

Interim report Q2 2025

JANUARY – JUNE 2025

embellence
GROUP



Second quarter 2025

- Net sales amounted to MSEK 193 (191), up 1%, of which exchange rate effects were -3%.
- The gross margin amounted to 61.9% (60.1)
- Operating profit (EBITA) amounted to MSEK 26 (25).
- The EBITA margin amounted to 13.5% (13.0).
- Net profit for the period amounted to MSEK 15 (13) and earnings per share before and after dilution to SEK 0.65 (0.56).
- Operating cash flow amounted to MSEK 14 (43).

SIGNIFICANT EVENTS DURING THE QUARTER

- No significant events to report

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- No significant events to report.

MSEK	Apr-Jun 2025	Apr-Jun 2024	Change	Jan-Jun 2025	Jan-Jun 2024	Change	Full-year R12	2024
Group								
Net sales	193	191	1%	396	405	-2%	768	778
Gross profit	120	115	4%	245	240	2%	471	466
Gross margin, %	61.9%	60.1%	1.8 p.p.	62.0%	59.2%	2.8 p.p.	61.4%	59.9%
EBITA	26	25	5%	58	58	0%	112	112
EBITA margin, %	13.5%	13.0%	0.5 p.p.	14.8%	14.4%	0.4 p.p.	14.6%	14.4%
Net profit for the period	15	13	23%	39	29	35%	67	57
Operating cash flow	14	43	-67%	20	57	-66%	75	113
Net debt/EBITDA R12	0.9	1.2		0.9	1.2		0.9	0.7
Earnings per share before dilution (SEK)	0.65	0.56		1.66	1.28		2.88	2.50
Earnings per share after dilution (SEK)	0.65	0.56		1.66	1.28		2.88	2.50

Continued profitable growth

In the second quarter, we took further steps towards realising our long-term financial goals with a continued focus on profitable and organic growth. Organic growth was 4%, demonstrating the robustness of our brands and the confidence shown by consumers in us, despite continued challenging market conditions. Profitability improved and we reported stronger gross and EBITA margins, driven by a better product mix, more efficient manufacturing and effective cost control. At the same time, we continued to pursue our forward-looking initiatives in selected channels and in relation to our product ranges, design, product development and marketing to further strengthen our brands.

Net sales for the second quarter of 2025 amounted to MSEK 193 (191), up 1% compared with the preceding year. Organic growth amounted to 4%, while the stronger SEK resulted in a negative exchange rate effect of -3%.

The gross margin for the quarter was 61.9% (60.1), an improvement of 1.8 percentage points year-on-year. The drivers included an improved product mix and efficiency improvements. EBITA for the quarter was MSEK 26 (25), corresponding to an operating margin of 13.5% (13.0).

On a rolling 12-month basis, the operating margin was 14.6%, meaning that we are continuing to make progress toward achieving our long-term financial goal of an EBITA margin in excess of 15%.

BRANDS SEGMENT – STRONG GROWTH FOR BORÅSTAPETER AND ARTSCAPE

In total, sales amounted to MSEK 168, which was in line with the corresponding quarter in the preceding year. Boråstapeter and Artscape increased their sales by 8

and 10%, respectively. For Cole & Son, Wall&decò and Pappelina, the quarter was more challenging, with lower sales than in the preceding year.

Boråstapeter's sales amounted to MSEK 66 (61). The international expansion continued during the quarter, with strong growth in several key European markets. The trend also remained stable in the Swedish domestic market, while sales to the US were somewhat weaker than expected.

Cole & Son's sales for the quarter amounted to MSEK 34 (36). The weak performance was mainly attributable to currency, but also to continued subdued demand in the wallpaper markets in the UK and Germany. Italy and the US continued to develop well. As part of efforts to reverse the trend, a decision was taken during the quarter to replace the existing online sales platform. Implementation is expected to be completed in the fourth quarter of 2025, with the effects to be seen in 2026.

Wall&decò also had a challenging quarter. Sales amounted to MSEK 23 (26), strongly impacted by a weak trend for the traditional retail channels in Italy and Germany, among other countries. We were unable to fully offset the drop in retail sales by increasing sales to the hospitality sector. Deliveries to the MGM Grand in Las Vegas were among the major projects completed during the quarter.

Artscape consolidated its leading position in decorative window film in North America during the quarter. Sales amounted to MSEK 34 (31). A major focus during the quarter was the launch of an updated online sales platform.

Pappelina's sales amounted to MSEK 11 (13), a trend that we are naturally not satisfied with. To strengthen the commercial focus, Henrik Andersson was recruited as new Managing Director during the quarter. Henrik has a strong customer focus and commercial drive, combined with broad international experience in business develop-

ment and leadership. In addition to the recruitment of Henrik, the relocation of Pappelina's head office from Falun to Borås, as announced earlier, was completed. The production, which is located in Leksand, will remain there.

MANUFACTURING SEGMENT – STRONGEST QUARTER TO DATE

Borås Tapetfabrik recorded yet another strong quarter with sales of MSEK 26 (24) to external customers. Increased production volumes and production efficiency measures also continued to positively impact profitability.

CONTINUED FOCUS ON PROFITABLE ORGANIC GROWTH

The goal ahead is to continue to grow organically with healthy profitability. We will do so by continuing to develop our strong brands and drive priority channels, but also by expanding collaboration in a number of central areas. The focus remains on continued sales, product development and marketing initiatives.

On a rolling 12-month basis in the quarter, direct-to-consumer sales accounted for 8% of Brands' sales, which is still a low share. We will invest more resources and launch further initiatives to increase the share of direct-to-consumer sales. This is not only because we can clearly see that overall this is the market channel with the greatest growth potential, but also because we are convinced that an increase in direct-to-consumer sales has several positive effects. We can ensure a stronger connection between consumers and our brands, improve the gross margin, and increase the agility and innovation of the organisation.

To further accelerate the Group's performance, Kajsa Hjelm was recruited during the quarter as the new Head of E-commerce. This is a newly established role and is aimed at taking a holistic approach to operating and developing online sales for all brands across the Group.

Kajsa has extensive e-commerce experience, coming most recently from the role of Marketing & E-commerce Director at Gina Tricot.

If we look at the situation in our external environment, it remains dominated by uncertainty related to tariffs and other trade barriers. Although the impact of the new tariffs announced by the US is currently only marginal in our case, there is a risk of more indirect impacts that are difficult to assess as a result of increased costs for consumers and our customers.

The strengthening of the SEK that we saw during the quarter has resulted in negative effects on our exports in foreign currency and translation effects from foreign subsidiaries. If the SEK's strong trend continues, we will be forced to accept that these negative effects will remain for the rest of 2025.

In conclusion, we have a stable quarter behind us. We achieved this on the basis of a strong position and with a clear vision of how we want to develop and approach the future. With a focus on profitable growth in prioritised channels, while building our strong brands, we will continue to develop. For my part, this was my first quarter as CEO of Embellence Group. These months were intense and filled with getting to know our operations, employees and customers. There are great opportunities ahead and this bodes well for the future.

Borås, July 2025,

Johan Andgren,
CEO Embellence Group



Group performance

CONSOLIDATED NET SALES

Net sales for the quarter amounted to MSEK 193 (191), up 1% compared with the year-earlier quarter. Organic growth during the quarter amounted to 4%, primarily driven by the positive trend for Boråstapeter. Exchange rate effects had a negative impact of -3% on the quarter.

Net sales for the half year amounted to MSEK 396 (405), down 2%, mainly impacted by the weaker development of the Brands segment in the first quarter. Exchange rate effects had a negative impact of -1%.

CONSOLIDATED EARNINGS

EBITA for the quarter was MSEK 26 (25), corresponding to an operating margin of 13.5% (13.0). The sales performance and improved gross margin were the drivers behind the improvement in profitability. The initiatives in sales and marketing are continuing. Operating expenses for the quarter were also affected by Pappelina's relocation and reorganisation.

Net profit for the quarter amounted to MSEK 15 (13), resulting in earnings per share before and after dilution of SEK 0.65 (0.56).

EBITA for the first half of the year amounted to MSEK 58 (58), with an operating margin of 14.8% (14.4). The profitability improvement was mainly attributable to the higher gross margin.

Net profit for the first half of the year amounted to MSEK 39 (29), corresponding to earnings per share before and after dilution of SEK 1.66 (1.28).

NET FINANCIAL ITEMS

Net financial items for the quarter were MSEK -2 (-4). Net interest was lower at MSEK -1 (-3), mainly the result of lower indebtedness. Remeasurement of financial items in foreign currency amounted to MSEK 1 (-1). Net financial items also include costs related to refinancing.

For the first half of the year, net financial items amounted to MSEK -0 (-12), due to lower indebtedness and the positive impact of the remeasurement of financial items in foreign currency.

CASH FLOW

Cash flow from operating activities amounted to MSEK 14 (43). The change in working capital amounted to MSEK -10 (20), where changes in, primarily, inventory and accounts payable had a negative impact. It is worth noting that the change in working capital in the comparative period was strongly positive due to payment of accounts receivable from Artscape's new launch in the first quarter of 2024. Cash flow from investing activities for the quarter amounted to MSEK -4 (-1). Cash flow from financing activities for the quarter amounted to MSEK -3 (-29). Cash flow for the quarter amounted to MSEK 8 (13).

For the six-month period, cash flow amounted to MSEK 1 (15), mainly due to negative changes in working capital.

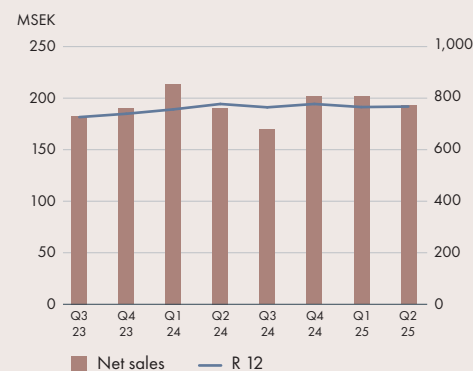
FINANCIAL POSITION

At the end of the quarter, the Group's total assets amounted to MSEK 812 (846). The equity ratio amounted to 62% (55) and cash and cash equivalents at the end of the quarter were MSEK 39 (54). The Group's net debt amounted to MSEK 124 (159) at the end of the quarter. At the end of the quarter, net debt/EBITDA (R12) was 0.9 times (1.2).

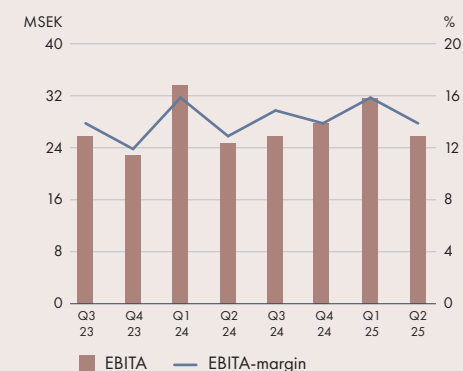


COLE & SON

NET SALES (MSEK)



EBITA (MSEK) AND EBITA MARGIN (%)



Segment performance

BRANDS SEGMENT

Net sales in the Brands segment amounted to MSEK 168 for the quarter, on par with the year-earlier quarter. Within the segment, Boråstapeter and Artscape experienced a strong improvement in sales, while the other three brands noted reduced sales.

BORÅSTAPETER

Boråstapeter's sales for the quarter amounted to MSEK 66, up 8% compared with the year-earlier quarter. The international expansion continued during the quarter, with strong growth in several key European markets. The Swedish domestic market was also stable. Furthermore, direct-to-consumer sales continued to grow. Outside Europe, sales in the US were slightly softer than expected.

COLE & SON

Cole & Son's sales for the quarter amounted to MSEK 34, down 6% compared with the year-earlier quarter. The weak performance during the quarter was partly attributable to currency, but also to dampened demand in the wallpaper markets in the UK, France and Germany.

WALL&DECÒ

Wall&decò's sales amounted to MSEK 23, down 12% compared with the year-earlier quarter. The weak sales were mainly due to subdued demand in the Italian and German retailer markets. Higher sales in Hospitality did not offset this fall in sales.

PAPPELINA

Pappelina's sales for the quarter amounted to MSEK 11, down 17% compared with the year-earlier quarter. During the quarter, a reorganisation was implemented, as well as relocation of the head office from Falun to Borås. A new Managing Director was appointed in June.

ARTSCAPE

Artscape's sales for the quarter amounted to MSEK 34, up 10% compared with the year-earlier quarter despite a negative currency impact. Sales to the major retailers in the US recovered, although direct-to-consumer sales also performed well. A new online sales platform was launched during the quarter.

NET SALES

MSEK	Apr–Jun 2025	Apr–Jun 2024	Change	Jan–Jun 2025	Jan–Jun 2024	Change	R12	Full-year 2024
Brands	168	167	0%	346	364	–5%	675	693
Boråstapeter	66	61	8%	145	139	5%	279	273
Cole & Son	34	36	–6%	73	73	1%	142	141
Wall&decò	23	26	–12%	46	50	–8%	90	94
Pappelina	11	13	–17%	22	25	–11%	43	46
Artscape	34	31	10%	59	77	–23%	121	139
Manufacturing (external)	26	24	6%	50	42	19%	93	85
EMBELLENCE GROUP	193	191	1%	396	405	–2%	768	778



BORÅS TAPETFABRIK

MANUFACTURING SEGMENT

The segment recorded yet another strong quarter with sales of MSEK 26 (24) to external customers, up 6% year-on-year. Growth for the quarter was driven by increased income from existing customers in both digital and traditional printing technology.

Other Group

ORGANISATION

The number of FTEs on 30 June 2025 was 227 (227).

RELATED-PARTY TRANSACTIONS

No related-party transactions took place.

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 AFTER THE END OF THE QUARTER

No significant events to report.

AUDIT

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

Parent Company

The Parent Company's net sales amounted to MSEK 4 (3) in the second quarter. Net loss amounted to MSEK -4 (-8).



ARTSCAPE

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 JULY 2025

MAGNUS WELANDER
Chairman

JOHAN ANDGREN
CEO

KARIN DENNFORD

MARIA VEERASAMY

HENRIK NYQVIST

CHRISTINA STÅHL

Condensed consolidated income statement

MSEK	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Full-year 2024
Net sales	193	191	396	405	778
Cost of goods sold	–74	–76	–151	–166	–312
Gross profit	120	115	245	240	466
Selling and administrative expenses	–97	–96	–196	–192	–375
Other operating income	1	2	3	3	5
Other operating expenses	–1	–	–3	–2	–3
Operating profit	22	20	50	49	93
Net financial items	–2	–4	–	–12	–22
Profit before tax	21	16	50	37	72
Tax	–5	–3	–11	–9	–14
Net profit for the period	15	13	39	29	57
Earnings per share for the period before dilution (SEK)	0.65	0.56	1.66	1.28	2.50
Earnings per share for the period after dilution (SEK)	0.65	0.56	1.66	1.28	2.50
Other comprehensive income					
Translation differences	–9	–3	–47	22	36
Total other comprehensive income	–9	–3	–47	22	36
Comprehensive income for the period	6	9	–8	50	93

Condensed consolidated balance sheet

MSEK	30 June 2025	30 June 2024	31 Dec. 2024
Assets			
Intangible non-current assets	327	364	362
Tangible non-current assets	82	77	80
Right-of-use assets	55	51	59
Deferred tax assets	6	10	5
Financial non-current assets	3	4	3
Total non-current assets	473	505	509
Inventories	154	144	147
Accounts receivable	112	101	98
Current tax assets	4	14	6
Other receivables	8	4	9
Prepaid expenses and accrued income	22	24	20
Cash and cash equivalents	39	54	41
Total current assets	339	340	321
Total assets	812	846	830
Equity and liabilities			
Share capital	59	56	59
Other contributed capital	111	87	111
Reserves	14	46	61
Retained earnings, including net profit for the year	316	278	307
Equity attributable to Parent Company shareholders	500	468	538
Provisions for pensions	6	7	7
Deferred tax liabilities	17	16	17
Other non-current interest-bearing liabilities	45	51	27
Lease liabilities	44	41	48
Total non-current liabilities	111	114	99
Other current interest-bearing liabilities	58	16	—
Bank overdraft facility	—	91	49
Lease liabilities	16	14	16
Accounts payable	53	58	59
Other current liabilities	22	31	20
Accrued expenses and deferred income	51	53	49
Total current liabilities	200	263	193
Total liabilities	311	377	292
Total equity and liabilities	812	846	830

Indebtedness

MSEK	30 June 2025	30 June 2024	31 Dec. 2024
Lease liabilities	60	54	64
Bank overdraft facility	—	91	49
Other interest-bearing receivables and liabilities	103	67	27
Gross debt	163	213	140
Cash and cash equivalents	–39	–54	–41
Net debt	124	159	99
EBITDA (R12)	138	134	138
Net debt/EBITDA (R12)	0.9	1.2	0.7
Net debt/EBITDA excl. IFRS 16 effects (R12)	0.6	0.9	0.4
Equity ratio	62%	55%	65%
Quota value per share (SEK)	2.5	2.5	2.5

Condensed consolidated cash flow statement

MSEK	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Full-year 2024
OPERATING ACTIVITIES					
Operating profit	22	20	50	49	93
Adjustments for non-cash items					
Depreciation and amortisation	11	11	21	22	44
Other	–3	–1	–15	7	8
Total	29	30	56	78	145
Interest received	–	–	–	–	2
Interest paid	–2	–4	–4	–8	–16
Tax paid	–4	–3	–7	–7	–10
Cash flow from operating activities before changes in working capital	24	23	45	64	121
Cash flow from changes in working capital	–10	20	–26	–6	–9
Cash flow from operating activities	14	43	20	57	113
INVESTING ACTIVITIES					
Acquisition of non-current assets	–4	–1	–9	–8	–14
Cash flow from investing activities	–4	–1	–9	–8	–14

MSEK	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Full-year 2024
FINANCING ACTIVITIES					
Change in bank overdraft facilities	–46	–24	–49	1	–42
Repayment of lease liabilities	–4	–4	–7	–8	–15
New borrowing	131	–	131	–	–
Repayment of loans	–55	–4	–55	–30	–71
Option premiums received	–	3	–	3	3
Redemption of warrants	–	–	–	–	26
Dividend	–29	–	–29	–	–
Cash flow from financing activities	–3	–29	–10	–35	–98
Cash flow for the period	8	13	1	15	1
Cash and cash equivalents at beginning of period	32	41	41	38	38
Exchange rate differences in cash and cash equivalents	–	–	–2	1	2
Cash and cash equivalents at end of period	39	54	39	54	41

Condensed consolidated statement of changes in equity

MSEK	30 Jun 2025
Opening balance 1 Jan 2025	538
Dividend	-29
Net profit for the period	39
Other comprehensive income	-47
Closing balance 30 Jun 2025	500

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



Condensed Parent Company income statement

MSEK	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Full-year 2024
Net sales	4	3	8	7	13
Administrative expenses	–9	–8	–16	–16	–30
Operating loss	–4	–5	–8	–9	–17
Net financial items	–1	–5	0	–13	–25
Loss after financial items	–6	–10	–8	–23	–42
Group contributions	—	—	—	—	66
Other appropriations	—	—	—	—	–8
Profit/loss before tax	–6	–10	–8	–23	17
Tax	1	2	2	5	–5
Net profit/loss for the period	–4	–8	–6	–18	12

Condensed Parent Company balance sheet

MSEK	30 June 2025	30 June 2024	31 Dec. 2024
Assets			
Intangible non-current assets	—	1	1
Deferred tax assets	2	5	—
Financial non-current assets	618	618	618
Total non-current assets	620	623	619
Current tax assets	3	2	—
Prepaid expenses and accrued income	2	2	1
Cash and cash equivalents	3	—	—
Total current assets	9	4	1
Total assets	629	628	620

MSEK	30 June 2025	30 June 2024	31 Dec. 2024
Equity and liabilities			
Share capital	59	56	59
Statutory reserve	10	10	10
Share premium reserve	129	105	129
Retained earnings, including net profit for the year	137	143	173
Equity attributable to Parent Company shareholders	335	314	370
Untaxed reserves	25	18	25
Provisions for pensions	2	2	2
Other non-current interest-bearing liabilities	45	51	27
Total non-current liabilities	47	53	29
Other current interest-bearing liabilities	58	16	—
Bank overdraft facility	—	91	49
Accounts payable	1	2	2
Liabilities to Group companies	158	128	137
Other current liabilities	1	1	1
Accrued expenses and deferred income	4	5	6
Total current liabilities	222	243	195
Total liabilities	269	296	224
Total equity and liabilities	629	628	620

Quarterly overview

GROUP

MSEK	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Net sales	183	190	214	191	170	202	202	193
Gross profit	106	110	125	115	103	123	126	120
Gross margin, %	57.7%	57.7%	58.3%	60.1%	60.7%	60.7%	62.0%	61.9%
EBITA	26	23	34	25	26	28	32	26
EBITA margin, %	14.4%	12.2%	15.7%	13.0%	15.1%	13.9%	16.0%	13.5%

NET SALES PER BRAND AND SEGMENT

MSEK	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Boråstapeter	66	78	78	61	61	72	79	66
Cole & Son	40	37	36	36	33	36	39	34
Wall&decò	23	27	25	26	20	24	23	23
Pappelina	12	10	12	13	11	10	11	11
Artscape	32	24	46	31	27	36	25	34
Net sales Brands	174	175	197	167	151	178	179	168
Net sales Manufacturing (external)	10	15	17	24	19	24	24	26
Total	183	190	214	191	170	202	202	193

NET SALES BY LARGEST MARKETS

MSEK	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Sweden	56	70	70	62	56	73	80	65
US	46	33	60	45	37	48	39	48
UK	18	20	19	16	21	19	21	17
Rest of World	62	68	65	68	57	62	63	63
Total	183	190	214	191	170	202	202	193

Notes

NOTE 1 Earnings per share

MSEK	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Full-year 2024
Net profit for the period (SEK)					
Earnings per share before dilution	0.65	0.56	1.66	1.28	2.50
Earnings per share after dilution	0.65	0.56	1.66	1.28	2.50
Performance measures used in the calculation of earnings per share before and after dilution (MSEK)					
Net profit for the period	15	13	39	29	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	22,583,877	23,538,721	22,583,877	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	22,583,877	23,538,721	22,583,877	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. IFRS16

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.

SEGMENT

Embellence Group reports two segment, Brands and Manufacturing.

The Brands segment consists of Boråstapeter, Cole & Son, Wall&decò, Pappelina and Artscape.

The Manufacturing segment consists of Borås Tapetfabrik.

EQUITY RATIO

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

PUBLICATION

This information is information that Embellence Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on 17 July 2025 at 8:00 a.m. CEST.

Karin Lidén, CFO
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FINANCIAL CALENDAR

Q3 2025 – 4 November 2025
Q4 2025 – 18 February 2026
Q1 2026 – 5 May 2026
Annual General Meeting – 12 May 2026
Q2 2026 – 21 July 2026

ABOUT EMBELLENC 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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