

M A T A S

Nordic strategy drives revenue and earnings growth in the largest quarter

Interim report 9M 2024/25

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G R O U P

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Webcast

Matas Group will host a webcast for investors and analysts on Wednesday, 5 February at 10:00 a.m. CET. The webcast and the presentation can be accessed from Matas' investor website: <https://matasgroup.com/investors>.

Webcast access numbers for investors and analysts

DK: +45 78 76 84 90

SE: +46 8 1241 0952

NO: +47 2195 6342

UK: +44 203 769 6819

US: +1 646 787 0157

PIN for all countries: 915912

Link to webcast

<https://matas-events.eventcdn.net/events/q3-report-2024>

Nordic strategy drives revenue and earnings growth in the largest quarter

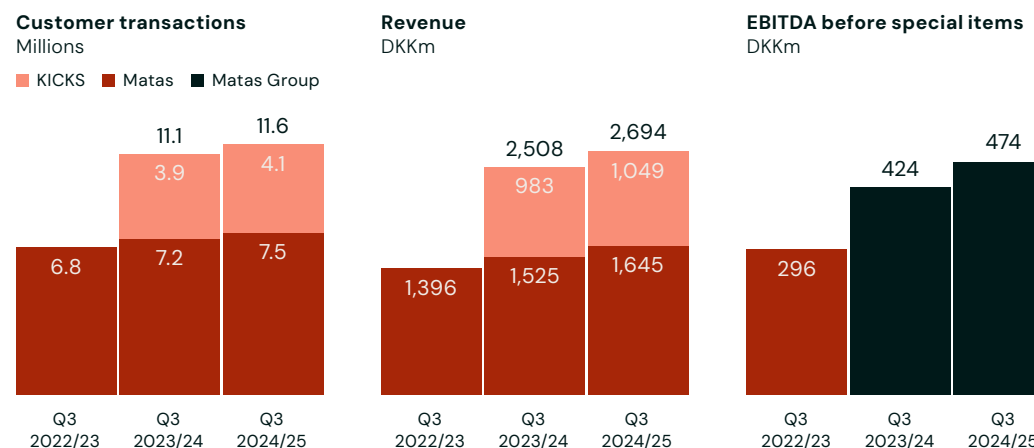
- Matas Group generated a total revenue of DKK 2,694 million in Q3 2024/25 corresponding to a year-on-year increase of 7.4% from DKK 2,508 million in Q3 2023/24. Matas stand-alone growth in Q3 was 7.9% and KICKS stand-alone 7.3% currency neutral (14.2% excluding Skincity). Group currency neutral growth came to 7.7%.
- Gross margin was 46.2% in the quarter, compared to 44.5% currency neutral last year. Key drivers in the improved margin were matured assortment expansion and more support from suppliers on growth initiatives, offset by price initiatives, discontinuation of certain in-house brands, and Skincity impact at KICKS.
- EBITDA before special items came to DKK 474 million in Q3 2024/25 compared to DKK 424 million last year. The EBITDA margin before special items was 17.6% in the quarter against 17.0% currency neutral last year.
- Profit for the period amounted to DKK 201 million after tax compared to DKK 163 million last year. Q3 2024/25 was impacted by special items of DKK 1 million, compared to special items of DKK 20 million in Q3 2023/24.
- Free cash flow was an inflow of DKK 377 million in Q3 2024/25, reflecting higher NWC in Q3 and the construction of Matas' Logistics Center, compared with an inflow of DKK 560 million in Q3 2023/24.

- Synergies are on plan to deliver plus DKK 100 million full run-rate for the financial year 2025/26, through execution of organisational changes, sourcing and growth initiatives with suppliers as well as revenue synergies from best practice sharing on e-commerce and loyalty. A significant part of the synergies is reinvested in the market, through pricing, marketing, and capabilities.
- Matas Group maintains its guidance for the financial year 2024/25. Group revenue guid-

ance was adjusted upwards on 7 January to between 6.5% and 7.5% (from 5% to 7%) growth currency neutral, corresponding to ~6.3% to 7.3% exchange rate adjusted* (previously ~4.6% to 6.6%), from the proforma revenue for 2023/24 of DKK 7.8 billion. The EBITDA margin before special items in 2024/25 is expected to be in the range of 14.5% and 15.5% (from proforma base of 14.3% in 2023/24). Investments, excluding M&A, are expected to be DKK ~650 million, including approximately DKK 325 million for Matas' Logistics Center.

“Our colleagues delivered high growth in all markets and channels, and we have also improved our margins due to stellar execution and realisation of synergies. As one Nordic Group, we are offering more and more brands, opening new stores, delivering faster online, and securing even better deals for our customers and now over 6 million members. The KICKS' Logistics Center is operating as planned and, in January, we shipped the first test orders from our state-of-the-art Matas' Logistics Center and are on track to ramp up on time. Based on the strong growth in Q3, we upgraded our revenue guidance for the financial year on 7 January.”

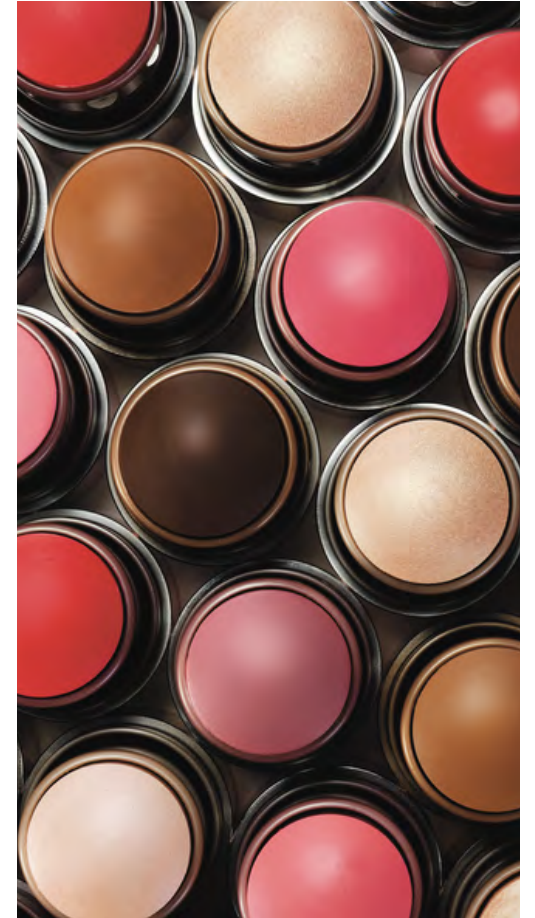
Gregers Wedell-Wedellsborg, Group CEO



* Based on actual exchange rates for 9M 2024/25 and forward rates for Q4 2024/25 for NOK/DKK of 0.634 and SEK/DKK of 0.651 as of 6 January 2025.

Q3 2024/25 highlights

- Matas Group's strategy to Win the Nordics is delivering as expected with revenue growth of 7.7% currency neutral in Q3 2024/25 and EBITDA before special items growth of 11.5% currency neutral.
- Matas stand-alone growth in Q3 2024/25 was 7.9%, online segment growth was 17.4% and Matas stores grew with 2.3% like-for-like. KICKS stand-alone grew 7.3% currency neutral. KICKS excluding Skincity grew 14.2% currency neutral, and KICKS online excluding Skincity grew 23.3% and stores grew 10.3%, while like-for-like growth was 10.1%.
- Customer traffic was good, and the number of transactions came to 11.6 million in Q3 2024/25 which were 4.0% higher compared to Q3 2023/24. The average basket size increased by 3.1% to DKK 230 per transaction compared to Q3 last year.
- Gross margin was 46.2% in the quarter, compared to 44.5% currency neutral last year. Key drivers in the improved margin were matured assortment expansion and more support from suppliers on growth initiatives, offset by price initiatives, discontinuation of certain in-house brands, and Skincity impact at KICKS.
- Other external costs amounted to DKK 325 million in Q3 2024/25, up from DKK 279 million in Q3 2023/24, reflecting variable cost of sales from KICKS' and Matas' continuing digital growth and execution of the assortment expansion, as well as incremental marketing to drive growth initiatives.
- Q3 2024/25 staff costs amounted to DKK 451 million, up from DKK 418 million in Q3 2023/24, driven by volume growth and wage inflation offset by cost synergies. The staff cost accounted for 16.7% of the revenue in Q3 2024/25 and on par with the same period last year currency neutral.
- Special items amounted to DKK 1 million in Q3 2024/25, compared to DKK 20 million in Q3 2023/24 related to the KICKS acquisition.
- EBITDA before special items came to DKK 474 million in Q3 2024/25 compared to DKK 424 million last year. The EBITDA margin before special items was 17.6% in the quarter against 16.9% last year (17.0% currency neutral).
- The total depreciation, amortisation and impairment charges amounted to DKK 156 million in Q3 2024/25, up by DKK 1 million.
- Profit for the period amounted to DKK 201 million after tax compared to DKK 163 million last year.
- Free cash flow was an inflow of DKK 377 million in Q3 2024/25, reflecting higher NWC in Q3 and the construction of Matas' Logistics Center, compared with an inflow of DKK 560 million in Q3 2023/24.



9M 2024/25 highlights

- Matas Group's strategy to Win the Nordics is delivering as expected with proforma revenue growth of 6.9% currency neutral in 9M 2024/25 and proforma EBITDA before special items growth of 9.4% currency neutral.
- Matas stand-alone growth in 9M 2024/25 was 7.8%. Growth online was 18.8% and stores grew 2.9%. KICKS stand-alone grew 5.5% currency neutral in 9M 2024/25. KICKS excluding Skincity grew 11.0% currency neutral, and KICKS online excluding Skincity grew 22.8% and stores grew 6.8% currency neutral.
- Customer traffic was good and the number of transactions came to 29.1 million in 9M 2024/25, a growth of 1.3% compared to proforma numbers for 9M 2023/24. The average basket size grew by 5.5% to DKK 220 per transaction compared to proforma 9M last year.
- Gross profit in 9M 2024/25 amounted to DKK 3,000 million, up from DKK 2,234 million in 9M 2023/24 (DKK 2,749 million proforma currency neutral). The gross margin was 46.1%, up from 44.0% in 9M 2023/24 (45.2% proforma currency neutral). Key drivers in the improved margin were matured assortment expansion, more support from suppliers on growth initiatives and synergies, offset by price initiatives, discontinuation of certain in-house brands and Skincity impact at KICKS.
- Other external costs amounted to DKK 776 million in 9M 2024/25, up from DKK 537 million in 9M 2023/24 (DKK 691 million proforma currency neutral), driven by the KICKS acquisition, high digital growth in both Matas and KICKS as well as continued assortment expansion.
- 9M 2024/25 staff costs amounted to DKK 1,239 million, up from DKK 904 million (DKK 1,153 million proforma currency neutral) in 9M 2023/24 driven by the KICKS acquisition, salary increases, supply chain transformation at KICKS and increased online sales as well as recruitment of new competencies.
- Special items amounted to DKK 13 million in 9M 2024/25, compared to DKK 80 million in 9M 2023/24, which related to the acquisition of KICKS.
- EBITDA before special items came to DKK 1,000 million in 9M 2024/25 compared to DKK 802 million last year (DKK 914 million proforma currency neutral), and the EBITDA margin before special items was 15.4% in 9M against 16.2% reported last year (15.0% proforma currency neutral).
- The total depreciation, amortisation and impairment charges were DKK 471 million in 9M 2024/25, up from DKK 359 million and mainly attributable to the acquisition of KICKS.
- Profit for the period amounted to DKK 285 million after tax compared to DKK 214 million last year (DKK 211 million proforma currency neutral). The increase reflects the continued growth of Matas Group and the improved gross margin.
- Free cash flow was an inflow of DKK 304 million in 9M 2024/25, reflecting broader assortment and higher minimum inventory at KICKS and the construction of Matas' Logistics Center, compared with an outflow of DKK 20 million in 9M 2023/24, which related to the acquisition of KICKS.



Key financials

(DKKm)	Q3 2024/25	Q3 2023/24	Growth (%)	Currency neutral Q3 2023/24	Growth currency neutral (%)	9M 2024/25	9M 2023/24	Growth (%)	Proforma currency neutral 9M 2023/24	Growth proforma currency neutral (%)
Statement of comprehensive income										
Revenue	2,694	2,508	7.4%	2,502	7.7%	6,501	4,943	31.5%	6,079	6.9%
Gross profit *	1,245	1,115	11.6%	1,114	11.7%	3,000	2,234	34.3%	2,749	9.1%
EBITDA	473	404	16.9%	406	16.5%	987	722	36.7%	835	18.3%
EBIT	317	249	26.9%	253	25.2%	516	363	41.9%	377	36.6%
Net financials	(51)	(29)	71.6%	(29)	71.0%	(142)	(74)	91.4%	(92)	54.3%
Profit before tax	266	220	20.9%	224	19.1%	374	289	29.2%	285	30.9%
Profit for the period	201	163	23.4%	166	21.1%	285	214	33.3%	211	34.8%
Special items included in EBITDA	(1)	(20)	(93.0)%	(20)	(93.0)%	(13)	(80)	(83.3)%	(80)	(83.3)%
EBITDA before special items	474	424	11.9%	425	11.5%	1,000	802	24.7%	914	9.4%
Adjusted profit after tax	210	190	10.0%	191	9.9%	320	316	1.5%	305	4.9%
Statement of financial position										
Total assets						9,604	8,879			
Total equity						3,676	3,527			
Net working capital						492	(46)			
Net interest-bearing debt						3,235	2,490			
Statement of cash flows										
Cash flow from operating activities	560	702				840	880			
Cash flow from investing activities	(183)	(142)				(536)	(900)			
Free cash flow	377	560				304	(20)			

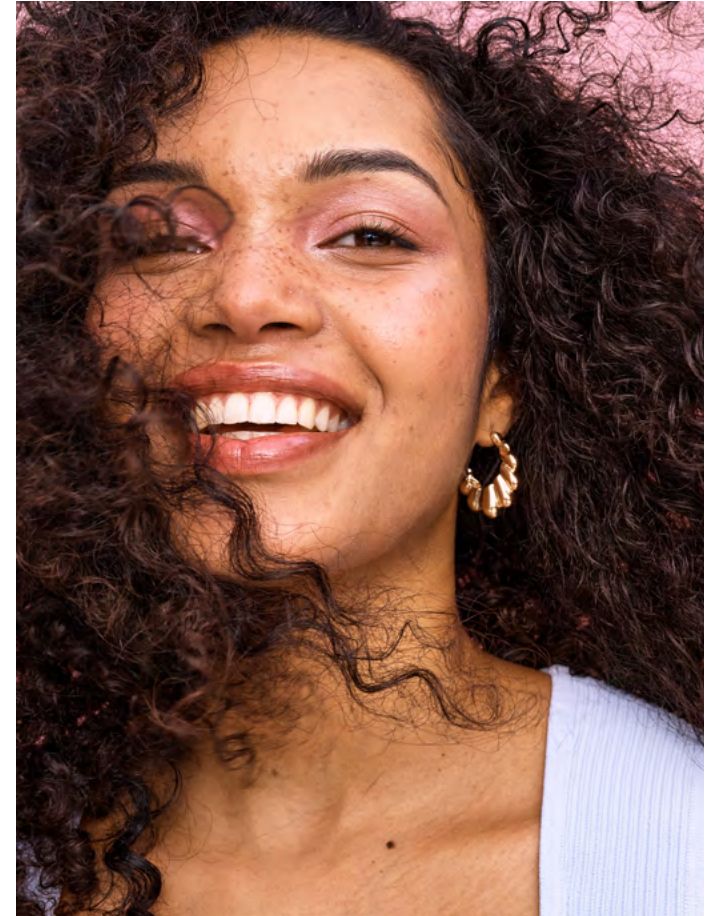
9M 2023/24 includes KICKS acquired and consolidated as of 1 September 2023, and Proforma 9M 2023/24 includes KICKS as if Matas Group had owned KICKS since 1 April 2023.

* Gross profit and other external costs for Q3 and 9M 2023/24 have been restated in accordance with the change in accounting policies in 2023/24 as described in the Annual Report for 2023/24 note 1.

Key financials

(DKKm)	Q3 2024/25	Q3 2023/24	Currency neutral Q3 2023/24	9M 2024/25	9M 2023/24	Proforma currency neutral 9M 2023/24
Ratios						
Revenue growth	7.4%	79.6%	7.7%	31.5%	43.8%	6.9%
Gross margin	46.2%	43.7%	44.5%	46.1%	44.0%	45.2%
EBITDA margin	17.6%	16.1%	16.2%	15.2%	14.6%	13.7%
EBITDA margin before special items	17.6%	16.9%	17.0%	15.4%	16.2%	15.0%
EBIT margin	11.7%	9.9%	10.1%	16.1%	7.3%	6.2%
Cash conversion	94.5%	138.7%		39.4%	84.7%	
Earnings per share, DKK	5.30	4.29	4.38	7.49	5.62	5.56
Diluted earnings per share, DKK	5.26	4.25	4.33	7.44	5.56	5.50
Share price, end of period, DKK				135.4	115.4	
ROIC before tax including goodwill				9.2%	12.8%	
ROIC before tax excluding goodwill				24.1%	48.0%	
Net working capital as a percentage of LTM revenue				6.0%	(0.8)%	
Investments as a percentage of revenue	6.8%	5.7%		8.2%	18.2%	
Net interest-bearing debt/LTM EBITDA before special items				2.7	2.2	
Number of transactions (millions)*	11.6	11.1		29.1	23.7	
Average basket size (DKK)*	230	223		220	205	
Number of stores				496	490	
Club members Matas and KICKS (millions)				6.0	5.7	
Club Matas Plus members (thousands)				117.9	94.2	
Average number of employees (FTE)	3,734	3,614		3,523	2,766	

* For definitions of key financials, see page 106 of the 2023/24 Annual Report.



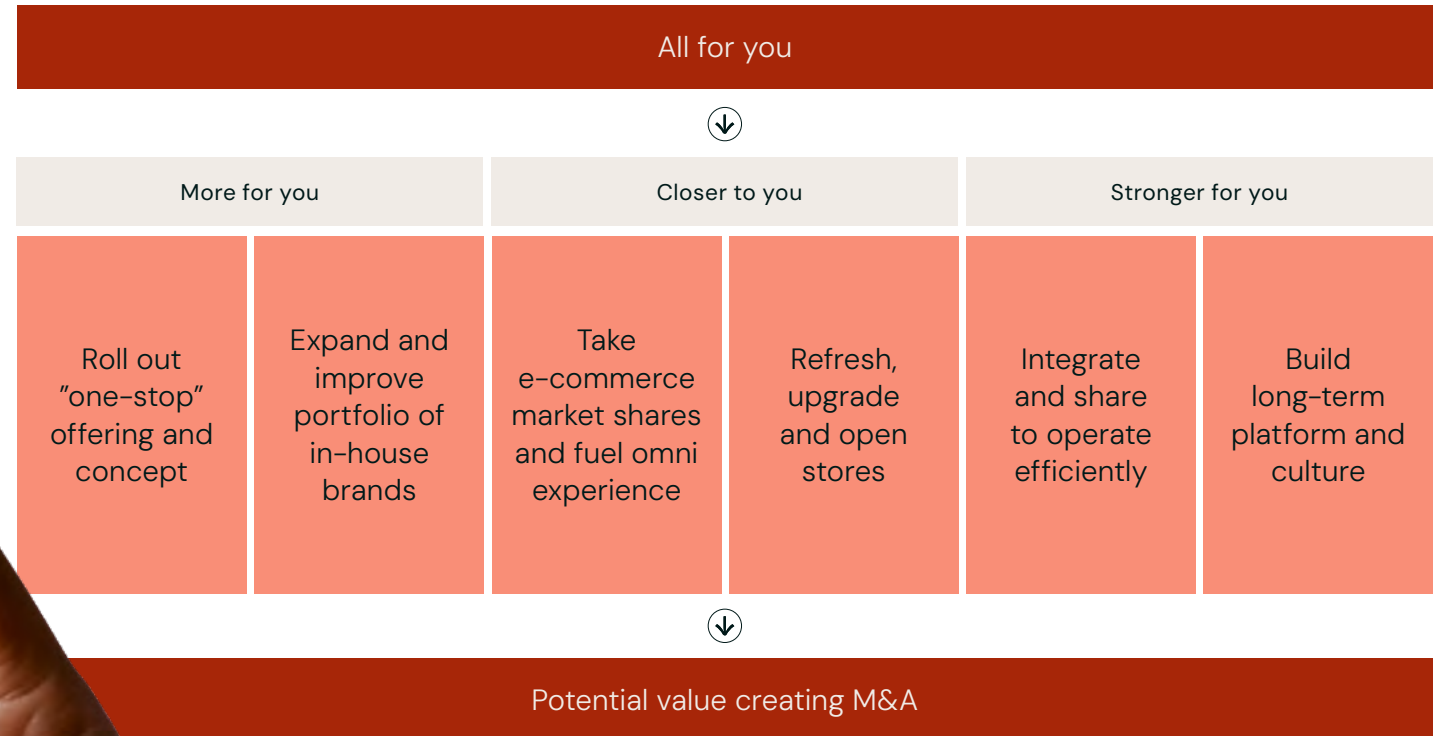
Management's review

On 28 May 2024, Matas Group announced its new strategy, Win the Nordics, in connection with the Annual Report for 2023/24 and the Capital Markets Day.

Win the Nordics is a growth strategy with six customer centric strategic priorities for the mid-term to outgrow the market while improving margins and building the long-term platform. The strategy continued to progress as planned.

Synergies are on track to deliver improvements of DKK >100 million fully phased in by 2025/26. The implementation of a new Nordic organisation was completed in April 2024, while synergies from the Group sourcing setup and other effects from scale and best practice sharing are on track. Matas Group is re-investing in growth and capabilities, as well as in Matas' Logistics Center (MLC) and IT to support future growth and margins.

Matas Group strategic priorities



Win the Nordics - Strategic initiatives in Q3 2024/25

More for you

01 Roll out "one-stop" offering and concept

- Matas Group launched an updated niche fragrance universe on Matas.dk and a new niche fragrance universe online in KICKS ahead of the gifting season, targeted to the Gen Z customers.
- Matas launched highly anticipated TikTok brand Tirtir (foundation) and well-known baby brand Moonboon (dropship), both in October. Matas also launched Everlast (sport) and Aveeno (derma skincare). In total, Matas launched 61 new brands in Q3 2024/25.
- KICKS launched popular pharmacy brand ACO online in Sweden in December, broadening the skincare assortment and was the first retailer to launch ACO outside the pharmacy channel. This is an important step in strengthening KICKS' position as a skincare destination. In total, KICKS launched 16 new brands in Q3 2024/25.

02 Expand and improve portfolio of in-house brands

- KICKS activation of Matas Striber (haircare and bodycare) continued in stores and online across Sweden, Norway and Finland, following the launch in September 2024.
- Matas launched Striber The Core in Matas. Matas also launched KICKS in-house brand Atelier Rouge (makeup, nail-polish) under the Matas banner.

Closer to you

03 Take e-commerce market shares and fuel omni experience

- Group online growth was 12.9% in Q3, despite continued integration of Skincity into KICKS online offering. Online growth in Matas was 17.3%. KICKS online excluding Skincity grew 23.3% in Q3.
- Skincity on track to be fully integrated into KICKS by year-end.
- In total, Matas Group has more than 6 million club members, with Matas accounting for more than 2 million members and KICKS for 3.9 million members.

04 Refresh, upgrade and open stores

- With ~500 stores across Denmark, Sweden, Norway and Finland, the stores play an important role in the omni-channel and still account for two thirds of revenues.
- During the quarter, Matas relocated two stores (Copenhagen and Glostrup) to better locations, one of which was also expanded. Both reopened as Life concept stores.
- The store NPS maintained the high level from Q3 last year.
- Both connected retail (sale of online products from the stores) and click and collect grew by double digits in Q3 compared to the same period last year.
- KICKS opened the new flagship store in Helsinki in a prime location in October 2024, and reopened two stores in Norway (Bergen and Fredrikstad), with a broader and deeper assortment, during Q3.

Stronger for you

05 Integrate and share to operate efficiently

- As of 1 April 2024, our new organisational structure was implemented with focus on closeness to the markets and with three Nordic Groupwide functions to drive efficiency, synergies and leverage our scale.
- Our new automated distribution centers are a platform for long-term profitable growth across the Nordics. The two logistics centers will facilitate expanded assortment, strengthen fast and efficient deliveries and contribute to reducing overall logistic costs.
- KICKS' Logistics Center outside of Stockholm is operational and delivered as planned in Q3.
- The construction phase of Matas' Logistics Center (MLC), which will more than double Matas overall capacity of web orders when fully operational in 2025, is now completed. MLC is now in a planned test phase.

06 Build long-term platform and culture

- We continue to build a long-term platform and culture. This includes a consolidated Group IT platform to foster collaboration and scale benefits to among others drive enhanced investments in AI and analytics, both in the front-end and back-end as this is fundamental to maintain a competitive advantage.



Q3 2024/25 sales performance

Revenue

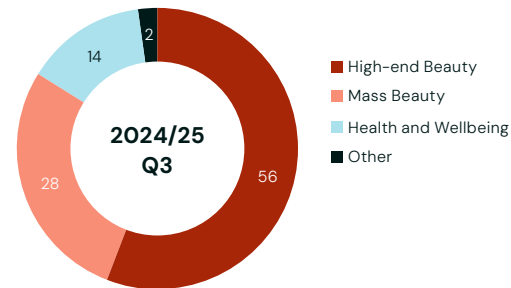
Matas Group generated total revenue of DKK 2,694 million in Q3 2024/25, a year-on-year increase of 7.4% from DKK 2,508 million in Q3 2023/24. Retail sales were up by 7.2% to DKK 2,664 million.

Total revenue grew DKK 186 million compared to Q3 2023/24, Matas stand-alone grew DKK 120 million or 7.9%. The remaining growth of DKK 66 million derives from KICKS, and KICKS stand-alone grew 7.3% currency neutral. KICKS growth was impacted by the integration of Skincity into KICKS. KICKS excluding Skincity grew 14.2% currency neutral, and KICKS online excluding Skincity grew 23.3% in Q3 2024/25.

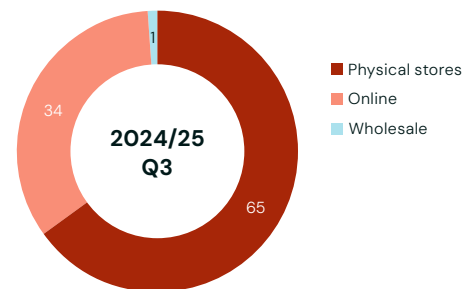
High-end and Mass Beauty grew in total DKK 140 million or 6.7% compared to Q3 2023/24. KICKS mainly operates within High-end Beauty, supporting the growth of 9.0%

The number of transactions increased by 4.0% to 11.6 million compared to 11.1 million in Q3 2023/24, while the average basket size increased by 3.1% to DKK 230 per transaction in the quarter compared to DKK 223 in Q3 2023/24.

Retail revenue by category (%)



Revenue by sales channel (%)



Q3 revenue by categories and sales channels

(DKKm)	Q3 2024/25	Q3 2023/24	Growth (%)	Currency neutral Q3 2023/24	Growth currency neutral (%)
Categories					
High-end Beauty	1,489	1,366	9.0%	1,357	9.8%
Mass Beauty	735	718	2.4%	719	2.2%
Health and Wellbeing	384	357	7.7%	357	7.7%
Other	56	44	27.8%	46	21.0%
Retail revenue	2,664	2,485	7.2%	2,479	7.5%
Retail revenue by category (%)					
High-end Beauty	56%	55%		55%	
Mass Beauty	28%	29%		29%	
Health and Wellbeing	14%	14%		14%	
Other	2%	2%		2%	
	100%	100%		100%	
Sales channels					
Physical stores	1,741	1,668	4.5%	1,647	5.7%
Online	923	817	12.9%	832	11.0%
Wholesale	30	23	27.0%	23	27.0%
Total revenue	2,694	2,508	7.4%	2,502	7.7%
Revenue by sales channel (%)					
Physical stores	65%	66%		66%	
Online	34%	33%		33%	
Wholesale	1%	1%		1%	
	100%	100%		100%	

Performance by category

The Beauty segment accounted for 83.5% of the retail revenue, compared to 83.9% in Q3 2023/24.

High-end Beauty was one of the primary growth drivers with 9.0% growth compared to Q3 2023/24.

Sales of make-up, women's fragrances and professional haircare recorded ongoing significant growth during the quarter, with the new brand Dyson being the number 5 biggest brand in December for Matas stand-alone.

Performance by sales channel

Physical stores grew revenue by 4.5% or DKK 73 million to DKK 1,741 million compared to Q3 2023/24. Matas stand-alone grew revenues in stores by 2.7%, including three additional stores. KICKS stand-alone grew 10.3% currency neutral in Q3, with no additional stores. The number of stores end of December was 266 in Matas and 230 in KICKS.

Like-for-like Matas stores grew 2.3% and KICKS stores grew 10.1%.

Online sales were up by 12.9% or DKK 106 million to DKK 923 million. Matas stand-alone online business grew 17.3%. KICKS stand-alone grew 1.5% currency neutral in Q3. KICKS online excluding Skincity grew 23.3% in Q3. Overall, online sales accounted for 34.2% of Q3 2024/25 revenue against 32.6% in Q3 2023/24.

In Q3 2024/25 wholesale increased by DKK 7 million to DKK 30 million.

Categories

Matas Group is characterised by its wide assortment of beauty, personal care, health, wellbeing and problem-solving household products. This broad product range creates a unique one-stop retail value proposition for the Group's customers in the shape of four categories.

High-end Beauty

Luxury beauty products, including cosmetics, skin and haircare products and fragrances. High-end beauty is the largest category in KICKS.

Mass Beauty

Everyday beauty products and personal care, including cosmetics, skin and haircare products.

Health and Wellbeing

MediCare (OTC medicine and nursing products). Vitamins, minerals, health supplements, specialty foods and herbal medicinal products. Sports, nutrition and exercise. Mother and child. Sexual wellness, Personal care products (oral, foot and intimate care and hair removal) and special skincare.

Other

Clothing and accessories (footwear, hair ornaments, jewellery, toilet bags, etc.). House and gardening (cleaning and maintenance, electrical products, interior decoration and textiles) and other.

9M 2024/25 sales performance

Revenue

Revenue in 9M 2024/25 amounted to DKK 6,501 million corresponding to an increase of 31.5% from the year-earlier period (proforma increase of 6.9%), while Matas stand-alone sales grew by 7.8% and KICKS stand-alone grew 5.5% proforma currency neutral.

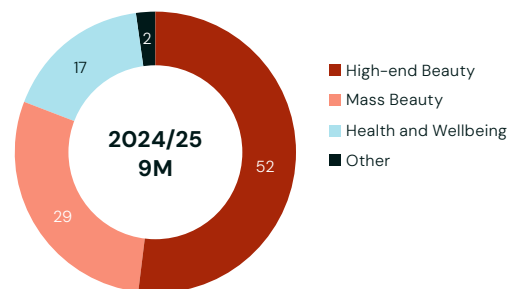
In 9M 2024/25, the number of transactions increased by 22.6% (1.3% proforma), while the average basket size grew 7.6%. The increase was mainly attributable to the KICKS transaction. The number of transactions came to 29.1 million in 9M 2024/25 compared to 28.7 million for proforma 9M 2023/24. The average basket size grew by 5.5% to DKK 220 per transaction compared to proforma 9M last year.

Performance by category

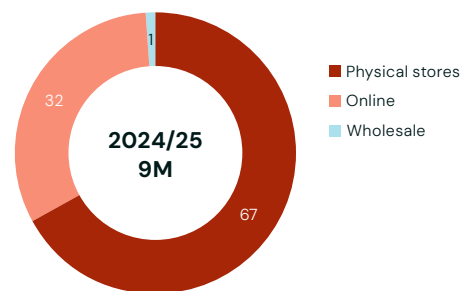
In 9M 2024/25, the beauty categories had the highest absolute growth partly due to the acquisition of KICKS.

For Matas stand-alone, the in-house brands sales, including Striberne, Nilens Jord, Flora Danica, Miild and now also BeautyAct by KICKS, accounted for 16.4% of the revenue in 9M 2024/25, a decrease of 0.5 percentage points compared to 9M 2023/24.

Retail revenue by category (%)



Revenue by sales channel (%)



9M revenue by categories and sales channels

(DKKm)	9M 2024/25	9M 2023/24	Growth (%)	Proforma currency neutral 9M 2023/24	Growth proforma currency neutral (%)
Categories					
High-end Beauty	3,347	2,230	50.1%	3,059	9.4%
Mass Beauty	1,852	1,544	20.0%	1,836	0.9%
Health and Wellbeing	1,084	992	9.2%	994	9.0%
Other	132	95	38.7%	109	22.0%
Retail revenue	6,415	4,861	32.0%	5,998	7.0%
Retail revenue by category (%)					
High-end Beauty	52%	46%		51%	
Mass Beauty	29%	32%		31%	
Health and Wellbeing	17%	20%		16%	
Other	2%	2%		2%	
	100%	100%		100%	
Sales channels					
Physical stores	4,315	3,344	29.0%	4,133	4.5%
Online	2,100	1,517	38.4%	1,864	12.5%
Wholesale	86	82	5.3%	82	5.3%
Total revenue	6,501	4,943	31.5%	6,079	6.9%
Revenue by sales channel (%)					
Physical stores	67%	67%		68%	
Online	32%	31%		31%	
Wholesale	1%	2%		1%	
	100%	100%		100%	

For KICKS the private label sales accounted for 4.9% of the KICKS retail revenue for 9M 2024/25.

Performance by sales channel

Revenue in 9M 2024/25 amounted to DKK 6,501 million corresponding to an increase of 31.5% from the year earlier period (6.9% proforma currency neutral). Physical stores grew revenue by 29.0% (4.5% proforma currency neutral), while online sales were up by 38.4% (12.5% proforma currency neutral). The increase was mainly attributable to the KICKS transaction.

Wholesale reported a revenue increase of DKK 4 million to DKK 86 million for 9M 2024/25.

Sales channels

At 31 December 2024, Matas consisted of 266 physical stores – 265 stores in Denmark and one on the Faroe Islands. In addition, Matas has one associated store in Greenland. KICKS consisted of 230 physical stores at 31 December 2024. 65% of Q3 2024/25 revenue was generated by the Group's 496 physical stores (68% in 9M proforma currency neutral).

In addition, the Group was present online through matas.dk, nilensjord.dk and several web shops operated by Firtal. KICKS is present online through kicks.se/no/fi and skincity.com/se/no/fi. 34% of consolidated revenue was in Q3 2024/25 generated through Matas Group's online channels (31% in 9M proforma currency neutral).

Wholesale mainly consists of wholesale from Web Sundhed, Grænn and international wholesale of Matas' house brands in Germany. Wholesale accounted for 1% of revenue for the quarter (1% in 9M proforma currency neutral).



Q3 2024/25 costs and operating performance

Gross margin

Gross profit for Q3 2024/25 amounted to DKK 1,245 million, up from DKK 1,115 million in Q3 2023/24 (DKK 1,114 million currency neutral).

The gross margin was 46.2% in the quarter, compared to 44.5% currency neutral last year. Key drivers in the improved margin were matured assortment expansion, more support from suppliers on growth initiatives and synergies, offset by price initiatives, discontinuation of certain in-house brands and Skincity impact at KICKS.

Total operating expenses

Adjusted for special items, overall costs (other external costs and staff costs) accounted for 28.8% of revenue in Q3 2024/25 against 27.6% in the year-earlier period currency neutral.

Other external cost

Other external costs amounted to DKK 325 million in Q3 2024/25 or 12.1% of revenue, up from DKK 279 million in Q3 2023/24 equal to 10.9% of revenue currency neutral.

Other external costs increased by DKK 46 million reflecting variable cost of sales from KICKS' and Matas' continuing digital growth and execution of the assortment expansion, as well as incremental marketing to drive growth initiatives.

Staff cost

Staff cost amounted to DKK 451 million in Q3 2024/25 against DKK 418 million in year-earlier period. The staff cost accounted for 16.7% of the revenue in Q3 2024/25 and on par with the same period last year currency neutral.

Other operating income

Other operating income amounted to DKK 5 million in Q3 2024/25, up by DKK 1 million in Q3 2023/2024. Other operation income is mainly income relating to media income from suppliers relating to sale of data services.

EBITDA before special items

EBITDA before special items came to DKK 474 million in Q3 2024/25 against DKK 424 million in Q3 2023/24, and the EBITDA margin before special items was 17.6%, against 17.0% in the year-earlier period currency neutral.

Costs (DKKm)	Q3 2024/25	Q3 2023/24	Growth (%)	Currency neutral Q3 2023/24	Growth currency neutral (%)
Other external costs	325	279	16.2%	273	19.3%
As a percentage of revenue	12.1%	11.1%		10.9%	
Staff costs	451	418	7.9%	417	7.9%
As a percentage of revenue	16.7%	16.7%		16.7%	

Special items

Special items for the Group amounted to 1 million in Q3 2024/25, down from DKK 20 million in 2023/24. The costs relate to other external costs and personal costs associated with the integration of KICKS.

EBITDA

EBITDA came to DKK 473 million against DKK 404 million in Q3 2023/24, and the EBITDA margin was 17.6%, against 16.2% in the year-earlier period currency neutral.

Depreciation, amortisation and impairment

The total depreciation, amortisation and impairment charges were up by DKK 1 million to DKK 156 million in Q3 2024/25, and thereby on the same level as the same period last year.

Net financials

Net financial expenses were up by DKK 22 million to DKK 51 million in Q3 2024/25 due to higher bank debt and higher interest expense.

Profit for the period after tax

Profit for the period amounted to DKK 201 million after tax, against DKK 163 million in Q3 2023/24 (DKK 166 million currency neutral).

Adjusted profit for the period after tax

Adjusted profit after tax amounted to DKK 210 million in Q3 2024/25 compared to DKK 190 million in the year earlier period (DKK 191 million proforma currency neutral).

Statement of cash flows

Cash generated from operations was an inflow of DKK 635 million in Q3 2024/25 against an inflow of DKK 713 million in Q3 2023/24 corresponding to a decrease of DKK 78 million related to higher working capital, mainly due to lower trade payables.

For Q3 2024/25, cash flows from investing activities were an outflow of DKK 183 million against an outflow of DKK 142 million in Q3 2023/24.

The Q3 2024/25 free cash flow was an inflow of DKK 377 million compared to an inflow of DKK 560 million in Q3 2023/24 driven by lower cash from operations and investing activities.

Cash flows (DKKm)	Q3 2024/25	Q3 2023/24
Cash generated from operations	635	713
Cash flow from investing activities excl. acquisitions of subsidiaries	(183)	(142)
Free cash flow excl. acquisitions of subsidiaries	377	560
Acquisition of subsidiaries and operations	-	-
Free cash flow	377	560
Cash flows from financing activities	(25)	(411)



9M 2024/25 costs and operating performance

Gross margin

Gross profit for 9M 2024/25 amounted to DKK 3,000 million, up by DKK 766 million from DKK 2,234 in 9M 2023/24 (DKK 2,749 million proforma currency neutral).

The gross margin was 46.1%, up from 44.0% in 9M 2023/24 (45.2% proforma currency neutral). Key drivers in the improved margin were matured assortment expansion, more support from suppliers on growth initiatives and synergies, offset by price initiatives, discontinuation of certain in-house brands and Skincity impact at KICKS.

Total operating expenses

Adjusted for special items, overall costs (other external costs and staff costs) accounted for 30.9% of revenue in 9M 2024/25 against 29.2% the year before (30.4% proforma currency neutral).

Other external cost

Other external costs amounted to DKK 776 million in 9M 2024/25 or 11.9% of revenue, up by DKK 239 million from DKK 537 million in 9M 2023/24 equal to 10.9% of revenue (9M 2023/24 proforma currency neutral DKK 691 million, equal to 11.4% of revenue).

The increase was driven by the KICKS acquisition, high digital growth in both Matas and KICKS as well as continued assortment expansion.

Staff cost

Staff costs amounted to DKK 1,239 million for 9M 2024/25, up from DKK 904 million for 9M 2023/24 (9M 2023/24 currency neutral DKK 1,153 million equal to 19.0% of revenue as in 9M 2024/25).

At 31 December 2024, Matas Group had 3,523 full-time employees, against 2,766 at 31 December 2023.

Other operating income

Other operating income amounted to DKK 5 million in 9M 2024/25, up from DKK 1 million in 9M 2023/2024.

EBITDA before special items

EBITDA before special items for 9M in 2024/25 came to DKK 1,000 million against DKK 802 million for 9M in 2023/24 and DKK 914 million proforma 9M 2023/24 currency neutral. EBITDA margin before special items was 15.4% in 9M 2024/25, against 16.2% in the year-earlier period (15.0% proforma currency neutral).

Costs (DKKm)	9M 2024/25	9M 2023/24	Growth (%)	Proforma currency neutral 9M 2023/24	Growth proforma currency neutral (%)
Other external costs	776	537	44.5%	691	12.3%
As a percentage of revenue	11.9%	10.9%		11.4%	
Staff costs	1,239	904	37.0%	1,153	7.4%
As a percentage of revenue	19.0%	18.3%		19.0%	

Special items

Special items amounted to a net expense of DKK 13 million for 9M in 2024/25 compared to DKK 80 million for 9M in 2023/24.

In 9M 2024/25, DKK 10 million of the special items related to integration cost and DKK 10 million to celebrating Matas' 75-year anniversary, less income of DKK 7 million from reversal of accrual for deferred acquisition cost. In 9M 2023/24, special items amounted to DKK 80 million and were related to the KICKS acquisition.

Since the acquisition of KICKS, DKK 83 million of integration cost has been expensed and up to DKK 17 million is expected as integration cost in the remaining of the financial year 2024/25.

EBITDA

EBITDA came to DKK 987 million against DKK 722 million in 9M 2023/24 (DKK 835 million proforma currency neutral) and EBITDA margin was 15.2%, against 14.6% in the year-earlier period (13.7% proforma currency neutral).



Cash flows (DKKm)	9M 2024/25	9M 2023/24
Cash generated from operations	915	891
Cash flow from investing activities excl. acquisitions of subsidiaries	(521)	(283)
Free cash flow excl. acquisitions of subsidiaries	319	597
Acquisition of subsidiaries and operations	(15)	(617)
Free cash flow	304	(20)
Cash flows from financing activities	16	392

Depreciation, amortisation and impairment

The total amortisation, depreciation and impairment charges were up by DKK 112 million to DKK 471 million in 9M 2024/25, mainly attributable to KICKS.

Net financials

In 9M in 2024/25, net financial expenses increased by DKK 68 million to a net expense of DKK 142 million compared to the year-earlier period. Mainly driven by higher interest bearing debt reflecting the acquisition of KICKS.

Profit for the period after tax

Profit for the period 9M 2024/2025 amounted to DKK 285 million after tax, against DKK 214 million in 9M 2023/24.

Adjusted profit for the period after tax

In 9M 2024/25, adjusted profit after tax amounted to DKK 320 million against DKK 316 million for 9M in 2023/24.

Statement of cash flows

In 9M in 2024/25, cash generated from operations was an inflow of DKK 915 million compared to an inflow of DKK 891 million in 9M 2023/24 corresponding to an increase of DKK 24 million.

In 9M 2024/25, cash flows from investing activities and acquisitions were an outflow of DKK 536 million against an outflow of DKK 900 million in 9M 2023/24. In 2024/25, the outflow mainly related to construction of Matas' Logistics Center while the outflow in the year-earlier period mainly related to the KICKS acquisition.

The 9M 2024/25 free cash flow was an inflow of DKK 304 million, compared to an outflow of DKK 20 million in 9M 2023/24.

Statement of financial position 31 December 2024 vs 31 December 2023

Total assets amounted to DKK 9,604 million on 31 December 2024, up from DKK 8,879 million at 31 December 2023.

Non-current assets increased by DKK 255 million to DKK 6,651 million. Current assets totalled DKK 2,953 million, a year-on-year rise of DKK 471 million.

Inventories amounted to DKK 2,233 million at 31 December 2024 which is an increase of DKK 415 million compared to the end of 9M 2023/24. KICKS accounted for DKK 1,004 million. Inventories accounted for 27.3% of LTM revenue at 31 December 2024 compared to 23.3% at 31 December 2023. Matas stand-alone inventories accounted for 24.3% of LTM revenue at 31 December 2024 compared to Matas stand-alone 22.8% at 31 December 2023. The inventory increase mainly reflects the supply chain transformation at KICKS, with central warehouse and improved product availability in KICKS stores.

Trade receivables decreased by DKK 15 million to DKK 128 million. KICKS accounted for DKK 74 million. Trade payables were down by DKK 135 million year-on-year. KICKS accounted for DKK 271 million of total trade payables of DKK 1,175 million.

Net working capital excluding deposits amounted to DKK 492 million at 31 December 2024 against a negative amount of DKK 46 million at 31 December 2023. The increase is due to higher inventory of which more than half was financed with supplier debt.

Cash and cash equivalents amounted to DKK 453 million, up from DKK 421 million the year before.

Equity amounted to DKK 3,676 million at 31 December 2024 compared to DKK 3,527 million at 31 December 2023.

Net interest-bearing debt amounted to DKK 3,235 million at 31 December 2024, a year-on-year increase of DKK 745 million. The gearing ratio was 2.7 times LTM EBITDA before special items, which is in line with our long-term target of a level between 2 and 3. In November 2024, Matas increased its Revolving Credit Facility.

Gross interest-bearing debt stood at DKK 3,688 million at 31 December 2024, including lease liabilities of DKK 1,076 million. At 31 December 2023 gross interest-bearing debt stood at DKK 2,912 million, including lease liabilities of DKK 1,155 million.

At 31 December 2024, the Company's share capital consisted of 38,291,492 shares of DKK 2.50 each, corresponding to a share capital of DKK 95,728,730. 210,000 treasury shares were purchased for future incentive programmes and 190,241 treasury shares were vested in the period under review in connection with the exercise of the 2021/22 incentive programme, Matas held 317,474 treasury shares at 31 December 2024.

Return on invested capital

The return on LTM invested capital before tax was 9.2% at 31 December 2024 against 12.8% at 31 December 2023.

ROIC before tax excluding goodwill was 24.1% at 31 December 2024 against 48.0% at 31 December 2023.

Events after the date of financial position

No subsequent events have occurred that materially affect the Matas Group's financial position.

Significant risks

Matas Group is exposed to operational risks affecting the retail industry in general as well as in the health and beauty industry. If the current macroeconomic environment leads to a slowing down of the economic activity, Matas Group's business could suffer. In addition, Matas Group is to some extent exposed to financial risks such as interest rate, liquidity, currency and credit risk.



Statement by the Board of Directors and the Executive Committee

The Board of Directors and the Executive Committee have today considered and approved the interim report of Matas A/S for the period 1 April to 31 December 2024.

The interim report, which has been neither audited nor reviewed by the Company's auditors, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the interim report gives a true and fair view of the Group's assets and liabilities and financial position at 31 December 2024 and of the results of the Group's operations and cash flows for the period 1 April to 31 December 2024.

Furthermore, in our opinion, the management's review includes a fair review of the development and performance of the business, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that the Group faces.

Allerød, 5 February 2025

Executive Committee

Gregers Wedell-Wedellsborg
Group CEO

Per Johannesen Madsen
Group CFO

Board of Directors

Lars Vinge Frederiksen
Chair

Mette Maix
Deputy Chair

Kenneth Melchior

Barbara Plucnar Jensen

Malou Aamund

Henrik Taudorf Lorensen

Espen Eldal

Statement of comprehensive income

(DKKm)	Note	Q3 2024/25	Q3 2023/24	9M 2024/25	9M 2023/24
Revenue	4, 5	2,694	2,508	6,501	4,943
Cost of goods sold		(1,449)	(1,393)	(3,501)	(2,709)
Gross profit		1,245	1,115	3,000	2,234
Other external costs		(325)	(279)	(776)	(537)
Staff costs		(451)	(418)	(1,239)	(904)
Other operating income and expenses, net		5	6	15	9
EBITDA before special items		474	424	1,000	802
Special items		(1)	(20)	(13)	(80)
EBITDA		473	404	987	722
Depreciation, amortisation and impairment		(156)	(155)	(471)	(359)
EBIT		317	249	516	363
Share of profit or loss after tax of associates		0	0	1	0
Financial income		0	5	2	8
Financial expenses		(51)	(34)	(145)	(82)
Profit before tax		266	220	374	289
Tax on profit for the period		(65)	(57)	(89)	(75)
Profit for the period		201	163	285	214
Currency adjustment of foreign entities and loan		(10)	24	(7)	50
Fair value adjustment of hedging instruments		5	-	5	-
Tax on other comprehensive income		1	(5)	1	(10)
Other comprehensive income after tax		(4)	19	(1)	40
Total comprehensive income		197	182	284	254
Distributed as follows:					
Shareholders of Matas A/S		197	182	284	254
Minority shareholders		-	-	-	-
Earnings per share					
Earnings per share, DKK		5.30	4.29	7.49	5.62
Diluted earnings per share, DKK		5.26	4.25	7.44	5.56



Statement of cash flows

(DKKm)	Q3 2024/25	Q3 2023/24	9M 2024/25	9M 2023/24
Profit before tax	266	220	374	289
Depreciation, amortisations and impairment	156	155	471	359
Other non-cash operating items, net	5	3	13	8
Share of profit or loss after tax of associates	0	0	(1)	0
Financial income	0	(5)	(2)	(8)
Financial expenses	51	34	145	82
Cash generated from operations before changes in working capital	478	407	1,000	730
Changes in working capital	157	306	(85)	161
Cash generated from operations	635	713	915	891
Corporation tax paid	(75)	(11)	(75)	(11)
Cash flow from operating activities	560	702	840	880
Acquisition of intangible assets	(57)	(33)	(138)	(107)
Acquisition of property, plant and equipment	(126)	(109)	(383)	(176)
Acquisition of subsidiaries and operations	-	-	(15)	(617)
Cash flow from investing activities	(183)	(142)	(536)	(900)
Free cash flow	377	560	304	(20)

(DKKm)	Q3 2024/25	Q3 2023/24	9M 2024/25	9M 2023/24
Debt raised with credit institutions	155	-	550	1,121
Debt settled with credit institutions	-	(283)	-	(393)
Interest received	0	-	2	3
Interest paid	(51)	(36)	(145)	(80)
Repayment of lease liabilities	(102)	(70)	(298)	(161)
Dividend paid	-	-	(76)	(76)
Option agreement, received	-	-	10	-
Acquisition of shares	(27)	(22)	(27)	(22)
Cash flow from financing activities	(25)	(411)	16	392
Net cash flow from operating, investing and financing activities	352	149	320	372
Currency adjustment	(1)	11	2	13
Cash and cash equivalents, beginning of period	102	261	131	36
Cash and cash equivalents, end of period	453	421	453	421

The above cannot be derived directly from the statement of comprehensive income and the statement of financial position.

Statement of financial position

(DKKm)	Note	31 Dec. 2024	31 Dec. 2023	31 March 2024
ASSETS				
Non-current assets				
Goodwill		4,096	4,104	4,096
Trademarks and trade names		177	186	184
Software		212	260	258
Other intangible assets		194	140	132
Total intangible assets		4,679	4,690	4,670
Property, plant and equipment				
Lease assets	6	1,012	1,116	1,157
Land and buildings		107	91	108
Other fixtures and fittings, tools and equipment		75	82	89
Leasehold improvements		202	71	208
Plant in progress		511	289	170
Total property, plant and equipment		1,907	1,649	1,732
Investments in associates		1	1	1
Deferred tax		16	9	17
Deposits		47	46	47
Other securities and equity investments		1	1	1
Total other non-current assets		65	57	66
Total non-current assets		6,651	6,396	6,468
Current assets				
Inventories		2,233	1,818	1,864
Trade receivables		128	143	76
Corporation tax receivable		27	-	17
Other receivables		19	32	38
Prepayments		93	69	74
Cash and cash equivalents		453	421	131
Total current assets		2,953	2,483	2,200
Total assets		9,604	8,879	8,668

(DKKm)	Note	31 Dec. 2024	31 Dec. 2023	31 March 2024
EQUITY AND LIABILITIES				
Equity				
Share capital		96	96	96
Translation reserve		12	40	17
Treasury share reserve		(39)	(43)	(43)
Hedging reserve		4	-	-
Retained earnings		3,602	3,433	3,315
Dividend proposed for the financial year		-	-	76
Equity, shareholders in Matas A/S		3,675	3,526	3,461
Non-controlling interests		1	1	1
Total equity		3,676	3,527	3,462
Liabilities				
Deferred tax		225	237	227
Lease liabilities	6	725	792	850
Provisions	7	28	28	28
Credit institutions		2,612	1,749	2,007
Other payables	8	5	13	5
Total non-current liabilities		3,595	2,819	3,117
Credit institutions		-	8	55
Lease liabilities	6	351	363	360
Provisions	7	1	2	19
Prepayments from customers		298	275	221
Dividend		-	-	-
Trade payables		1,175	1,310	1,070
Corporation tax payable		-	54	-
Other payables	8	508	521	364
Total current liabilities		2,333	2,533	2,089
Total liabilities		5,928	5,352	5,206
Total equity and liabilities		9,604	8,879	8,668

Statement of changes in equity

(DKKm)	Share capital	Translation reserve	Treasury share reserve	Hedging reserve	Proposed dividend	Retained earnings	Total	Minority interests	Total equity
Equity at 1 April 2024	96	17	(43)	-	76	3,315	3,461	1	3,462
Other comprehensive income	-	(7)	-	5	-	-	(2)	-	(2)
Tax on other comprehensive income	-	2	-	(1)	-	-	1	-	1
Other comprehensive income	-	(5)	-	4	-	-	(1)	-	(1)
Profit for the period	-	-	-	-	-	285	285	-	285
Total comprehensive income	-	(5)	-	4	-	285	284	-	284
Transactions with owners									
Dividend paid	-	-	-	-	(76)	-	(76)	-	(76)
Dividend on treasury shares	-	-	-	-	(0)	0	-	-	-
Exercise of incentive programme	-	-	21	-	-	(21)	-	-	-
Option agreement *	-	-	-	-	-	10	10	-	10
Deferred acquisition **	-	-	10	-	-	-	10	-	10
Acquisition of treasury shares	-	-	(27)	-	-	-	(27)	-	(27)
Share-based payment	-	-	-	-	-	13	13	-	13
Total transactions with owners	-	-	4	-	(76)	2	(70)	-	(70)
Equity at 31 December 2024	96	12	(39)	4	-	3,602	3,675	1	3,676

* In april 2024, Matas completed an option agreement with the former owners of Firtal Group ApS and received an option premium payment of DKK 10 million which is recognised in the equity. The option allows the former owners to acquire 20% of the shares in Firtal Group ApS for a predetermined amount. The option can be exercised from 1 May 2024 and expires 31 March 2029. After the option has been exercised, Matas has a right to acquire the shares at a consideration calculated based on a predetermined formula with a cap. There will not be any impact on the Matas Group profit and loss accounts from the option agreement nor the shareholder agreement.

** Related to Web Sundhed.

Statement of changes in equity

(DKKm)	Share capital	Translation reserve	Treasury share reserve	Proposed dividend	Retained earnings	Total	Minority interests	Total equity
1 April 2023	96	-	(44)	76	3,234	3,362	1	3,363
Other comprehensive income	-	40	-	-	-	40	-	40
Profit for the period	-	-	-	-	214	214	-	214
Total comprehensive income	-	40	-	-	214	254	-	254
Transactions with owners								
Dividend paid	-	-	-	(76)	-	(76)	-	(76)
Dividend on treasury shares	-	-	-	-	-	-	-	-
Exercise of incentive programme	-	-	23	-	(23)	-	-	-
Acquisition of treasury shares	-	-	(22)	-	-	(22)	-	(22)
Share-based payment	-	-	-	-	8	8	-	8
Total transactions with owners	-	-	1	(76)	(5)	(90)	-	(90)
Equity at 31 December 2023	96	40	(43)	-	3,433	3,526	1	3,527

Notes

Note 1 – Accounting policies

This interim report is presented in accordance with IAS 34, Interim Financial Reporting as adopted by the EU and additional disclosure requirements under the Danish Financial Statements Act.

Matas Group supports its suppliers with a range of activities, such as marketing of brands, advertising and promotions etc. These costs have previously been deducted in other external cost. Support from suppliers not directly linked to a specific activity was in the consolidated financial statements for 2023/24 reclassified to a reduction in cost of goods sold in accordance with the standards.

This change has resulted in a reallocation of the comparison figures in the statement of comprehensive income decreasing cost of goods sold for Q3 2023/24 by DKK 20 million (9M 2023/24 by DKK 60 million) and increasing other external cost with the same amount. Consequently, gross profit for Q3 2023/24 improved by DKK 20 million increasing the gross margin by 0.8 percentage points (9M 2023/24 improved by DKK 60 million increasing the gross margin by 1.2 percentage points), but there is no impact on EBITDA for neither Q3 2023/24 nor 9M 2023/24.

Except as set out below, the accounting policies are consistent with the accounting policies applied in the Annual Report for 2023/24 to which reference is made.

Changes of accounting policies

Matas Group has implemented amendments to the IFRS accounting standards effective as of 1 April 2024 as adopted by the EU.

None of those amendments have significantly affected recognition and measurement, nor are they expected to have a material effect on Matas Group's financial statements in the near future.

Note 2 – Accounting estimates and judgments

The preparation of interim financial statements requires Management to make accounting judgments and estimates that affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these estimates.

The critical accounting estimates and judgments applied are consistent with those applied in the Annual Report for 2023/24.

Note 3 – Seasonality

The Group's activities in the interim period were affected by Black Week and Christmas shopping, which is material to the Group's overall financial performance.

Note 4 – Segment information

Matas Group is segmented in two reportable segments Matas and KICKS. Management monitors the profitability of the operating segments separately for the purpose of making decisions about resource allocation and performance management. Management has aggregated the operational segments Matas, Firtal, Grænn and Web Sundhed as one reportable segment due to similarities in operations. Segment results are measured at gross profit as presented in the table below. Group costs are currently not separated from the segments below gross profit, why Management when looking at financial performance below gross profit is looking at the consolidated Group figures.

(DKKm)	Matas Q3 2024/25	KICKS Q3 2024/25	Total Q3 2024/25	Matas Q3 2023/24	KICKS Q3 2023/24	Total Q3 2023/24
Revenue	1,645	1,049	2,694	1,525	983	2,508
Cost of goods sold	(864)	(585)	(1,449)	(832)	(561)	(1,393)
Gross profit	781	464	1,245	693	422	1,115
Gross margin	47.5%	44.2%	46.2%	45.5%	43.0%	44.5%
Other external costs			(325)			(279)
Staff costs			(451)			(418)
Other operating income and expenses, net			5			6
EBITDA before special items			474			424
Special items			(1)			(20)
EBITDA			473			404

Notes

Note 4 – Segment information continued

(DKKm)	Matas 9M 2024/25	KICKS 9M 2024/25	Total 9M 2024/25	Matas 9M 2023/24	KICKS 9M 2023/24	Total 9M 2023/24
Revenue	4,035	2,466	6,501	3,743	1,200	4,943
Cost of goods sold	(2,137)	(1,364)	(3,501)	(2,034)	(675)	(2,709)
Gross profit	1,898	1,102	3,000	1,709	525	2,234
Gross margin	47.0%	44.7%	46.1%	45.7%	43.7%	45.2%
Other external costs			(776)			(537)
Staff costs			(1,239)			(904)
Other operating income and expenses, net			15			9
EBITDA before special items			1,000			802
Special items			(13)			(80)
EBITDA			987			722

9M 2023/24 includes KICKS with only 4 months as of 1 September 2023.

Note 5 – Revenue

(DKKm)	Q3 2024/25	Q3 2023/24	9M 2024/25	9M 2023/24
Retail sales, physical stores	1,741	1,668	4,315	3,344
Retail sales, online	923	817	2,100	1,517
Wholesale	30	23	86	82
Total revenue	2,694	2,508	6,501	4,943

In Q3 2024/25, 34% of Matas Group's revenue was generated by its online channels, compared to 33% in the year-earlier period.

Note 5 – Revenue continued

Revenue break-down by product groups is as follows:

(DKKm)	Q3 2024/25	Q3 2023/24	9M 2024/25	9M 2023/24
High-end Beauty	1,489	1,366	3,347	2,230
Mass Beauty	735	718	1,852	1,544
Health and Wellbeing	384	357	1,084	992
Other	56	44	132	95
Wholesale sales, etc.	30	23	86	82
Total revenue	2,694	2,508	6,501	4,943

Revenue from sales of products through Matas Group stores is recognised when a store sells the product to the customer. Payment is usually received when the customer receives the product, or, if the customer pays by credit card, a few days later. Revenue from sales through web shops is recognised and payment is received when the product is sent to the customer.

A small proportion of Matas Group's revenue is invoiced, e.g. wholesale sales, in which connection a receivable is recognised.

Income from the sale of gift vouchers is recognised as revenue upon redemption, alternatively upon expiry of the validity period. In estimating the redemption rate, Matas Group considers breakage which represents the portion of gift vouchers issued that will never be redeemed.

For the customer loyalty programme at Matas and KICKS, a performance obligation is recognised at the date of recognition of the sale triggering the allocation of loyalty points. The performance obligation is measured at the estimated fair value of the points allocated and amounted to DKK 76 million at 31 December 2024 (31 December 2023: DKK 75 million). The estimated fair value is inherently subject to some uncertainty with respect to actual future redemption and considering the flexibility of the customer loyalty programme. Revenue is recognised when the customer uses points, usually over an average period of three months.

Customers have the option of returning products, but the volume of returns at 31 December 2024 was insignificant as was the amount of guarantee commitments, similar to last year.

Notes

Note 6 – Leases

Matas Group's lease assets are as follows:

(DKKm)	31 Dec. 2024	31 Dec. 2023	31 March 2024
Store leases	863	928	986
Administration and warehouse buildings, etc.	143	182	164
Cars and other leases	6	6	7
Total lease assets	1,012	1,116	1,157

Matas Group's lease liabilities are as follows:

(DKKm)	31 Dec. 2024	31 Dec. 2023	31 March 2024
Non-current liabilities	725	792	850
Current liabilities	351	363	360
Total lease liabilities	1,076	1,155	1,210

Most store leases in Denmark are evergreen contracts as defined in the Danish Business Lease Act and are consequently subject to terms of notice of 3-12 months. Commercial renting of shops, etc., in the other Nordic countries are not similar to the practice in Denmark, as extensions take place at fixed intervals and with fixed deadlines for termination/extension. This has been accounted for in recognising the KICKS leases.

Depreciation as set out below is recognised in the statement of comprehensive income:

(DKKm)	9M 2024/25	9M 2023/24
Store leases, etc.	240	157
Administration and warehouse buildings, etc.	28	20
Cars and other leases	2	2
Total depreciation of lease assets	270	179

Lease payments in the amount of DKK 288 million were made in 9M 2024/25 (9M 2023/24: DKK 191 million).

Interest in the amount of DKK 39 million was expensed in 9M 2024/25 (9M 2023/24: DKK 30 million).

Matas Group is the lessee of a limited number of premises. For some of these leases, the rent is fully or partially based on revenue.

Revenue-based rent is not comprised by IFRS 16 and is therefore not included in the above tables. Revenue-based rent is, as before, recognised under other external costs and amounted to DKK 32 million in 9M 2024/25 (9M 2023/24: DKK 28 million).

A total of DKK zero million in 9M 2024/25 (9M 2023/24: DKK zero million) was recognised in the statement of comprehensive income regarding short-term, leases and leases of low-value assets. Lease liabilities relating to non-recognised short-term leases and leases of low-value assets amounted to DKK zero at 31 December 2024 (31 December 2023: DKK zero million).

Notes

Note 7 – Provisions

(DKKm)	31 Dec. 2024	31 Dec. 2023	31 March 2024
Included in non-current liabilities			
Obligation for reinstatement of tenancies	28	28	28
Total provision, non-current	28	28	28
Included in current liabilities			
Restructuring provisions	1	2	19
Total provision, current	1	2	19

Note 8 – Other payables

(DKKm)	31 Dec. 2024	31 Dec. 2023	31 March 2024
Other non-current payables			
Contingent consideration and deferred purchase price	5	13	5
Total other non-current payables	5	13	5
Other current payables			
VAT payable	218	183	56
Holiday pay obligations etc.	119	123	122
Pay-related liabilities (A tax/social security contributions)	151	163	136
Contingent consideration and deferred purchase price	3	35	34
Other creditors	17	17	16
Total other current payables	508	521	364

Note 9 – Transactions with related parties

Matas Group's related parties comprise the companies' board of directors and executive boards and their related family members. Further, related parties comprise companies in which the above-mentioned persons have significant interest as well as associates.

Pursuant to Matas A/S' Remuneration Policy, a total of 190,241 Performance Share Units (PSUs) related to the Company's long-term incentive programme (LTIP) for 2021/22 were vested at 14 June 2024.

PSUs were vested at 150% of the original grant. Based on a closing price at 13 June 2024 of DKK 121.4, the total value of vested PSUs amounted to DKK 23.1 million.

On 30 June 2024, a total of 181,823 PSUs have been granted related to the long-term incentive programme for 2024/25. A total of 53,196 PSUs were granted to Group CEO Gregers Wedell-Wedellsborg and a total of 29,258 PSUs were granted to Group CFO Per Johannesen Madsen.

Related party transactions with associates recognised in the income statement and the statement of financial position.

(DKKm)	9M 2024/25	9M 2023/24
Revenue	0	0
Other external costs	(10)	(9)
Receivables	1	1
Trade payables	0	0

Note 10 – Subsequent events

No subsequent events have occurred that materially affect the Matas Group's financial position.

Interim financial highlights

(DKKm)	Q3 2024/25	Q2 2024/25	Q1 2024/25	Q4 2023/24	Q3 2023/24
Statement of comprehensive income					
Revenue	2,694	1,851	1,956	1,758	2,508
Gross profit	1,245	852	903	845	1,115
EBITDA	473	238	276	182	404
EBIT	317	81	118	16	249
Net financials	(51)	(50)	(42)	(58)	(29)
Profit before tax	266	31	76	(42)	220
Profit for the period	201	24	59	(45)	163
Statement of financial position					
Total assets	9,604	9,284	8,943	8,668	8,879
Total equity	3,676	3,501	3,462	3,462	3,527
Net working capital	492	656	441	378	(46)
Net interest-bearing debt	3,235	3,478	3,262	3,140	2,490
Statement of cash flows					
Cash flow from operating activities	560	39	241	(235)	702
Investments in tangible assets	(126)	(108)	(149)	(75)	(109)
Cash flow from investing activities	(183)	(144)	(209)	(121)	(142)
Free cash flow	377	(105)	32	(356)	560
Acquisitions of subsidiaries and operations	-	-	(15)	2	-
Free cash flow excl. acquisitions of subsidiaries and operations	377	(105)	47	(358)	560
Net cash flow from operating, investing and financing activities	352	(54)	22	(282)	149

(DKKm)	Q3 2024/25	Q2 2024/25	Q1 2024/25	Q4 2023/24	Q3 2023/24
Key performance indicators					
Number of transactions (millions)	11.6	8.6	8.9	8.2	11.1
Average basket size (DKK)	230	212	217	211	223
Total retail floor space (thousands of square metres)	107.3	106.9	106.1	105.2	104.9
Avg. revenue per square metre (DKK thousands) - LTM	77.6	76.3	74.9	79.7	83.3
Proforma revenue currency neutral growth	7.5%	6.8%	6.1%	2.7%	7.4%
Adjusted figures					
EBITDA	473	238	276	182	404
Special items included in EBITDA	(1)	5	(17)	(22)	(20)
EBITDA before special items	474	233	293	204	424
Depreciation of property, plant and equipment and amortisation of software	(147)	(147)	(148)	(151)	(140)
EBITA before special items*	327	86	145	53	284
Adjusted profit after tax	210	26	85	(13)	190
Gross margin	46.2%	46.0%	46.1%	48.0%	43.7%
EBITDA margin	17.6%	12.8%	14.1%	10.3%	16.1%
EBITDA margin before special items	17.6%	12.6%	15.0%	11.6%	16.9%
EBITA margin before special items*	12.1%	4.6%	7.4%	3.0%	11.3%
EBIT margin	11.7%	4.4%	6.0%	0.9%	9.9%

* Historical figures for EBITA before special items and EBITA margin before special items have been adjusted for amortisation of software in alignment with definitions of key financials as described in the Annual Report for 2023/24 page 106.

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Forward-looking statements

This interim report contains statements relating to the future, including statements regarding Matas Group's future operating results, financial position, cash flows, business strategy and future targets. Such statements are based on Management's reasonable expectations and forecasts at the time of release of this report. Forward-looking statements are subject to risks and uncertainties and a number of other factors, many of which are beyond Matas Group's control. This may have the effect that actual results may differ significantly from the expectations expressed in the report. Without being exhaustive, such factors include general economic and commercial factors, including market and competitive conditions, supplier issues and financial and regulatory issues, IT failures as well as any effects of healthcare measures that are not specifically mentioned above.



Financial calendar 2024/25 and 2025/26

2 May 2025	Deadline for the Company's shareholders to submit in writing requests for specific proposals to be included on the agenda for the Annual General Meeting
23 May 2025	Annual Report 2024/25
16 June 2025	Annual General Meeting 2024/25
13 August 2025	Interim Report - Q1 2025/26
12 November 2025	Interim Report - Q2 2025/26
9 January 2026	Trading update for Q3 2025/26
5 February 2026	Interim Report - Q3 2025/26
4 May 2026	Deadline for the Company's shareholders to submit in writing requests for specific proposals to be included on the agenda for the Annual General Meeting
19 May 2026	Annual Report 2025/26
16 June 2026	Annual General meeting 2025/26

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