



Interim report Q1

1 JANUARY–31 MARCH 2025

First quarter

- Net sales declined 5.1% to MSEK 561.3 (591.4)
- Comparable growth amounted to -5.4% (2.4)
- Gross profit declined 4.7% to MSEK 236.1 (247.6) and the gross margin rose 0.2 of a percentage point to 42.1% (41.9)
- Adjusted EBITA totalled MSEK -2.3 (-5.6) and the adjusted EBITA margin was -0.4% (-0.9)
- The company's operating loss amounted to MSEK -11.8 (-12.6) and the operating margin to -2.1% (-2.1)
- The net loss for the quarter was MSEK -20.7 (-21.7)
- Cash flow from operating activities totalled MSEK 8.6 (-5.0)
- Earnings per share before and after dilution amounted to SEK -0.67 (-0.70)

Significant events during and after the end of the quarter

- During the quarter, Kjell Group announced that Sandra Gadd had been appointed as the company's new CEO. Andreas Rylander will remain in his current role until Sandra takes over in September 2025
- During the quarter, the Board of Directors of Kjell Group resolved to carry out a fully guaranteed rights issue of MSEK 199.1
- After the quarter, Kjell Group published its annual report and sustainability report for 2024
- After the end of the quarter, the company announced the final outcome of the rights issue, which was fully subscribed

Performance measures

	Q1		Apr-Mar	Jan-Dec
MSEK	2025	2024	24/25	2024
Net Sales	561.3	591.4	2,553.5	2,583.6
Sales growth, %	-5.1%	2.3%	-0.7%	0.9%
Comparable growth, %	-5.4%	2.4%	-1.1%	0.8%
Gross profit	236.1	247.6	1,035.4	1,046.9
Gross margin, %	42.1%	41.9%	40.5%	40.5%
Adjusted EBITA	-2.3	-5.6	52.3	49.1
Adjusted EBITA-margin, %	-0.4%	-0.9%	2.0%	1.9%
Operating profit (EBIT)	-11.8	-12.6	14.3	13.4
Cash flow from operating activities	8.6	-5.0	152.8	139.2
Equity ratio	41.5%	41.9%	-	41.0%
Basic earnings (loss) per share, SEK	-0.67	-0.70	-	-0.64
Members in loyalty club, thousand	3,457	3,273	-	3,387

Focus on profitability with a strengthened balance sheet

The first quarter of the year was dominated by a continued focus on profitability. Both the gross margin and operating profit improved as a result of strong operational measures implemented during the quarter and in the preceding year. The gross margin increased 0.2 of a percentage point to 42.1%, corresponding to gross profit of MSEK 236.1. At the same time, the market remained weak, with lower traffic impacting sales, which amounted to MSEK 561.3.

We now find ourselves in a situation whereby consumer behaviour remains uncertain, but opportunities are arising for companies with the resources and ability to act. Supported by long-term and committed owners, a fully guaranteed and now completed rights issue, and decisions regarding future investments, we are well equipped to respond and capitalise on the changing market situation. In parallel, we are continuing our transformation, with a focus on operational efficiency and a stronger commercial organisation characterised by shorter decision pathways. This, in turn, is creating the conditions to adapt our assortment and digital channels more rapidly and effectively.

Varied performance in our markets

We noted major differences in performance in our various markets during the quarter. Norway continued to perform well, with sales growth of 8.8%. While the number of visitors was largely unchanged compared with the same period last year, consumers are spending more with each purchase. In Sweden, we noted a higher average purchase amount per customer, but also a decrease in customer traffic, resulting in an overall decline in sales of 3.9%. In Denmark, we unfortunately saw a decrease in sales of 25.6%. The segment is undergoing an extensive integration with Kjell's central operations, which had a negative impact on sales during the quarter. The aim of the integration is to improve the segment's offering, efficiency and profitability in the coming quarters, and we noted a clear improvement in profitability in the Danish segment in March.

Progress of new initiatives

Our warehouse project is progressing as planned, and the new central warehouse is starting to take shape. The warehouse automation process has started and is expected to be completed towards the end of the



year. We will receive our first deliveries in the coming quarter, a clear step in our efforts to future-proof our logistics and meet increased demands on availability and efficiency.

Capital successfully raised in challenging market

We are pleased to have seen so much interest from our existing investors, allowing the rights issue to be completed without utilising guarantee commitments, despite a challenging market. Of the shares offered, 99.2% were subscribed for through the exercise of subscription rights, and the remainder were allotted to parties without subscription rights. The issue is thus completed and will generate MSEK 199.1 before the deduction of issue costs in the coming quarter.

Focus areas for the coming quarter

Higher inflation forecasts and a global shift towards isolationist tendencies have contributed to continued market uncertainty. Against this backdrop, we are prioritising investments that will strengthen our operational capacity and improve our long-term competitiveness. We are focusing on developing a more relevant offering, streamlining our operations and gaining a deeper understanding of our customers' changing needs. Thanks to our ongoing initiatives and customer focus, we are well equipped to face the changes unfolding in the world around us.

Malmö,
24 April 2025
Andreas Rylander
President and CEO

Summary of the Group's financial performance

Net sales

Net sales declined 5.1% to MSEK 561.3 (591.4) and comparable growth amounted to -5.4% (2.4) for the quarter.

Net sales in segment Sweden decreased 3.9% to MSEK 406.7 (423.3) for the quarter. The decline in sales in Sweden during the quarter was mainly attributable to fewer transactions as a result of lower customer traffic at our service points. The decrease in the number of visitors was partly offset by higher sales per purchase.

Net sales in Norway increased 8.8% to MSEK 93.6 (86.0) for the quarter. The increase in Norway was attributable to higher sales per purchase, although the number of transactions decreased due to fewer visitors.

Net sales for segment Denmark decreased 25.6% to MSEK 61.1 (82.1) for the quarter. The decline in Denmark was due to fewer transactions, partly offset by higher sales per purchase.

Operating expenses

Operating expenses declined 4.1% to MSEK 579.7 (604.4) for the quarter.

Costs of goods for resale declined 5.4% in the quarter to MSEK 325.3 (343.7). Gross profit amounted to MSEK 236.1 (247.6) for the quarter, down 4.7%, and the gross margin was 42.1% (41.9) for the quarter. The gross margin increased in the quarter due to stronger margins in segment Sweden and segment Denmark.

Personnel costs amounted to MSEK 129.7 (130.4) for the quarter, a decrease of 0.5%. Adjusted for restructuring costs, personnel costs for the quarter were unchanged from last year. While the previous restructuring of the central functions contributed to lower personnel costs for the quarter, this was offset by higher costs in the store network due to general wage indexation.

The quarter includes items affecting comparability of MSEK 4.9 (2.4) for restructuring costs attributable to staffing changes as well as costs related to the rights issue conducted during the quarter.

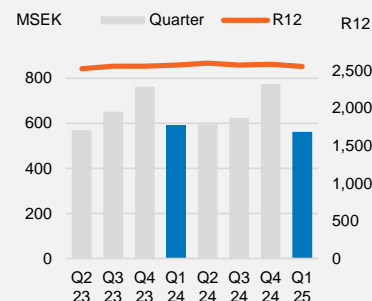
Other external expenses amounted to MSEK 79.9 (76.4) for the quarter, up 4.5%. The increase in other external expenses primarily comprised costs attributable to the rights issue.

Other operating expenses amounted to MSEK 0 (5.4) for the quarter, with the figure for the year-earlier period attributable to currency losses. Other operating income amounted to MSEK 6.6 (0.4) for the quarter and primarily comprised currency gains.

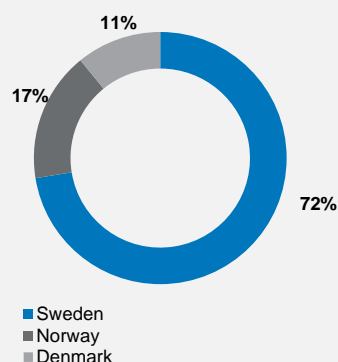
Total currency effects amounted to MSEK 6.5 (-5.4), net, for the quarter.

Total depreciation and amortisation amounted to MSEK 44.9 (48.4) for the quarter, of which MSEK 4.6 (4.6) pertained to amortisation of intangible assets arising from the acquisition of AV-Cables. Depreciation of right-of-use assets in accordance with IFRS 16 amounted to MSEK 32.0 (33.5) for the quarter.

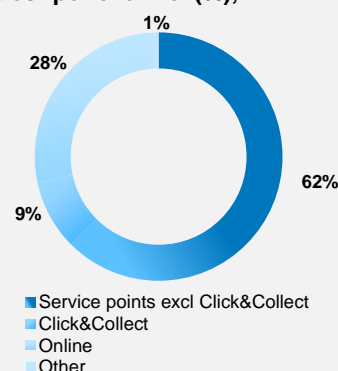
Net sales (MSEK)



Net sales per segment (%), period



Sales¹ per channel (%), R12



¹Sales before deduction for customer loyalty bonuses

Adjusted EBITA

The Group's adjusted EBITA totalled MSEK -2.3 (-5.6) for the quarter, corresponding to a margin of -0.4% (-0.9)

Operating profit

The Group's operating profit (EBIT) amounted to MSEK -11.8 (-12.6) for the quarter, corresponding to an operating margin of -2.1% (-2.1).

Net financial items

The Group's net financial items amounted to MSEK -8.9 (-8.4) for the quarter. Net financial items include interest expenses pertaining to lease liabilities in an amount of MSEK 2.8 (2.5) for the quarter.

Net profit for the period

Earnings for the quarter amounted to MSEK -20.7 (-21.7).

Cash flow and financial position

The Group's cash flow from operating activities totalled MSEK 8.6 (-5.0) for the first quarter. The increase in cash flow from operating activities was mainly attributable lower inventories, a decrease in operating receivables and lower operating liabilities.

Cash flow from investing activities amounted to MSEK -28.0 (-3.8) for the quarter, of which an advance payment for the new automated central warehouse accounted for MSEK 24.0.

Cash flow from financing activities amounted to MSEK -46.9 (-39.0) for the quarter. Cash flow from financing activities comprised the repayment of lease liabilities and bank financing according to plan.

The Group's cash and cash equivalents amounted to MSEK 106.6 at the end of the reporting period, compared with MSEK 178.8 at the beginning of the year.

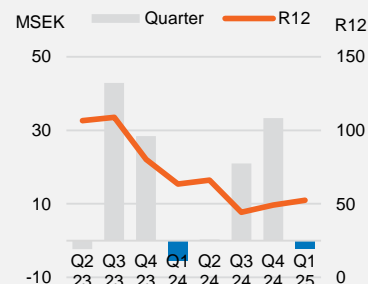
The Group's financial net debt amounted to MSEK 381.2 (353.2) at the end of the quarter, compared with MSEK 321.6 at the beginning of the year, corresponding to financial net debt in relation to adjusted EBITDAaL (rolling 12 months) of 4.7 (3.7).

The Group's equity amounted to MSEK 959.9 at the end of the reporting period, compared with MSEK 1,005.4 at the beginning of the year.

Core working capital was lower at the end of the quarter, in absolute terms and as a share of net sales, compared with the preceding year, primarily as a result of higher accounts payable.

During the first quarter, the Board held an Extraordinary General Meeting at which it resolved to implement a fully guaranteed rights issue of MSEK 199.1 to finance the investment in a new automated central warehouse and to strengthen the Group's financial position. After the end of the quarter, the company announced the final outcome of the rights issue, which was fully subscribed. The number of shares in the company will increase by 28,036,362, from 31,151,514 to 59,187,876 shares. The company's share capital will increase by SEK 463,324.94, from SEK 514,805.50 to SEK 978,130.44, and the rights issue will generate MSEK 199.1 for the Group before the deduction of issue costs.

Adjusted EBITA (MSEK)



Adjusted EBITA margin

Period: -0.4% (-0.9)

Significant events during and after the first quarter of 2025

- During the quarter, Kjell Group announced that Sandra Gadd had been appointed as the company's new CEO. Andreas Rylander will remain in his current role until Sandra takes over in September 2025
- During the quarter, the Board of Directors of Kjell Group resolved to carry out a fully guaranteed rights issue of MSEK 199.1
- After the quarter, Kjell Group published its annual report and sustainability report for 2024
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Financial targets

SALES

Net sales growth is to exceed 5%.

PROFITABILITY

Adjusted EBITA margin in the range of 6-8%.

FINANCIAL POSITION

Net debt in relation to adjusted EBITDA, rolling 12 months (excluding the effects of IFRS 16) is to be a multiple of less than two (2).

DIVIDEND POLICY

Dividends are to comprise at least 60% of earnings per share after tax, taking into account the Group's financial position and growth potential.

Parent Company

The object of the Parent Company's operations is to own and manage shares in subsidiaries and to provide intra-Group services.

The Parent Company's net sales amounted to MSEK 6.4 (7.0) for the quarter and pertained entirely to intra-Group invoicing. Operating expenses amounted to MSEK 10.6 (8.5) for the quarter and mainly consisted of personnel costs of MSEK 6.2 (7.3) and other external expenses of MSEK 4.3 (1.3). The increase in other external expenses primarily comprised costs related to the rights issue. The quarter was charged with interest expenses of MSEK 6.0 (6.7) for the Group's credit facility. A loss after financial items of MSEK -9.8 (-6.6) was reported for the quarter.

The management team decreased in number compared with the same quarter last year, from seven to four members. The change in the management team was part of the reorganisation that took place in 2024.

Financial non-current assets amounted to MSEK 1,621.4 (1,616.0). Short-term receivables amounted to MSEK 96.6 (164.9), which largely consisted of inter-company transactions.

Equity declined during the year as a result of the net loss for the period and amounted to MSEK 1,123.5 (1,142.6).

Non-current interest-bearing liabilities were lower than in the same period last year at MSEK 417.4 (425.8). Current liabilities amounted to MSEK 245.7 (298.8), of which liabilities to Group companies accounted for MSEK 218.7 (277.0).

Kjell Group AB's Annual General Meeting

The 2025 Annual General Meeting will be held at 10:00 a.m. on 21 May in Malmö. The Board's proposal to the Meeting is that earnings for the 2024 financial year be carried forward and that no dividend be paid for 2024.

For more information, visit <https://kjellgroup.com/en/corporate-governance/general-meetings/>

The share

Kjell Group AB's (publ) share is listed on Nasdaq First North Growth Market under the ticker KJELL, with the ISIN SE0016797591. The highest and lowest share prices during the quarter were SEK 13.10 and SEK 6.05 on 11 March and 15 January, respectively.

A total of 4,369,355 shares were traded during the quarter, corresponding to a turnover rate of 14% during the measurement period.

As of 31 March 2025, Kjell Group AB (publ) had approximately 4,000 shareholders, the largest of which were FSN Capital (22.87%), the Eklund family (10.98%), Cervantes Capital (8.20%), Nordea Fonder (5.85%) and Mariatorp Oy (3.21%).

The number of shares issued as of 31 March 2025 was 31,151,514, all of which were common shares.

For more information, visit www.kjellgroup.com

Condensed consolidated statement of profit or loss

TSEK	Not a	Q1		Jan-Dec
		2025	2024	2024
Operating income				
Net sales	4	561,327	591,383	2,583,570
Other operating income		6,604	390	3,357
		567,931	591,773	2,586,927
Operating expenses				
Goods for resale		-325,256	-343,772	-1,536,669
Personnel costs		-129,721	-130,428	-523,691
Other external expenses		-79,859	-76,428	-309,990
Other operating expenses		0	-5,373	-12,460
Depreciation/amortisation of tangible and intangible assets		-44,856	-48,403	-190,716
Operating profit		-11,761	-12,631	13,400
Financial items				
Financial income		341	2,748	2,642
Financial expenses		-9,270	-11,115	-41,000
Net financial items		-8,929	-8,367	-38,358
Profit (loss) before tax		-20,690	-20,998	-24,958
Income tax		-38	-661	5,069
Net profit (loss) for the period		-20,727	-21,659	-19,889
Net profit (loss) for the period attributable to:				
Parent Company's shareholders		-20,727	-21,659	-19,889
Net profit (loss) for the period		-20,727	-21,659	-19,889
Earnings (loss) per share				
Basic earnings (loss) per share, SEK	5	-0.67	-0.70	-0.64
Diluted earnings (loss) per share, SEK	5	-0.67	-0.70	-0.64

Condensed consolidated statement of profit or loss and other comprehensive income

TSEK	Q1		Jan-Dec
	2025	2024	2024
Net profit (loss) for the period	-20,727	-21,659	-19,889
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Exchange differences of foreign operations	-25,470	16,428	12,782
Other comprehensive income for the period	-25,470	16,428	12,782
Total comprehensive income for the period	-46,197	-5,231	-7,107
Comprehensive income for the period attributable to:			
Parent Company's shareholders	-46,197	-5,231	-7,107
Total comprehensive income for the period	-46,197	-5,231	-7,107

Condensed consolidated statement of financial position

		31 Mar		31 Dec
TSEK	Not	2025	2024	2024
Assets				
Intangible assets		1,308,451	1,354,005	1,332,439
Tangible assets		91,941	83,591	96,502
Right-of-use assets		241,122	254,856	242,592
Deferred tax assets		502	254	513
Total non-current assets		1,642,016	1,692,706	1,672,046
Inventory		468,500	464,837	479,675
Tax assets		22,868	22,867	17,967
Accounts receivable		24,114	26,955	33,483
Prepaid expenses and accrued income		50,339	36,125	69,610
Other receivables		318	1,914	1,296
Cash and cash equivalents		106,605	151,206	178,826
Total current assets		672,744	703,904	780,857
Total assets		2,314,760	2,396,610	2,452,903
Equity				
Share capital		515	515	515
Other contributed capital		463,460	460,438	462,707
Reserves		23,677	52,793	49,147
Retained earnings including net profit (loss) for the period		472,258	491,214	492,985
Equity attributable to Parent Company's shareholders		959,910	1,004,960	1,005,354
Total equity		959,910	1,004,960	1,005,354
Liabilities				
Non-current interest-bearing liabilities	6	474,822	489,078	478,529
Non-current lease liabilities		120,905	127,934	118,308
Deferred tax liabilities		110,000	122,142	111,544
Total non-current liabilities		705,727	739,154	708,381
Current interest-bearing liabilities	6	12,987	15,358	21,945
Current lease liabilities		102,562	109,552	109,397
Accounts payable		344,393	333,440	369,318
Tax liabilities		2,235	6,232	3,485
Other liabilities	6	52,780	56,012	85,550
Accrued expenses and deferred income		126,393	124,637	141,752
Provisions		7,773	7,265	7,721
Total current liabilities		649,123	652,496	739,168
Total liabilities		1,354,850	1,391,650	1,447,549
Total equity and liabilities		2,314,760	2,396,610	2,452,903

Condensed consolidated statement of changes in equity

Equity attributable to Parent Company's shareholders						
TSEK	Share capital	Other contributed capital	Translation reserve	Hedge reserve	Retained earnings incl. net profit (loss) for the period	Total equity
Balance at 1 Jan 2025	515	462,707	49,147	-	492,985	1,005,354
Transactions with owners of the company						
Incentive programme	-	753	-	-	-	753
Adjustment						
Comprehensive income for the period						
Net profit (loss) for the period	-	-	-	-	-20,727	-20,727
Other comprehensive income for the period	-	-	-25,470	-	-	-25,470
Total comprehensive income for the period	-	-	-25,470	-	-20,727	-46,197
Closing balance 31 Mar 2025	515	463,460	23,677	-	472,258	959,910
Balance at 1 Jan 2024	515	459,439	36,365	-	512,874	1,009,193
Transactions with owners of the company						
Incentive programme	-	998	-	-	-	998
Comprehensive income for the period						
Net profit (loss) for the period	-	-	-	-	-21,659	-21,659
Other comprehensive income for the period	-	-	16,428	-	-	16,428
Total comprehensive income for the period	-	-	16,428	-	-21,659	-5,231
Closing balance	515	460,437	52,793	-	491,215	1,004,960

Condensed consolidated statement of cash flows

TSEK	Q1		Jan-Dec
	2025	2024	2024
Cash flow from operating activities			
Profit (loss) before tax	-20,690	-20,998	-24,958
Adjustments for non-cash items	40,918	56,364	201,325
Income tax paid	-6,889	-8,301	-11,134
	13,339	27,065	165,233
Increase (-)/decrease (+) in inventories	7,851	-25,993	-41,680
Increase (-)/decrease (+) in operating receivables	28,852	8,977	-30,563
Increase (+)/decrease (-) in operating liabilities	-41,395	-15,026	46,167
Cash flow from operating activities	8,647	-4,977	139,157
Investing activities			
Acquisition of tangible assets	-26,180	-1,012	-7,728
Acquisition of intangible assets	-1,792	-2,746	-10,233
Cash flow from investing activities	-27,972	-3,758	-17,961
Repayment of loans	-12,866	-4,395	-9,200
Repayment of lease liabilities	-34,065	-34,598	-130,214
Cash flow from financing activities	-46,931	-38,993	-139,414
Cash flow for the period	-66,256	-47,728	-18,218
Cash and cash equivalents at the beginning of the period	178,826	196,275	196,275
Exchange rate differences in cash and cash equivalents	-5,966	2,659	769
Cash and cash equivalents at the end of the period	106,605	151,206	178,826

Condensed notes to the financial statements

Note 1 General information

Kjell Group AB (publ) (the “company”), Corp. Reg. No. 559115-8448, is a company with its registered offices in Malmö, Sweden. These consolidated interim financial statements for the Group (“interim report”) for the period January–March 2025 encompass the company and its subsidiaries, referred to jointly below as the “Group.” The Group’s consolidated accounting currency is SEK. All of the amounts are presented in thousands of SEK (TSEK), unless otherwise stated.

Note 2 Accounting policies

This interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the applicable provisions in the Swedish Annual Accounts Act, and should be read together with the Group’s annual report for 2024. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, *Interim Report*. This interim report does not contain all the information required for comprehensive reporting in accordance with IFRS. However, explanatory notes have been included to explain events and transactions that are material for understanding the changes in the Group’s financial position and performance. The accounting policies applied in this interim report are the same as those applied in the annual reports for 2024 for both the Group and the Parent Company. The Group did not apply any new IFRS or new interpretations published by the IFRS Interpretations Committee in advance. Issued standards and interpretations that have not yet come into effect are not expected to have any material impact on the Group.

Note 3 Important estimates and judgements

The management of the Group makes estimates and assumptions about the future, and makes judgements on which accounting policies should be applied to the preparation of the financial statements. Estimates and judgements are reviewed continuously and assumptions are based on historical experience and other factors, including expectations of future events considered reasonable under the prevailing circumstances. The resulting accounting estimates will, by definition, seldom correspond to the actual results. The material estimates made by management when applying the Group’s accounting policies and the most important sources of uncertainty in the estimates are the same as those described in Note 33 of the Group’s annual report for 2024.

Note 4 Revenue and operating segments

The Group’s operations are divided into operating segments based on the parts of the organisation monitored by the company’s chief operating decision maker, known as the management approach. For the company, this means that the Group’s operations are divided into three segments: Sweden, Norway and Denmark, which correspond to the operations in each country. The segments encompass sales via service points in Sweden and Norway and online-generated sales in all countries. Segment Denmark includes Danish online sales in Sweden. Segment Sweden includes costs for Group-wide functions, including the purchasing organisation in Shanghai, since this reflects how the segments are monitored internally by the Group. All revenue for the segments is from sales to external customers. The same accounting policies are applied to the segments as for the Group. The performance measure recognised for the segments is “Adjusted EBITA.” Information about each reportable segment is provided below.

Jan-Mar TSEK	Sweden		Norway		Denmark		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Net sales	406,674	423,278	93,577	85,981	61,076	82,124	561,327	591,383
Depreciation excl.amortisation on intangible assets related to business combinations	31,399	34,375	8,373	8,932	513	453	40,285	43,760
Adjusted EBITA	-1,874	-11,914	-4,449	-574	4,020	6,924	-2,303	-5,564
Amortisation on intangible assets related to business combinations							-4,571	-4,642
Items affecting comparability							-4,887	-2,425
Operating profit							-11,761	-12,631
Net financial items							-8,929	-8,367
Profit (loss) before tax							-20,690	-20,998

Note 5 Earnings per share

Earnings per share are calculated as net profit for the period divided by the weighted average number of shares during the period.

Note 6 Fair value of financial instruments

The fair value of the liabilities in the Group's credit facility is estimated at TSEK 489,049 (506,514), compared with the carrying amount of TSEK 487,821 (518,333). The facility carries a floating interest rate plus a margin. Management estimates that there has been no change in credit margins since the loan agreement was signed that could have a material impact on the fair value of the loan. The difference between the fair value and the carrying amount of the bank facilities is thus primarily attributable to the carrying amount of the loan including transaction costs that remain to be amortised as part of the effective interest rate.

The fair value belongs to Level 2 of the fair value hierarchy. The carrying amounts of all other financial liabilities and financial assets are considered to be a reasonable estimate of their fair values.

Note 7 Seasonal variations

The Group's operations are impacted by the effect of seasonal variations on demand and the Group's revenue also displays seasonal variations, with higher sales figures normally reported in the fourth quarter of the financial year compared with other quarters.

Note 8 Risks and uncertainties

The development of the Group is increasingly being impacted by consumer behaviour in the markets where we operate. To ensure that we maintain a continually attractive offering to our customers and thereby ensure the company's competitiveness, the development of the business environment must be understood and monitored. The Group works continuously to identify, measure and manage risks that may arise in the business environment, the industry and the company. The aim is to avoid and minimise the impact of risk-related occurrences.

The Group carries out continuous efforts to assess its risk situation by systematically identifying strategic, operating and financial risks. The risks are identified, assessed and managed based on priority, which highlights the greatest negative impacts on the operations. The risk assessment then forms part of the strategic and operational management of the Group.

From both a short- and a long-term perspective, strategic risks mainly include risks associated with changes in the operating environment and increased competition, technology shifts and customer purchasing behaviour, market position, assortment and offering, and growth. Operating risks mainly comprise risks associated with purchasing, inventories, sustainability, IT systems, logistics and transportation, employees, leases, waste and regulatory risks. Financial risks comprise risks associated with currency exposure, interest-rate exposure and undercapitalisation.

The Group's Board of Directors and management have continuously monitored the development of

these material risks and uncertainties. A more detailed description is available in the annual report for 2024. At the time of publication of this interim report, the business environment continues to be characterised by geopolitical turbulence. The Group has no direct exposure to these markets. However, evaluations are continually being made of the potential negative impact on demand for the Group's products due to declining consumer confidence stemming from indirect effects such as higher energy prices, rising interest rates, increased inflation and tariffs.

Note 9 Other disclosures

Incentive programmes

The AGM on 15 May 2024 introduced a long-term incentive programme (2024) in the form of a performance share savings programme. In order to participate in the long-term incentive programme, participants are required to acquire shares (known as "savings shares") in Kjell Group AB. Participants who retain their savings shares during the vesting period of about three years and remain an employee of Kjell & Company for the entire vesting period will be entitled to receive performance shares free of charge, on the condition that the performance criterion has been fulfilled. The performance criterion refers to the total shareholder return for the company's share during the vesting period of about three years, known as a "TSR criterion."

After final allotment, this will result in a dilution of approximately 0.97% of the total number of shares outstanding. The initial calculation of dilution on full allotment was estimated at 1.30%. The costs for the long-term incentive programme are estimated at approximately MSEK 2.2 excluding social security contributions of about MSEK 0.7. The initial calculation on full allotment amounted to MSEK 3.8, excluding social security contributions of approximately MSEK 1.7.

The long-term incentive programme is recognised in accordance with IFRS 2 *Share-based Payment*. Accordingly, the cost for the programme is recognised over the vesting period of approximately three years. For more information about the performance share savings programme 2024, refer to the minutes of the AGM at www.kjellgroup.com.

Kjell Group has two previously adopted performance share programmes (2023 and 2022) currently in effect. The total IFRS 2 cost for Kjell Group's performance share savings programme is reported under Equity. The performance share programme for 2021 was concluded during the period without allotment.

Note 10 Significant events after the reporting date

- After the quarter, Kjell Group published the notice of the 2025 Annual General Meeting, which will take place on Wednesday, 21 May 2025 at Lokgatan 10, Malmö
- After the quarter, Kjell Group published its annual report and sustainability report for 2024
- After the quarter, the final outcome of the rights issue was announced. The subscription price was set at SEK 7.10 per share. The outcome was that 27,806,211 shares were subscribed for through the exercise of subscription rights, corresponding to approximately 99.2% of the shares offered. The remaining 230,151 shares were allotted to parties who subscribed for shares without subscription rights. The rights issue was therefore fully subscribed and no guarantee undertaking was utilised.

Condensed Parent Company income statement

TSEK	Q1		Jan-Dec
	2025	2024	2024
Net sales			
Net sales	6,372	6,954	30,940
	6,372	6,954	30,940
Operating expenses			
Other external expenses	-4,266	-1,274	-5,458
Personnel costs	-6,229	-7,265	-32,649
Other operating expenses	-50	-	-829
Depreciation of tangible assets	-5	-4	-22
Operating profit	-4,177	-1,589	-8,018
Financial items			
Financial income	366	1,655	4,237
Financial expenses	-6,037	-6,666	-29,639
Profit (loss) after financial items	-9,848	-6,600	-33,420
Appropriations	-	-	10,000
Profit (loss) before tax	-9,848	-6,600	-23,420
Income tax	-	-	4,577
Profit (loss) for the period	-9,848	-6,600	-18,842

Condensed Parent Company balance sheet

TSEK	Not	31 Mar		31 Dec
		2025	2024	2024
Assets				
Non-current assets				
Tangible assets				
Machinery and equipment		23	28	28
Total Tangible assets		23	28	28
Financial non-current assets				
Participation in group companies		1,611,386	1,611,229	1,611,239
Deferred tax assets		10,045	4,784	10,045
Total financial non-current assets		1,621,431	1,616,013	1,621,283
Total non-current assets		1,621,454	1,616,041	1,621,311
Current assets				
Current receivables from group companies		85,568	153,583	88,629
Prepaid expenses and accrued income		2,561	2,916	1,281
Other receivables		1	1	1
Tax receivables		8,428	8,428	6,622
Total current receivables		96,558	164,928	96,533
Cash and cash equivalents		82,172	99,800	145,106
Total current assets		178,730	264,728	241,639
Total assets		1,800,184	1,880,769	1,862,950
Equity and liabilities				
Equity				
Restricted equity				
Share capital		515	515	515
Non-restricted equity				
Share premium reserve		1,091,433	1,091,433	1,091,433
Retained earnings		41,445	57,266	59,535
Profit (loss) for the period		-9,848	-6,600	-18,842
Total equity		1,123,545	1,142,614	1,132,641
Untaxed reserves				
Tax allocation reserves		13,575	13,575	13,575
Total untaxed reserves		13,575	13,575	13,575
Liabilities				
Non-current liabilities				
Non-current interest-bearing liabilities	6	417,372	425,753	421,767
Total non-current liabilities		417,372	425,753	421,767
Current liabilities				
Current interest-bearing liabilities	6	9,200	9,200	9,200
Accounts payable		2,888	544	336
Current liabilities to group companies		218,725	277,004	272,527
Other current liabilities		3,237	3,032	2,647
Tax liabilities		1,230	3,462	1,074
Accrued expenses and deferred income		10,412	5,585	9,183
Total current liabilities		245,692	298,827	294,967
Total equity and liabilities		1,800,184	1,880,769	1,862,950

The Board of Directors and CEO give their assurance that the interim report provides a fair review of the development of the Group's and Parent Company's operations, profit and financial position and describes the material risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

Malmö, 24 April 2025

Jan Friedman

Chairman of the Board

Simon Larsson

Board member

Ingrid Jonasson Blank

Deputy Chairman of the Board

Fredrik Dahnelius

Board member

Joel Eklund

Board member

Sandra Gadd

Board member

Ola Burmark

Board member

Andreas Rylander

CEO

The information in this interim report has not been reviewed by the company's auditors.

Selected financial information

MSEK	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
Members in loyalty club, thousand	3,457	3,273	3,457	3,387
Net sales	561.3	591.4	2,553.5	2,583.6
Sales growth, %	-5.1%	2.3%	-0.7%	0.9%
Comparable growth, %	-5.4%	2.4%	-1.1%	0.8%
Gross profit	236.1	247.6	1,035.4	1,046.9
Gross margin, %	42.1%	41.9%	40.5%	40.5%
Adjusted EBITA	-2.3	-5.6	52.3	49.1
Adjusted EBITA margin, %	-0.4%	-0.9%	2.0%	1.9%
Items affecting comparability	4.9	2.4	19.2	16.7
Cash flow from operating activities	8.6	-5.0	152.8	139.2
Working capital	32.6	25.0	-	-5.8
Core working capital	148.2	158.4	-	143.8
Financial net debt	381.2	353.2	-	321.6
Financial net debt/Adjusted EBITDAaL	4.7	3.7	-	4.1
Equity ratio, %	41.5%	41.9%	-	41.0%
Investments	-28.0	-3.8	-42.2	-18.0
Number of outstanding shares before dilution	31,151,514	31,151,514	31,151,514	31,151,514
Number of outstanding shares after dilution	31,151,514	31,151,514	31,151,514	31,151,514
Average number of outstanding shares before dilution	31,151,514	31,151,514	31,151,514	31,151,514
Average number of outstanding shares after dilution	31,151,514	31,151,514	31,151,514	31,151,514

Quarterly data

MSEK	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Net sales	761.9	591.4	594.4	624.3	773.4	561.3
Gross profit	303.5	247.6	242.4	252.5	304.5	236.1
Gross margin, %	39.8%	41.9%	40.8%	40.4%	39.4%	42.1%
Adjusted EBITA	28.4	-5.6	0.3	21.0	33.3	-2.3
Adjusted EBITA margin, %	3.7%	-0.9%	0.1%	3.4%	4.3%	-0.4%
Cash flow from operating activities	157.4	-5.0	13.0	-12.2	142.7	8.6
Working capital	-8.1	25.0	42.1	107.1	-5.8	32.6
Core working capital	123.5	158.4	168.4	203.6	143.8	148.2
Investments	-5.1	-3.8	-5.9	-2.7	-5.6	-28.0

Reconciliation of alternative performance measures

Certain information in this report used by management and analysts to assess the company's performance has not been prepared in accordance with International Financial Reporting Standards (IFRS). Management is of the opinion that this information makes it easier for investors to analyse the Group's performance for the reasons stated below. These measures are not a substitute for or better than financial measures reported in accordance with IFRS and should be presented together with such measures. Note that the Group's definitions of these measures may differ from other companies' definitions of the same name. Investors are encouraged not to place undue reliance on these alternative performance measures.

ADJUSTED EBITA

Management has presented the performance measure of adjusted EBITA because it monitors this performance measure at Group level and believes that this measure is relevant for understanding the Group's financial performance.

Adjusted EBITA is calculated by adjusting net profit for the period so that it excludes the impact of tax, net financial items, amortisation and impairment of intangible assets arising in connection with business combinations and items affecting comparability.

OPERATING PROFIT (EBIT), EBIT MARGIN, EBITA, ADJUSTED EBITA, ADJUSTED EBITA MARGIN, EBITDA, ADJUSTED EBITDA AND ADJUSTED EBITDAAL

TSEK	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
Profit (loss) for the period	-20,727	-21,659	-18,957	-19,889
Income tax	38	661	-5,692	-5,069
Net financial items	8,929	8,367	38,920	38,358
Operating profit (EBIT)	-11,761	-12,631	14,271	13,400
Amortisation on intangible assets related to business combinations	4,571	4,642	18,848	18,919
EBITA	-7,190	-7,989	33,119	32,319
Depreciation excl. amortisation on intangible assets related to business combinations	40,285	43,760	168,322	171,797
EBITDA	33,095	35,771	201,441	204,116
EBITA	-7,190	-7,989	33,119	32,319
Items affecting comparability	4,887	2,425	19,202	16,740
Adjusted EBITA	-2,303	-5,564	52,321	49,059
EBITDA	33,095	35,771	201,441	204,116
Items affecting comparability	4,887	2,425	19,202	16,740
Adjusted EBITDA	37,982	38,196	220,643	220,856
Depreciation right-of-use assets	-31,974	-33,469	-129,747	-131,242
Interest on lease liabilities	-2,769	-2,496	-10,590	-10,317
Adjusted EBITDAaL	3,239	2,231	80,306	79,297
Net sales	561,327	591,383	2,553,514	2,583,570
EBIT-margin, %	-2.1%	-2.1%	0.6%	0.5%
Adjusted EBITA margin, %	-0.4%	-0.9%	2.0%	1.9%

ITEMS AFFECTING COMPARABILITY

Income and cost items that are presented separately due to their nature and amounts. Items affecting comparability are used by management to explain fluctuations in historical profitability. The quarter includes items

affecting comparability of MSEK 4.9 (2.4) for restructuring costs attributable to staffing changes as well as costs related to the rights issue resolved on during the quarter.

NET SALES GROWTH

%	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
Net sales current period	561,327	591,383	2,553,514	2,583,570
Net sales preceeding period	591,383	578,202	2,572,549	2,559,368
Net sales growth, %	-5.1%	2.3%	-0.7%	0.9%

COMPARABLE GROWTH

TSEK	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
<i>Comparable sales comparative period</i>				
Recognised net sales comparative period	591,383	578,202	2,572,549	2,559,368
Adjustment for returns and loyalty programme comparative period	-891	-1,180	8,919	8,631
Revenue new and closed service points and other channels	-2,129	-5,143	-20,035	-15,355
Total comparable sales comparative period	588,363	571,879	2,561,433	2,552,644
<i>Comparable sales current period</i>				
Recognised net sales current period	561,327	591,383	2,553,514	2,583,570
Costs for returns and loyalty programme current period	-2,247	-880	8,476	9,843
Revenue new and closed service points and other channels	-5,265	-7,340	-39,293	-31,207
Currency effects	2,555	2,353	10,701	10,799
Total comparable sales current period	556,370	585,516	2,533,398	2,573,005
Total comparable sales comparative period	588,363	571,879	2,561,433	2,552,644
Total comparable sales current period	556,370	585,516	2,533,398	2,573,005
Comparable growth, %	-5.4%	2.4%	-1.1%	0.8%

GROSS PROFIT AND GROSS MARGIN

TSEK	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
Net sales	561,327	591,383	2,559,458	2,583,570
Goods for resale	-325,256	-343,772	-1,474,082	-1,536,669
Gross profit	236,071	247,611	1,085,376	1,046,901
Gross profit	236,071	247,611	1,085,376	1,046,901
Net sales	561,327	591,383	2,559,458	2,583,570
Gross margin, %	42.1%	41.9%	42.4%	40.5%

NET DEBT, FINANCIAL NET DEBT AND FINANCIAL NET DEBT/ADJUSTED EBITDAaL

TSEK	31 Mar		31 Dec
	2025	2024	2024
Non-current interest bearing liabilities	474,822	489,078	478,529
Current interest bearing liabilities	12,987	15,358	21,945
Interest bearing liabilities	487,809	504,436	500,474
Cash and cash equivalents	-106,605	-151,206	-178,826
Net financial debt	381,204	353,230	321,648
Non-current lease liabilities	120,905	127,934	118,308
Current lease liabilities	102,562	109,552	109,397
Lease liabilities	223,467	237,486	227,705
Total interest bearing liabilities	487,809	504,436	500,474
Total lease liabilities	223,467	237,486	227,705
Total financial liabilities	711,276	741,922	728,179
Cash and cash equivalents	-106,605	-151,206	-178,826
Net debt	604,671	590,716	549,353
Net financial debt	381,204	353,230	321,648
Adjusted EBITDAaL, R12	80,306	95,703	79,297
Net financial debt/Adjusted EBITDAaL, times	4.7	3.7	4.1

WORKING CAPITAL

TSEK	31 Mar		31 Dec
	2025	2024	2024
Current assets	672,744	703,904	780,857
Cash and cash equivalents	-106,605	-151,206	-178,826
Current liabilities excl. interest bearing liabilities and lease liabilities	-533,574	-527,586	-607,826
Working capital	32,565	25,112	-5,795
Current liabilities excl. interest bearing liabilities and lease liabilities			
Accounts payable	344,393	333,440	369,318
Tax liabilities	2,235	6,232	3,485
Other liabilities	52,780	56,012	85,550
Accrued expenses and deferred income	126,393	124,637	141,752
Provisions	7,773	7,265	7,721
Total	533,574	527,586	607,826

CORE WORKING CAPITAL

TSEK	31 Mar		31 Dec
	2025	2024	2024
Inventory	468,500	464,837	479,675
Accounts receivable	24,114	26,955	33,483
Accounts payable	-344,393	-333,440	-369,318
Core working capital	148,221	158,352	143,840

INVESTMENTS

TSEK	Q1		Apr-Mar	Jan-Dec
	2025	2024	24/25	2024
Acquisition of tangible assets	-26,180	-1,012	-32,896	-7,728
Acquisition of intangible assets	-1,792	-2,747	-9,278	-10,233
Investments	-27,972	-3,759	-42,174	-17,961

EQUITY/ASSETS RATIO

%	31 Mar		31 Dec
	2025	2024	2024
Total equity	959,910	1,004,960	1,005,354
Total assets	2,314,760	2,396,610	2,452,903
Equity ratio, %	41.5%	41.9%	41.0%

Definitions – Alternative performance measures

Earnings measures	Definition	Reason why the earnings measure is used
Gross margin, %	Gross profit divided by net sales.	The gross margin shows the company's profitability after the costs of goods for resale, which facilitates a comparison of the average gross margin on goods sold over time.
Gross profit	Net sales less costs of goods for resale.	The company's gross profit shows the amount that remains for financing other expenses after goods for resale have been sold.
Core working capital	Inventories plus accounts receivable less accounts payable.	This performance measure shows the business's tied-up capital for sales of goods.
EBIT margin, %	EBIT divided by net sales.	The performance measure shows the company's profitability generated by the operating activities after amortisation, depreciation and impairment.
EBITA	Operating profit before amortisation and impairment of intangible assets arising in connection with business combinations.	EBITA provides an overview of the profit generated in the operations before amortisation and impairment of intangible assets arising in connection with business combinations, which provides a more comparable performance measure over time.
EBITDA	Profit before tax, financial items, amortisation, depreciation and impairment.	EBITDA provides an overview of the profit generated in the operations before amortisation, depreciation and impairment, which provides a more comparable performance measure over time.
Financial net debt	Net debt excluding current and non-current lease liabilities.	Used to monitor the debt trend and evaluate the level of refinancing requirements.
Financial net debt/Adjusted EBITDAaL (multiple)	Financial net debt in relation to 12 months' adjusted EBITDAaL.	This performance measure illustrates the company's capacity to repay its debts. Management uses the performance measure to monitor the level of financial gearing.
Investments	Acquisitions of tangible and intangible assets	This performance measure describes the company's continuous investments in the operations.
Adjusted EBITA	EBITA excluding items affecting comparability.	Management has presented the performance measure of adjusted EBITA because it monitors this performance measure and believes that this measure is relevant for understanding the Group's financial results.

		The measure shows the financial results of the operations without the effect of material cost or income items that impact comparability over time, as described under the heading "Items affecting comparability."
Adjusted EBITA margin, %	EBITA excluding items affecting comparability divided by net sales.	This performance measure shows the company's profitability from the operating activities excluding items affecting comparability and amortisation and impairment of intangible assets arising in connection with business combinations, which enables a comparison with the underlying operating profitability.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	This measure indicates the company's underlying profit generated by the operating activities before amortisation, depreciation and impairment excluding items affecting comparability, which provides a more comparable performance measure over time.
Adjusted EBITDAaL	Adjusted EBITDA less amortisation, depreciation and interest expenses related to leases under IFRS 16 plus adjusted EBITDAaL for the periods in which acquired companies were not included in the Group's consolidated financial statements for the relevant period.	Adjusted EBITDAaL is used as the denominator in financial net debt/adjusted EBITDAaL for monitoring financial gearing.
Comparable growth, %	The change in comparable sales between the current and comparative period in which comparable sales are sales in comparable units and channels, excluding currency translation effects. Comparable units and channels are sales units and channels that were operational for the current and the comparative period.	The measure facilitates a comparison of net sales over time by excluding revenue from sales units and channels that were not operational for corresponding periods, adjusted for currency effects. The measure makes it possible to evaluate sales growth in existing channels.
Items affecting comparability	Income and cost items that are presented separately due to their nature and amounts. All items that are included are larger and material in certain periods and smaller or non-existent in other periods.	Items affecting comparability are used by management to explain fluctuations in historical profitability. Presenting and specifying items affecting comparability separately makes it possible for readers of the financial statements to understand and evaluate the adjustments made by management when presenting adjusted EBITA. Taking into account items affecting comparability increases comparability and thus understanding of the Group's financial performance.

Net sales growth, %	Net sales for the current period less net sales for the relevant comparative period, in relation to net sales for the relevant comparative period, expressed as a percentage.	The measure makes it possible to analyse the Group's total net sales growth and compare it in relation to the market as a whole and competitors.
Net debt	The total of current and non-current interest-bearing liabilities and current and non-current lease liabilities less cash and cash equivalents.	Net debt illustrates the company's total indebtedness.
Working capital	Total current assets excluding cash and cash equivalents, less total current liabilities excluding interest-bearing and lease liabilities.	The measure is used to analyse the company's short-term tied-up capital.
Operating profit (EBIT)	Operating profit (EBIT) refers to the company's net sales and other operating income less goods for resale, personnel costs, other external expenses, other operating expenses, and depreciation, amortisation and impairment of tangible and intangible assets.	The measure indicates the company's underlying profit generated by the operating activities.
Equity/assets ratio, %	Total equity divided by total assets.	This performance measure describes the company's long-term payment capacity.

Definitions – Operating performance measures

Operating performance measures	Definition
Number of customer club members	Number of unique individuals who actively choose to be a member of Kjell & Company's customer club.



WEBCAST IN CONNECTION WITH THE PUBLICATION OF THE INTERIM REPORT

Andreas Rylander, President and CEO, and Thomas Pehrsson, CFO, will hold a webcast in connection with the publication of the interim report at 10:00 a.m. CEST on 24 April 2025. To participate via the webcast, follow the link: <https://kjell-group.events.inderes.com/q1-report-2025>.

To participate via the teleconference, follow the link:
<https://conference.inderes.com/teleconference/?id=5003511>.

The presentation material is available on the Group's website:
<https://www.kjellgroup.com/investerare/finansiella-rapporter/>.



INTERIM REPORTS

The complete interim report for January–March 2025 and earlier reports are available on www.kjellgroup.com.



FINANCIAL CALENDAR

Upcoming events:

2025 Annual General Meeting	21 May 2025
Second quarter 2025	18 July 2025
Third quarter 2025	22 October 2025

Kjell & Company

This is the type of information that Kjell Group AB (publ) is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out below on 24 April 2025 at 7:00 a.m. CEST.



FOR MORE INFORMATION, CONTACT

Andreas Rylander, CEO
+46 73 518 10 01
andreas.rylander@kjell.com

Thomas Pehrsson, CFO
+46 72 514 38 89
thomas.pehrsson@kjell.com

Kjell Group, which offers one of the market's most comprehensive product ranges in electronic accessories. The company operates online in Sweden, Norway, and Denmark as well as through 145 service points, including 114 in Sweden and 31 in Norway. Headquartered in Malmö, the Group generated SEK 2.6 billion in revenue in 2024.

With Kjell & Company's customer club, which boasts over three million members, and its wholly owned Danish subsidiary AV-Cables, the Group has a unique understanding of people's technology needs. Approximately 1,350 employees work every day to improve lives through technology.

Learn more at kjell.com or kjellgroup.com

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