Net sales were KSEK 167,697 (33,593).
- ▶ Adjusted EBITDA was KSEK -3,106 (-1,128).
- ▶ EBITA was KSEK -4,732 (-4,679).
- ▶ Net financial debt / Adjusted EBITDA was -43.17 (-26.16)*.
- ▶ Cash flow from operating activities was KSEK -164,920 (-70,823).
- ▶ ROCE was -10.7% (-1.3%).

*For bond net debt covenant see pro forma income statement below.

FINANCIAL OVERVIEW

KSEK	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Net Sales	167,697	33,593	464,472	46,985	118,224
Adjusted EBITDA	-3,106	-1,128	12,521	-12,532	-3,948
EBITA	-4,732	-4,679	-6,507	-18,570	-18,423
Net financial debt/Adjusted EBITDA	-43.17	-26.16	22.22	-7.06	-30.9
Cash flow from operating activities	-164,920	-70,823	-142,240	-79,322	80,331
ROCE	-10,7%	-1,3%	-9,0%	-5,3%	-3,4%

For definitions, please refer to page 14.

Update from CEO/Founder

Product-Centric Operations in Q3

As we reflect on the third quarter, it's with satisfaction that we observe significant progress in our journey to transform the business into a product-centric organization. Among that, we have a renewed focus on refining marketing and replenishment strategies, strategically aligning with the upcoming holiday quarter for our fast-moving, more profitable products. At the same time, we recognize the importance of fortifying the brands within our existing portfolio and have therefore made the strategic decision to temporarily pause acquisitions. This move allows us to concentrate our efforts and resources on the growth of the brands within the portfolio.

We've accelerated the sunsetting and liquidation processes for our slower-moving products. This proactive and strategic approach is expected to enhance profitability and contribute to the improvement of our operational cash flow.

Market Developments

Within the Amazon aggregator sector, investor sentiments and financial stability continue to be judiciously managed. Notably, significant developments include the announcement of bankruptcy by the US-based aggregator Benitago. Subsequently, there has been a recent disclosure indicating that Thrasio is also in the process of preparing for bankruptcy. These events underscore the dynamic nature of the market, prompting us to remain vigilant and adaptive in our strategic approach.

Amazon continues to develop its platform and collaboration with AI tools and social media platforms. The integration of cutting-edge technologies has helped streamline our operations, from optimizing product listings to product development. The utilization of AI-driven tools has empowered us but simultaneously contributed to a heightened competitive landscape, as industry players also harness these innovations to enhance their own operations. As technology continues to evolve, we remain committed to not only leveraging these innovations but also staying attuned to the dynamic competitive environment, ensuring our strategies remain agile and adaptive.

Business Updates

In the third quarter, we achieved several milestones, building our momentum and solidifying our business operations toward improved profitability of our existing products and operational cash flow.

Our commitment to a product-centric focus on profitability was underscored by strategic initiatives, including the reallocation of marketing budgets, targeted price increase experimentation, and the activation of new TikTok and referral marketing channels during Prime Days 2023. Additionally, we expedited participation in Amazon's Ship In Own Container (SIOC) program, a move expected to yield improved FBA costs per unit.

Cash flow optimization took center stage with enhancements in supply and replenishment rules of operation. This facilitated the sell-out and liquidation of slow-moving stock, directing cash flow toward high-performing products.

Outlook

After the reporting period, on the 2nd of November, we announced in a press release an updated and reduced financial outlook together with a restructuring program to reach profitability as soon as possible. This program targets a reduction of overhead costs from SEK 103m for the full year 2023, to SEK 60-65m for the full year 2024.

While external market conditions remain cautious, the proactive measures we have undertaken to enhance profitability and optimize cash flow serve as critical preparatory steps. This program's anticipated outcomes include organic growth in our product development investments, improved margins, and a reduction in organizational complexity through the phased discontinuation of slow-moving products.

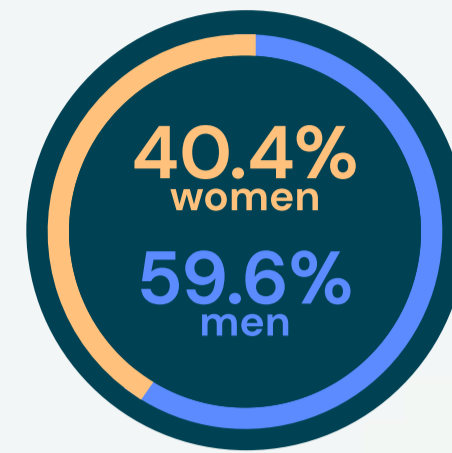
Johan Hallenby,
CEO/Founder



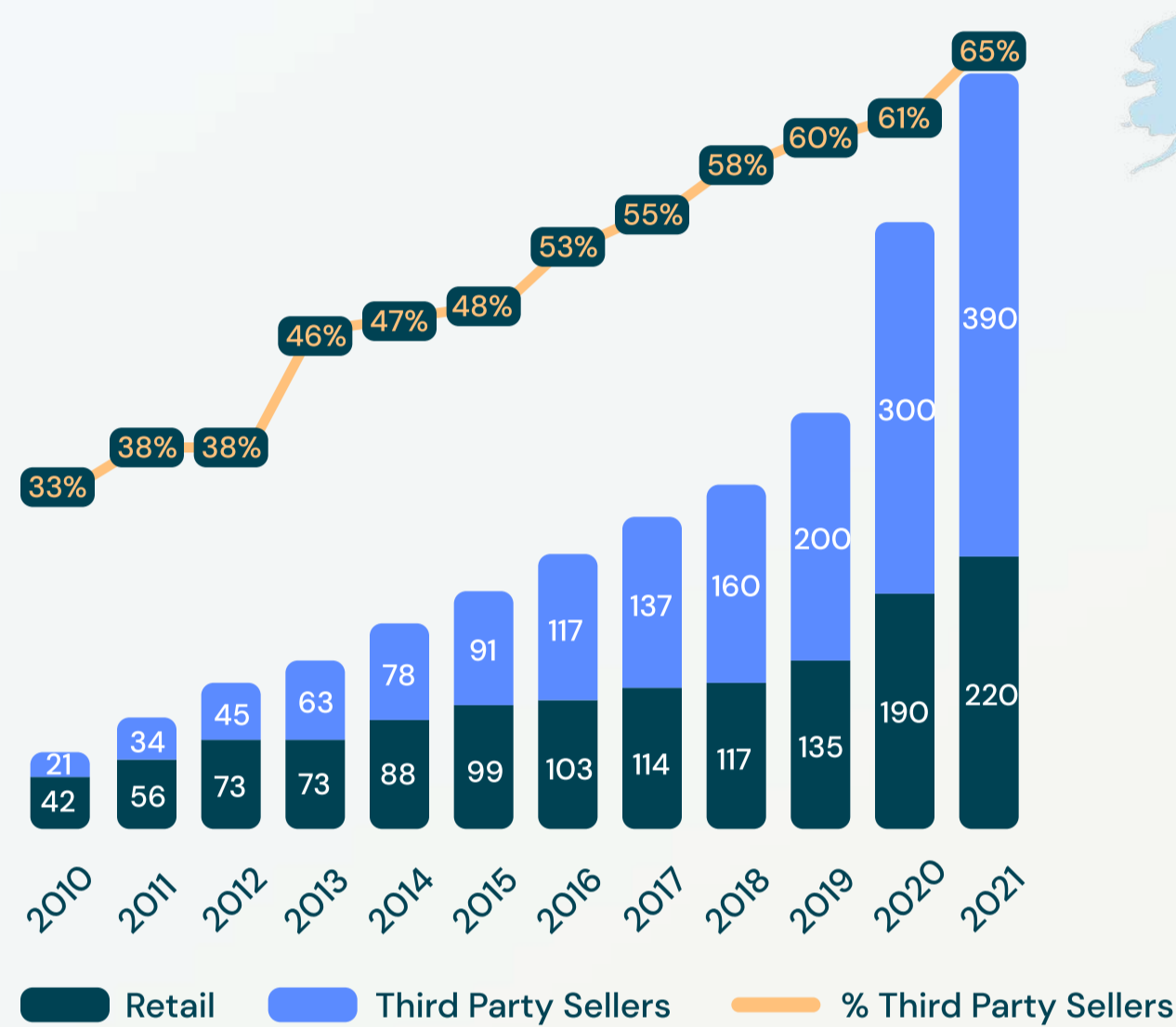
Go North in Brief

Go North is the leading Amazon FBA operator in Northern Europe that acquires and scale brands on Amazon. We acquire Amazon FBA brands that are fast-growing, profitable, have a proven business model and track record on Amazon with significant potential to accelerate the organic growth.

We work as a third party seller and that market is a key driver behind Amazon's growth where our target brands are in the most attractive segments.



Amazon consumer good sales, USDbn



VISION

Go North unlocks the potential of products and people with knowledge and care - making sustainable consumption possible on Amazon and beyond.

MISSION

Our vision is to be the number one choice for brands believing in making sustainable consumption possible on Amazon and beyond.

SUSTAINABILITY

Our commitment to ethical, transparent business practices is in our core. Throughout a product's lifecycle, we actively reduce our environmental footprint, promoting sustainability for our customers, the planet, and our business. We take a long-term perspective in our brand investment and only focuses on evergreen products and avoid categories like fast fashion.

GO NORTH MANTRAS

Go People

Go Green

Go Fair

Go Secure

Go Data

Financial Reports

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in KSEK

Financial period

	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Net sales	167,697	33,593	464,472	46,985	118,224
Capitalized work on own account	4,168	-	9,306	-	5,885
Other operating income	3,432	469	7,288	696	7,401
Total Income	175,297	34,062	481,066	47,681	131,510
Cost of goods sold	-44,009	-15,773	-118,624	-20,935	-55,455
Gross profit	131,288	18,289	362,442	26,746	76,055
Selling and administrative costs	-132,860	-19,307	-361,436	-40,921	-87,695
Depreciation, amortization and impairments	-93,146	0	-94,173	0	0
Other operating costs	-2,632	-3,661	-5,957	-4,395	-6,783
Operating profit (loss)	-97,350	-4,679	-99,124	-18,570	-18,423
Financial income	3,707	-	20,495	-	939
Financial expenses	-27,750	-9,048	-106,139	-9,286	-22,401
Net financial items	-24,043	-9,048	-85,644	-27,857	-21,462
Profit (loss) before tax	-121,393	-13,727	-184,768	-27,857	-39,885
Income tax	-	-	-	-	-9,502
Profit (loss) for the period	-121,393	-13,727	-184,768	-27,857	-49,387

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.

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

Amounts in KSEK

Financial period

	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Earnings per share, basic	-68,4	-7,7	-104,1	-15,7	-27,8
Number of shares	1,775,045	1,775,045	1,775,045	1,775,045	1,775,045

Management Comments

Net sales

During the third quarter, net sales amounted to KSEK 167,697 (33,593). No acquisitions were made during the quarter, with performance driven by organic sales of existing brands.

Adjusted EBITDA

In the third quarter, adjusted EBITDA reached KSEK -3,106 (-1,128), indicative of the softer sales in the quarter and an increase in overhead costs.

EBITA

EBITA in the third quarter closed at KSEK -4,732 (-4,679) indicative of the softer sales in the quarter and increase in overhead costs.

Net debt/Adjusted EBITDA

During the third quarter, the Net financial debt/ Adjusted EBITDA ratio was -43.17 (-26.16), a consequence of Go North's use of debt to finance its acquisition strategy and recent investments in building core capabilities.

Cash flow from operating activities

In the third quarter, cash flow from operating activities was KSEK -164,920 (-70,823). Contributors include the upfront payment of a recent acquisition and higher levels of inventory in preparation for the upcoming holiday season.

ROCE

During the third quarter, our return on capital employed (ROCE) stood at -10.7% (-1.3%), indicative of a decline in profitability due to increased operating expenses and lower sales.

Significant events in the third quarter, July – September 2023

During the third quarter, Go North did not acquire any new brands, but focused on optimizing its current brands.

Due to lower-than-anticipated profitability and diminished sales performance, an impairment occurred in the form of a write-down of brand assets, totaling KSEK 92,180 for five brands. This impairment was a consequence of the phased discontinuation of products within the acquired brand portfolios, as these items were deprioritized for future sales and developmental efforts.

This also led to a subsequent write-down of the stability payment and earn-out (delayed acquisition payment) of a total of KSEK 93,165. This is following updated acquisition analyses and communication with the sellers of these brands. Further reduction of Other current liabilities relates mainly to payment of the first installment of brands acquired in the second quarter to the amount of KSEK 109,991.

The net working capital reduction from the sunsetting is estimated to MSEK 5 during this quarter, mainly for accelerated sell-out by using discounts. However, the net change of the Stock during the quarter is positive (+KSEK 22,067) due to the seasonal inventory increase before the peak sales season in November-December.

The bond loan was unchanged during the third quarter.

During the third quarter, a convertible bond issue process for adding equity to the group was started.

Significant events after the end of the reporting period

On October 6th it was decided and communicated that the initiated convertible bond issue was canceled, and focus instead would be on organic growth.

November 2nd it was concluded and communicated via a press release from the Group that due to an updated financial outlook a restructuring program was launched, to reduce total overhead costs. The press release also stated that the group expected to be in breach with financial covenants under the terms and conditions of its existing senior secured floating rate bond. Pareto Securities AB was mandated as an Advisor to initiate discussions with bondholders and the provider of the revolving credit facility to find a long-term solution for these debt vehicles.

In the reporting period of Q3'23, it became evident that the Group had breached its financial covenants. The primary factors for this breach are the lack of profitability as well as not being able to raise sufficient new capital. As press released by Go North on 6th October 2023, Go North's parent company was unsuccessful with the contemplated convertible bond issue which would have provided Go North with additional capital. Due to IAS 1 point 69, the bond has now been reclassified as short-term. In response to this, The Group has initiated a proactive dialogue with the bondholders and will apply for a waiver to address these covenant violations.

Parent company

The net sales for the parent company during the third quarter were KSEK 22,021 (33,593). The parent company's net profit during the same period was KSEK -144,167 (-13,727).

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

Amounts in KSEK

Financial period

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
ASSETS			
Non-current assets			
Goodwill	714	-	714
Brands	552,908	161,685	437,030
Other intangible assets	14,605	-	5,885
Property, plant and equipment assets	904	578	714
Right-of-use assets	2,960	-	4,362
Total non-current assets	572,091	162,263	448,705
Current assets			
Stock	112,596	33,755	65,230
Other current receivables	65,604	11,248	30,292
Prepaid expenses and accrued income	3,932	60,714	8,910
Cash and cash equivalents	71,486	108,919	159,242
Total current assets	253,618	214,636	263,674
TOTAL ASSETS	825,709	376,899	712,379

Amounts in KSEK

Financial period

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital	500	500	500
Other capital contributed	284,739	135,622	240,048
Retained earnings	-51,611	-2,224	-2,224
Net profit for the year	-184,769	-27,857	-49,387
Total equity attributable to Parent Company's shareholders	48,860	106,041	188,937
LIABILITIES			
Non-current liabilities			
Bond loan	-	215,485	269,457
Liabilities to credit institutions	49,168	1,938	1,313
Leasing liabilities	1,138	-	2,778
Deferred tax liability	16,662	-	16,662
Other non-current liabilities	32,181	-	10,088
Total non-current liabilities	99,149	217,423	300,298
Current liabilities			
Bond loan	540,564	-	-
Accounts payable	16,014	3,482	12,678
Leasing liabilities	2,169	-	1,901
Liabilities to credit institutions	1,245	-	-
Other current liabilities	77,329	41,689	193,853
Accrued expenses and prepaid income	40,379	8,264	14,712
Total current liabilities	677,700	53,435	223,144
TOTAL EQUITY AND LIABILITIES	825,709	376,899	712,379

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
Opening balance at Jan 1, 2022	46	6,061	-	-2,224	3,883
Profit (loss) for the period	-	-	-	-27,857	-27,857
Total comprehensive income for the period	-	-	-	-27,857	-27,857
Transactions with shareholders in their role as owners					
New share issue	18	80,182	-	-	80,200
Bonus issue	436	-436	-	-	-
Issue cost	-	-554	-	-	-554
Shareholders contribution	-	50,369	-	-	50,369
Closing balance at Sep 30, 2022	500	135,622	-	-30,081	106,041
Opening balance at Jan 1, 2023	500	240,048	-	-51,611	188,937
Profit (loss) for the period	-	-	-	-184,768	-184,768
Total comprehensive income for the period	-	-	-	-184,768	-184,768
Transactions with shareholders in their role as owners					
Issue cost	-	-2,687	-	-	-
Shareholders contribution	-	47,378	-	-	-
Closing balance at Sep 30, 2023	500	284,739	-	-236,379	48,860

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Amounts in KSEK

Financial period

	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Cash flow from operating activities					
Profit/loss after financial items	-121,393	-13,727	-184,769	-27,857	-39,885
Adjustments for items not included in cash flow	93,146	-990	94,173	776	1,463
Income tax paid	-	-	-	-	-
Cash flow from operating activities before changes in working capital	-28,247	-14,717	-90,596	-27,081	-38,422
Cash flow from changes in working capital					
Increase (+) /decrease (-) of inventories	-22,067	-25,387	-47,366	-32,132	-63,607
Increase (+) /decrease (-) of operating receivables	27,463	-68,516	-27,790	-71,525	-38,765
Increase (+) /decrease (-) of operating liabilities	-142,069	37,437	23,512	51,416	221,125
Total changes in working capital	-136,673	-56,106	-51,644	-52,241	118,753
Cash flow from operating activities	-164,920	-70,823	-142,240	-79,322	80,331
Cash flow from investing activities					
Acquisition of subsidiaries after deduction of acquired liquid assets	-	-	-	-	-2,068
Investments in intangible fixed assets	-	-107,904	-309,035	-159,030	-420,895
Investments in tangible assets	-142	-962	-342	-1,346	-4,583
Cash flow from investing activities	-142	-108,866	-309,377	-160,376	-427,546
Cash flow from financing activities					
Increase/repayments of loans	2,012	214,534	271,107	216,034	269,457
New issue/shareholders contribution	-1,692	49,962	43,655	130,015	234,431
Change in overdraft facility/loans	258	611	49,100	-800	-800
Cash flow from financing activities	578	265,107	363,862	345,249	503,088
Closing cash and cash equivalents					
Decrease/increase in liquid assets	-164,485	85,418	-87,756	105,551	155,873
Opening cash and cash equivalents	235,971	23,502	159,242	3,369	3,369
Closing cash and cash equivalents	71,486	108,920	71,486	108,920	159,242

Parent Company

Income statement

Amounts in KSEK

Financial period

	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Operating income					
Net sales	22,021	33,593	64,868	46,985	71,792
Capitalized work on own account	4,168	-	9,306	-	5,885
Other operating income	1,012	469	5,003	696	7,401
Total income	27,201	34,062	79,177	47,681	85,078
Cost of goods sold	-	-15,773	-	-20,935	-65,326
Sales and administration costs	-31,678	-19,307	-82,964	-40,921	-59,367
Other operating costs	-1,584	-3,661	-3,683	-4,395	-6,796
Depreciation, amortization and impairments	-114,941	0	-172,369	0	0
Operating profit	-121,002	-4,679	-179,839	-18,570	-46,411
Results from shares in subsidiaries	0	-	2,542	-	-7,430
Financial income	5,813	-	19,842	-	939
Financial expenses	-28,978	-9,048	-105,939	-9,286	-22,181
Financial items - net	-23,165	-9,048	-83,555	-9,286	-28,672
				-27,857	
Profit after financial items	-144,167	-13,727	-263,394		-75,083
Income tax	-	-	-	-	-
Net profit for the period	-144,167	-13,727	-263,394	-27,857	-75,083

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

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
ASSETS			
Non-current assets			
Brands	454,397	161,685	416,795
Other intangible assets	14,604	-	5,885
Property, plant and equipment assets	904	578	713
Shares in group companies	38,005	-	5,560
Total non-current assets	507,910	162,263	428,953
Current assets			
Receivables from group companies	152,919	-	92,590
Stock	704	33,755	705
Other current receivables	19,624	11,247	16,926
Prepaid expenses and accrued income	1,776	60,715	9,024
Cash and cash equivalents	29,349	108,919	137,776
Total current assets	204,372	214,634	257,021
TOTAL ASSETS	712,282	376,899	685,794

Amounts in KSEK

Financial period

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital	500	500	500
Fund for development expenditure	14,604	-	5,885
Other capital contributed	270,136	135,622	234,873
Retained earnings	-77,307	-2,224	-2,174
Net profit for the year	-263,395	-27,857	-75,083
Total equity attributable to parent company's shareholders	-55,462	106,041	164,001
LIABILITIES			
Non-current liabilities			
Bond loan	-	215,485	269,457
Liabilities to credit institutions	49,168	1,938	1,313
Deferred tax liability	16,662	-	16,662
Other non-current liabilities	32,181	-	10,088
Total non-current liabilities	98,011	217,423	297,520
Current liabilities			
Bond loan	540,564	-	-
Accounts payable	8,015	3,482	12,545
Liabilities to credit institutions	1,245	-	-
Other current liabilities	94,950	41,689	193,853
Accrued expenses and prepaid income	24,959	8,264	13,912
Total current liabilities	669,733	54,435	220,310
TOTAL EQUITY AND LIABILITIES	712,282	376,899	685,974

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 Norra Allégatan 5, 413 01, 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 2022 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.

Amounts in KSEK	Financial period				
	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
Geographic market					
United States	152,658	32,350	423,017	45,209	85,019
Germany	4,757	310	12,844	464	4,221
United Kingdom	4,270	664	14,825	824	4,791
Canada	1,466	83	2,818	136	1,626
Other	4,546	186	10,968	261	22,567
Total income	167,697	33,593	464,472	46,985	118,224

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
Net Sales	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.
Adjusted EBITDA	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.
EBITA	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.
Net Financial Debt/Adjusted EBITDA ratio	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.
Cash flow from operating activities	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.
ROCE	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.

* These adjustments are aligned to Go North's agreement of 3 March 2023 for SEK Tranche Bonds ISIN NO0012829847 and USD Tranche Bonds ISIN NO0012829854, published in the investor relations section on Go North's website. Acquisition costs are the one-time costs associated with the pre-deal activities for acquiring (brand) businesses in a share purchase agreement, and the post-deal integration costs of all acquired (brand) businesses. Restructuring costs are the one-time costs when changing the legal or organizational structure of Go North (up to a maximum total cost of five percent of the total Adjusted EBITDA for the specific quarter).

Pro Forma Income Statement

Amounts in KSEK

Financial period

	Sep 2023 LTM	Dec 2022 LTM
Net sales	764,888	432,661
Other operating income	16,239	6,636
Total income	781,127	439,297
COGS and shipping	-200,100	-109,271
Gross profit 1	581,027	323,390
<i>Gross margin 1</i>	74.4%	74.7%
FBA, selling and logistics fees	-338,917	-164,650
Gross profit 2	242,110	158,740
<i>Gross margin 2</i>	31.0%	36.7%
Ad spend	-94,136	-56,264
Gross profit 3	147,974	102,476
<i>Gross margin 3</i>	18.9%	23.7%
Overhead costs	-95,442	-30,462
Other operating costs	-8,679	-6,783
Adjustments	37,782	8,983
Adjusted EBITDA	81,635	74,214
<i>Adj EBITDA margin</i>	10.5%	16.9%
Organic income growth	23.2%	-
Organic profit growth	-2.4%	-
Net debt leverage - Bond	7.7	-

Description of basis of preparation

This is a table with mainly alternative financial measures outside the IFRS accounting principles. It is prepared following the terms of Go North's agreement of March 3, 2023, for SEK Tranche Bonds ISIN NO0012829847 and USD Tranche Bonds NO0012829854, published in the investor relations section on Go North's website.

The pro forma figures from Revenue to Gross profit 3, except Other operating income, include all brands that were owned by Go North at the end of each period as if they were owned during that entire period. These figures for 2022 are based on data from the associated Amazon Seller Central accounts, except for production and shipping which is based on data from the seller of the brand to Go North and/or internal cost data from Go North. Figures from Revenue to Gross Profit 3 for Q1 and Q2 2023 are based on Go North's actual figures during this period, except if a brand was not owned by Go North for one or several months in this period. In that case, figures from Amazon Seller Central are used for those months instead.

Other operating income, Overhead, and Adjustments are based on Go North's actual overhead costs and adjustments during the entire period.

Organic Income Growth is defined as the 30 September 2023 LTM pro forma Total Income compared to the 30 September 2022 LTM pro forma Total Income. Both periods including the brands owned by Go North as of 30 September 2023, and in SEK.

Organic Profit Growth is defined as the 30 September 2023 LTM pro forma Gross Profit 3 compared to the 30 September 2022 LTM pro forma Gross Profit 3. Both periods including the brands owned by Go North as of 30 September 2023, and in SEK.

Net Debt Leverage - Bond is defined as the ratio between the Net Interest Bearing Debt as of 30 September 2023, plus the then committed delayed payments for brand acquisitions, and the 30 September 2023 Adjusted EBITDA LTM pro forma. In the calculation of Net Debt Leverage Adjusted EBITDA LTM pro forma does not include other operating income and other operating costs.

Other Information

Significant Risks and Uncertainties

Due to a more conservative capital market, we have put the previously planned acceleration of our acquisition strategy on hold. Should this environment continue, the continued low valuation multiples of acquisition targets might fade and this value creation lever becomes less evident.

Personnel

In Quarter 3, Go North continued to adapt to a product-focused business with less complexity, fewer products to manage, and in turn a lower overhead cost.

As planned, Go North continued to phase out consultant costs and implemented further overhead optimizations. The total number of FTEs at the end of Q3 was 107.

Auditor's Review

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

Financial Calendar

29 February 2024 - Interim Report Q4 2023

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