

Interim report Q4 2025

JANUARY – DECEMBER 2025



embellence
GROUP



INTERIM REPORT Q4 / QUARTERLY OVERVIEW

Fourth quarter 2025

- Net sales amounted to MSEK 195 (202), down 3%. Organic growth amounted to 1% and exchange rate effects had an impact of -4%.
- The gross margin amounted to 61.8% (60.7).
- Operating profit (EBITA) amounted to MSEK 26 (28).
- The EBITA margin amounted to 13.2% (13.9).
- Net profit for the period amounted to MSEK 17 (12) and earnings per share before and after dilution to SEK 0.72 (0.52).
- Operating cash flow amounted to MSEK 42 (38).
- The Board of Directors proposes a dividend of SEK 1.50 per share (1.25) to the Annual General Meeting.

SIGNIFICANT EVENTS DURING THE QUARTER

- No significant events to report.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- New Managing Director of Cole & Son appointed.

MSEK	Oct-Dec 2025	Oct-Dec 2024	Change	Full-year 2025	Full-year 2024	Change
Group						
Net sales	195	202	-3%	765	778	-2%
Gross profit	121	123	-2%	471	466	1%
Gross margin, %	61.8%	60.7%	1.1 pp	61.6%	59.9%	1.7 pp
EBITA	26	28	-8%	108	112	-4%
EBITA margin, %	13.2%	13.9%	-0.7 pp	14.1%	14.4%	-0.3 pp
Net profit for the period	17	12	38%	69	57	20%
Operating cash flow	42	38	7%	91	113	-19%
Net debt/EBITDA R12	0.5	0.7		0.5	0.7	
Earnings per share before dilution (SEK)	0.72	0.52		2.93	2.50	
Earnings per share after dilution (SEK)	0.72	0.52		2.93	2.50	

Stable fourth quarter with continued strategic investments



Net sales for the fourth quarter amounted to MSEK 195 (202), down 3% compared with the year-earlier quarter. Currency-adjusted organic growth for the quarter amounted to +1%, while the strong Swedish krona had a negative impact on growth of -4%. As previously communicated, this must be compared to a very strong fourth quarter of 2024, with a large positive non-recurring effect in the Artscape brand's year-earlier period.

Net sales for the full year amounted to MSEK 765 (778). Currency-adjusted organic growth for the year was 1%, while currencies had a negative impact on sales of 2%.

The gross margin remained strong in the quarter, amounting to 61.8% (60.7). For the full year, the gross margin improved by 1.7 percentage points to 61.6% (59.9), driven by price increases, proactive efforts to launch new premium products and designs, and a positive trend for the channel mix with a higher direct-to-consumer share. This improvement to the gross margin was achieved despite an increase in the share of total sales during the year for the Manufacturing business area, which operates with lower margins than the Brands business area. Increased efficiency in Manufacturing – due in part to the Group's newly installed paint mixing equipment – enabled this positive performance.

EBITA for the quarter was MSEK 26 (28), corresponding to an operating margin of 13.2% (13.9). The operating margin for the full year was 14.1% (14.4%). The somewhat lower margin was impacted by the strategic initiatives that we are pursuing – including organisational changes in sales and new digital platforms – to increase sales in the priority areas of direct-to-consumer, hospitality and international markets. Overall, together with sales impacted by negative currency effects, this meant that EBITA amounted to MSEK 108 (112) for the full year.

Operating cash flow for the quarter improved to MSEK 42 (38), and our financial position continues to strengthen with a ratio of net debt to EBITDA of 0.5 (0.7) at the end of the year.

BRANDS

– INVESTMENTS IN OUR GROWTH AREAS ARE BEGINNING TO SHOW RESULTS

Net sales in Brands for the full year amounted to MSEK 664 (693). The decrease in sales was largely due to negative exchange rate effects, and a comparative year with large non-recurring effects from launches in Artscape.

Boråstapeter – our single largest brand – ended the year on a strong note, and sales in the fourth quarter increased 9%. For the full year, sales reached MSEK 287 (273). In 2025, Boråstapeter celebrated 120 years with festivities including new launches of several design icons from our historical archive. We also made several investments in line with our strategy, including changing to a more direct go-to-market model in several European countries, strengthening our international sales team and increasing focus on direct-to-consumer (DTC). All of our core markets performed well, and we are seeing a continuation of the healthy growth in DTC sales.

Cole & Son's sales amounted to MSEK 30 (36) for the fourth quarter and MSEK 134 (141) for the full year. Good performance in the US and several European markets could not fully compensate for a weak domestic market and negative exchange rate effects. Cole & Son also celebrated its 150th anniversary this year, launching two Classic collections inspired by our rich archive. In October, we presented a new collection, which we developed together with the South African design brand Ardmore, where design meets art. As Cole & Son now enters its next phase, with a focus on international expansion and sales in the hospitality sector, we have recruited a new Managing Director to lead this iconic brand into the next phase of the brand's development. At the same time, I

would like to thank outgoing CEO Marie Karlsson for her efforts and for the work that has brought the brand to the position it enjoys today.

Sales for Wall&decò in the fourth quarter were MSEK 20 (24). For the full year, Wall&decò achieved sales of MSEK 87 (94). Sales in the Italian domestic market at the retail level continued to decline, and a similar trend was seen in Germany, where we opted to change agents. During the year, Wall&decò enhanced its sales team with a focus on internationalisation and hospitality. We are seeing growth and a positive performance in the US and in the Hospitality channel, but much remains to be done if the trend in retail is to be reversed.

For the second quarter in a row, Pappelina posted growth and had sales of MSEK 10 (10). For the full year, Pappelina achieved sales of MSEK 44 (46). After a weak start to the year, new management, the relocation of the head office from Falun to Borås and a stronger focus on DTC sales led to stabilisation during the second half of the year. Pappelina's new web platform is performing well after the launch in summer 2025.

Artscape's sales totalled MSEK 27 (36) for the fourth quarter and MSEK 113 (139) for the full year. As previously communicated, Artscape's comparative figures in the quarter were affected by two major launches in 2024. In addition, sales were negatively affected by large exchange rate effects with a weaker USD. The underlying business in Artscape is performing well, supported by a new online platform and an enhanced online sales team, which enabled strong growth in DTC in the second half of the year.

MANUFACTURING**- CONTINUED SUCCESS IN CAPTURING
MARKET SHARE**

Borås Tapetfabrik continued its positive trend, posting 19% growth in external sales in the fourth quarter. Sales to external customers for the full year totalled MSEK 101 (85), up nearly 20%. Behind this strong performance is a sharp focus on delivering high-quality products and offering a high level of service to both internal and external customers. During the year, investments in new and more efficient paint mixing equipment enabled increased efficiency, and digital printing capacity has been expanded.

**STRATEGIC INVESTMENTS IN
GROWTH AREAS**

During the year, we took several important steps in line with our strategy and are seeing increased DTC sales, positive performances in several key international export markets and increased sales to the Hospitality channel.

**BETTER ONLINE DTC SHOPS
AND PRODUCT RANGE**

One of our main priorities is increasing sales in the channel that has generally grown the most in the industry in recent years: DTC. One of the key elements of this effort is progressively updating the brands' online sales platforms to more user-friendly and commercially-driven solutions. During the summer, Pappelina and Artscape implemented new platforms, which are already showing positive effects with strong growth of over 40% in the fourth quarter. At the end of December, Cole & Son switched to the same new platform, and Boråstapeter will also launch a new platform in the first half of 2026. We have also enhanced our expertise in this area, both at the Group level and within our brands.

**INCREASED FOCUS ON INTERNATIONAL
EXPORT MARKETS**

The cornerstones of the strategy also include growth in international markets, outside the brands' traditional domestic markets. Here as well, we took important steps in the right direction during the year. Excluding currency exchange effects, we are seeing good underlying export growth in our major geographic markets, including the US and key markets in Europe. Behind this development is a conscious effort with enhanced international sales teams, changes in go-to-market models and intensified sales activities – all to enhance the perception of our brands.

**IMPROVED SERVICE OFFERING FOR
THE HOSPITALITY CHANNEL**

We are also seeing a positive trend in sales to the Hospitality channel – hotels, restaurants and other parts of the

service industry. This is particularly noticeable for Wall&decò, which during the year strengthened its position in this particular channel with several important projects such as the MGM Grand in Las Vegas and Authograph Collection by Marriot in Houston. The effort at broadening collaborations among brands as regards conducting business in this channel will intensify further in 2026.

GREAT CONFIDENCE IN OUR STRATEGY

After nine months at the helm of Embellence Group, I can say that I am even more convinced that the strategic initiatives that we presented at our Capital Markets Day 2024 are the right ones.

I have been impressed by the design and industry expertise within our brands, the improvements to efficiency that we are seeing in manufacturing, and with the changes that have been made in terms of focus on the commercial channels that we believe will be the winners

for the coming years. The strong Swedish krona is impacting us negatively in the short term, but this does not mean any change in our strategy where the goal is to continue to grow organically, and with healthy profitability, while we can now open up for further acquisitions as a result having a more stable organisation.

Our focus on profitability, growth and building further on our iconic strong brands stands firm. We are well prepared to take the next steps in our journey of growth, and in 2026 we will continue our efforts at building an Embellence Group that is stronger in every aspect.

Borås, February 2026
Johan Andgren,
CEO Embellence Group AB

Group performance

CONSOLIDATED NET SALES

Net sales for the quarter amounted to MSEK 195 (202), down 3% compared with the year-earlier quarter. Organic growth during the quarter amounted to 1%, driven by Boråstapeter and Manufacturing. Exchange rate effects had a negative impact of -4%.

Net sales for the full year amounted to MSEK 765 (778). Organic growth +1% and exchange rate effects -2%.

CONSOLIDATED EARNINGS

EBITA for the quarter was MSEK 26 (28), corresponding to an operating margin of 13.2% (13.9). Continued strategic investments in organisation and sales, together with the launch of new platforms and declining net sales, contributed to a lower EBITA margin.

Net profit for the quarter amounted to MSEK 17 (12), resulting in earnings per share before and after dilution of SEK 0.72 (0.52).

EBITA for the full year amounted to MSEK 108 (112), with an operating margin of 14.1% (14.4).

Net profit for the full year amounted to MSEK 69 (57), corresponding to earnings per share before and after dilution of SEK 2.93 (2.50).

NET FINANCIAL ITEMS

Net financial items for the quarter were MSEK -1 (-6). Net interest amounted to MSEK -1 (-2). Remeasurement of financial items in foreign currency was MSEK 0 (-4).

Net financial items for the period amounted to MSEK -4 (-22). Both lower net interest of MSEK -7 (-15), a result of decreased indebtedness and lower interest rates, and a positive impact from restatement of financial items in foreign currency of MSEK 4 (-7) were contributing factors.

CASH FLOW

Cash flow from operating activities amounted to MSEK 42 (38). The change in working capital amounted to MSEK 18 (0), with changes in primarily accounts receivable and inventory having a positive impact. Cash flow from investing activities amounted to MSEK -9 (-1). Cash flow from financing activities for the quarter amounted to MSEK -31 (-44). Cash flow for the quarter amounted to MSEK 2 (-7).

Cash flow for the full year totalled MSEK 1 (1).

FINANCIAL POSITION

At the end of the quarter, the Group's total assets amounted to MSEK 762 (830). The equity ratio amounted to 67% (65) and cash and cash equivalents at the end of the quarter were MSEK 38 (41). The Group's net debt amounted to MSEK 68 (99) at the end of the quarter. At the end of the quarter, the ratio of net debt to EBITDA (R12) was 0.5 (0.7).



NET SALES (MSEK)



EBITA (MSEK) AND EBITA MARGIN (%)



Operational performance

BRANDS

Net sales in Brands amounted to MSEK 166 for the quarter, down 6% compared to the year-earlier quarter. Boråstapeter continued its positive performance, while performance for other brands – where Cole & Son and Wall&decò in particular had a very challenging quarter – was weak.

BORÅSTAPETER

Boråstapeter's sales for the quarter amounted to MSEK 79, up 9% compared with the year-earlier quarter. This is the fourth consecutive quarter of growth, with Sweden continuing to perform strongly alongside good development in markets such as Norway, the US and Germany. Direct-to-consumer (DTC) sales posted healthy growth in the quarter.

COLE & SON

Cole & Son's sales for the quarter amounted to MSEK 30, down 16% compared to the year-earlier quarter. The poor performance for the quarter is explained by weak demand in the UK and the US, as well as a negative exchange rate effect.

WALL&DECÒ

Wall&decò's sales amounted to MSEK 20, down 15% compared to the year-earlier quarter. The US market performed well, while performance in the other major markets was weak – with Italy and Germany being the largest negative contributors.

PAPPELINA

Pappelina's sales for the quarter amounted to MSEK 10, up 1% compared with the year-earlier quarter. Pappelina continues to develop in the right direction after several challenging years, with the Swedish market continuing to perform well. Sales through the new online sales platform continue to post robust growth, although from low levels.

ARTSCAPE

Artscape's sales for the quarter amounted to MSEK 27, down 25% compared to the year-earlier quarter. This weaker performance should be viewed against the background of an extraordinary comparative quarter, which was impacted by a major order being brought forward as well as a significant negative exchange rate effect during the quarter. Sales through the new online platform performed well, with healthy growth from low levels.



BORÅS TAPETFABRIK

NET SALES

MSEK	Oct-Dec 2025	Oct-Dec 2024	Change	Full-year 2025	Full-year 2024	Change
Brands	166	178	-6%	664	693	-4%
Boråstapeter	79	72	9%	287	273	5%
Cole & Son	30	36	-16%	134	141	-5%
Wall&decò	20	24	-15%	87	94	-8%
Pappelina	10	10	1%	44	46	-5%
Artscape	27	36	-25%	113	139	-19%
Manufacturing (external)	29	24	19%	101	85	19%
EMBELLENCE GROUP	195	202	-3%	765	778	-2%

MANUFACTURING

Manufacturing continued to grow, with sales to external customers of MSEK 29, up 19% compared with the year-earlier quarter. Performance in the quarter was driven primarily by increased income from existing customers in digital printing.

Manufacturing for full-year 2025 grew 19% year-on-year.

Other Group

ORGANISATION

The number of FTEs on 31 December 2025 was 223 (225).

RELATED-PARTY TRANSACTIONS

No related-party transactions took place.

INCENTIVE PROGRAMMES

The share savings programme was implemented in accordance with a decision by the Annual General Meeting and encompasses a total of 28,256 savings shares and five participants. A similar bonus scheme for individuals residing outside Sweden has been implemented for two persons.

RISKS AND UNCERTAINTIES

Embellence Group works continuously to identify and manage the risks associated with the Group's operations. The company has a well-functioning risk-management process in place whereby risks are consolidated, reported and monitored by Group management. For a complete description of the risks impacting the company, refer to the 2024 Annual Report.

SEASONAL VARIATIONS

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

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Parent Company, recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board was applied to the preparation of this interim report. Accounting policies and the basis of calculations are the same as the policies applied in the company's most recent annual report. The carrying amount is a good approximation of fair value for financial assets and liabilities. New standards and interpretations that have come into effect after 31 December 2024 have not had a significant impact on the Group's financial statements for the current or future periods, nor on future transactions.

SIGNIFICANT EVENTS DURING THE QUARTER

No significant events to report.

SIGNIFICANT EVENTS DURING THE QUARTER

The Board of Directors proposes a dividend of SEK 1.50 per share (1.25) to the Annual General Meeting, corresponding to 51% of net profit for the year.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

New Managing Director of Cole & Son appointed.

AUDIT

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

The Parent Company's net sales amounted to MSEK 9 (3) in the fourth quarter. Net profit amounted to MSEK 52 (34).



COLE & SON: VIVIENNE WESTWOOD

Signatures and assurance

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

BORÅS, 17 FEBRUARY 2026

MAGNUS WELANDER
Chairman

JOHAN ANDGREN
CEO

KARIN DENNFORD

MARIA VEERASAMY

HENRIK NYQVIST

CHRISTINA STÅHL

Condensed consolidated income statement

MSEK	Oct-Dec 2025	Oct-Dec 2024	Full-year 2025	Full-year 2024
Net sales	195	202	765	778
Cost of goods sold	-74	-79	-293	-312
Gross profit	121	123	471	466
Selling and administrative expenses	-100	-100	-383	-375
Other operating income	1	1	6	5
Other operating expenses	-1	-1	-4	-3
Operating profit	21	23	91	93
Net financial items	-1	-6	-4	-22
Profit before tax	20	16	87	72
Tax	-3	-4	-18	-14
Net profit for the period	17	12	69	57
 Earnings per share for the period before dilution (SEK)	0.72	0.52	2.93	2.50
Earnings per share for the period after dilution (SEK)	0.72	0.52	2.93	2.50
 Other comprehensive income				
Translation differences	-10	26	-64	36
Total other comprehensive income	-10	26	-64	36
Comprehensive income for the period	7	38	5	93

Condensed consolidated balance sheet

MSEK	31 Dec 2025	31 Dec 2024
Assets		
Intangible non-current assets	311	362
Tangible non-current assets	87	80
Right-of-use assets	50	59
Deferred tax assets	4	5
Financial non-current assets	3	3
Total non-current assets	455	509
Inventories	140	147
Accounts receivable	95	98
Current tax assets	4	6
Other receivables	11	9
Prepaid expenses and accrued income	18	20
Cash and cash equivalents	38	41
Total current assets	307	321
Total assets	762	830
Equity and liabilities		
Share capital	59	59
Other contributed capital	111	111
Reserves	-3	61
Retained earnings, including net profit for the year	346	307
Equity attributable to Parent Company shareholders	513	538
Provisions for pensions	5	7
Deferred tax liabilities	20	17
Other non-current interest-bearing liabilities	39	27
Lease liabilities	39	48
Total non-current liabilities	104	99
Other current interest-bearing liabilities	12	—
Bank overdraft facility	1	49
Lease liabilities	15	16
Accounts payable	50	59
Other current liabilities	22	20
Accrued expenses and deferred income	45	49
Total current liabilities	145	193
Total liabilities	248	292
Total equity and liabilities	762	830

Indebtedness

MSEK	31 Dec 2025	31 Dec 2024
Lease liabilities	54	64
Bank overdraft facility	1	49
Other interest-bearing receivables and liabilities	51	27
Gross debt	106	140
Cash and cash equivalents	-38	-41
Net debt	68	99
EBITDA (R12)	134	138
Net debt/EBITDA (R12)	0.5	0.7
Net debt/EBITDA excl. IFRS 16 effects (R12)	0.2	0.4
Equity ratio	67%	65%
Quota value per share (SEK)	2.5	2.5

Condensed consolidated cash flow statement

MSEK	Oct-Dec 2025	Oct-Dec 2024	Full-year 2025	Full-year 2024
OPERATING ACTIVITIES				
Operating profit	21	23	91	93
Adjustments for non-cash items				
Depreciation and amortisation	11	12	43	44
Other	-4	7	-22	8
Total	28	42	112	145
Interest received	1	2	1	2
Interest paid	-2	-4	-8	-16
Tax paid	-3	-1	-15	-10
Cash flow from operating activities before changes in working capital	24	39	90	121
Cash flow from changes in working capital	18	0	1	-9
Cash flow from operating activities	42	39	91	113
INVESTING ACTIVITIES				
Acquisition of non-current assets	-9	-1	-22	-14
Cash flow from investing activities	-9	-1	-22	-14

MSEK	Oct-Dec 2025	Oct-Dec 2024	Full-year 2025	Full-year 2024
FINANCING ACTIVITIES				
Change in bank overdraft facilities	-24	-4	-48	-42
Repayment of lease liabilities	-4	-4	-15	-15
New borrowing	0	0	131	-
Repayment of loans	-3	-37	-107	-71
Option premiums received	0	0	0	3
Redemption of warrants	0	0	0	26
Dividend	0	0	-29	-
Cash flow from financing activities	-31	-44	-68	-98
Cash flow for the period	2	-7	1	1
Cash and cash equivalents at beginning of period	37	47	41	38
Exchange rate differences in cash and cash equivalents	-1	1	-4	2
Cash and cash equivalents at end of period	38	41	38	41

Condensed consolidated statement of changes in equity

MSEK	31 Dec 2025
Opening balance 1 Jan 2025	538
Dividend	-29
Net profit for the period	69
Other comprehensive income	-64
Closing balance 31 Dec 2025	513

MSEK	31 Dec 2024
Opening balance 1 Jan 2024	415
Option premiums received	3
Redemption of warrants	26
Net profit for the period	57
Other comprehensive income	37
Closing balance 31 Dec 2024	538



ARTSCAPE: JASMINE

Condensed Parent Company income statement

MSEK	Oct-Dec 2025	Oct-Dec 2024	Full-year 2025	Full-year 2024
Net sales	9	3	21	13
Administrative expenses	-10	-8	-32	-30
Operating loss	-1	-5	-12	-17
Net financial items	-1	-9	-3	-25
Loss after financial items	-2	-14	-15	-42
Group contributions	85	66	85	66
Other appropriations	-18	-8	-18	-8
Profit before tax	65	45	52	17
Tax	-14	-11	-11	-5
Net profit for the period	52	34	42	12

Condensed Parent Company balance sheet

MSEK	31 Dec 2025	31 Dec 2024
Assets		
Intangible non-current assets	—	1
Deferred tax assets	1	—
Financial non-current assets	618	618
Total non-current assets	619	619
Prepaid expenses and accrued income	2	1
Total current assets	2	1
Total assets	621	620

MSEK	31 Dec 2025	31 Dec 2024
Equity and liabilities		
Share capital	59	59
Statutory reserve	10	10
Share premium reserve	129	129
Retained earnings, including net profit for the year	185	173
Equity attributable to Parent Company shareholders	383	370
Untaxed reserves	43	25
Provisions for pensions	2	2
Other non-current interest-bearing liabilities	39	27
Total non-current liabilities	41	29
Other current interest-bearing liabilities	12	—
Bank overdraft facility	1	49
Accounts payable	1	2
Liabilities to Group companies	131	137
Other current liabilities	5	1
Accrued expenses and deferred income	5	6
Total current liabilities	155	195
Total liabilities	196	224
Total equity and liabilities	621	620

Quarterly overview

GROUP

MSEK	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Net sales	214	191	170	202	202	193	174	195
Gross profit	125	115	103	123	126	120	105	121
Gross margin, %	58.3%	60.1%	60.7%	60.7%	62.0%	61.9%	60.6%	61.8%
EBITA	34	25	26	28	32	26	24	26
EBITA margin, %	15.7%	13.0%	15.1%	13.9%	16.0%	13.5%	13.6%	13.2%

NET SALES, BRANDS AND MANUFACTURING

MSEK	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Boråstapeter	78	61	61	72	79	66	62	79
Cole & Son	36	36	33	36	39	34	30	30
Wall&decò	25	26	20	24	23	23	20	20
Pappelina	12	13	11	10	11	11	11	10
Artscape	46	31	27	36	25	34	28	27
Net sales Brands	197	167	151	178	179	168	152	166
Net sales Manufacturing (external)	17	24	19	24	24	26	22	29
Total	214	191	170	202	202	193	174	195

NET SALES BY LARGEST MARKETS

MSEK	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Sweden	70	62	56	73	80	65	61	76
US	60	45	37	48	39	48	39	46
UK	19	16	21	19	21	17	17	16
Rest of World	65	68	57	62	63	63	57	57
Total	214	191	170	202	202	193	174	195

Notes

NOTE 1 Earnings per share

MSEK	Oct-Dec 2025	Oct-Dec 2024	Full-year 2025	Full-year 2024
Net profit for the period (SEK)				
Earnings per share before dilution	0.72	0.52	2.93	2.50
Earnings per share after dilution	0.72	0.52	2.93	2.50
Performance measures used in the calculation of earnings per share before and after dilution (MSEK)				
Net profit for the period	17	12	69	57
Profit above is attributable to Parent Company shareholders in its entirety				
Weighted average number of shares before and after dilution				
Before dilution				
Weighted average number of ordinary shares for calculation of earnings per share before dilution	23,538,721	23,538,721	23,538,721	22,860,417
Warrants				
Adjustment for calculation of earnings per share after dilution attributable to warrants	—	—	—	—
After dilution				
Weighted average number of ordinary shares and potential ordinary shares used as denominator for calculation of earnings per share after dilution	23,538,721	23,538,721	23,538,721	22,860,417

Definitions

NUMBER OF EMPLOYEES

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

GROSS MARGIN

Gross profit divided by net sales.

GROSS PROFIT

Net sales less cost of goods sold.

EBITA

(Earnings before interest, taxes and amortisation). Operating profit/loss before amortisation of intangible assets.

EBITA MARGIN

EBITA divided by net sales.

EBITDA

(Earnings before interest, taxes, depreciation and amortisation). Operating profit/loss before depreciation, amortisation and impairment.

ADJUSTED EBITA

EBITA adjusted for items affecting comparability.

ADJUSTED EBITA MARGIN

Adjusted EBITA divided by net sales.

ITEMS AFFECTING COMPARABILITY

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

NET DEBT

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

NET DEBT/EBITDA

Net debt divided by EBITDA, rolling 12 months.

NET DEBT/EBITDA EXCL. IFRS 16

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

NET SALES – ORGANIC GROWTH

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

EARNINGS PER SHARE IN SEK

Profit after tax divided by the average number of outstanding shares during the period.

EARNINGS PER SHARE IN SEK AFTER DILUTION

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

EQUITY RATIO

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

PUBLICATION

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FINANCIAL CALENDAR

Q1 2026 – 5 May 2026
Annual General Meeting – 12 May 2026
Q2 2026 – 21 July 2026
Q3 2026 – 3 November 2026

ABOUT EMBELLENCE GROUP AB

Embellence Group, founded in 1905, is a leading European company in interior decoration with a focus on premium brands in the wallpaper segment, complemented by other colour and pattern-driven interior decoration such as textiles and rugs. Our products are sold in more than 100 markets around the world.

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