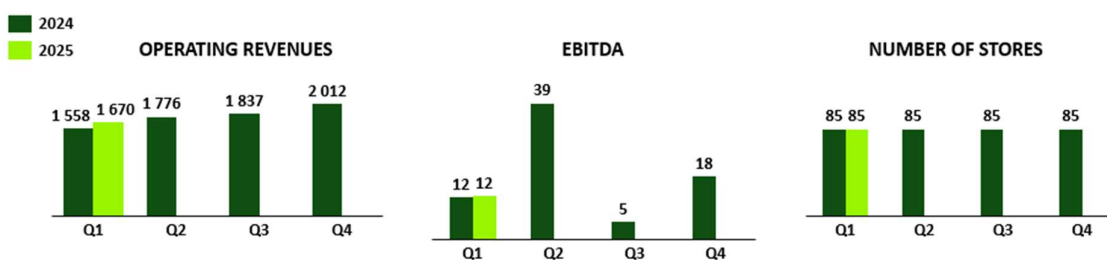
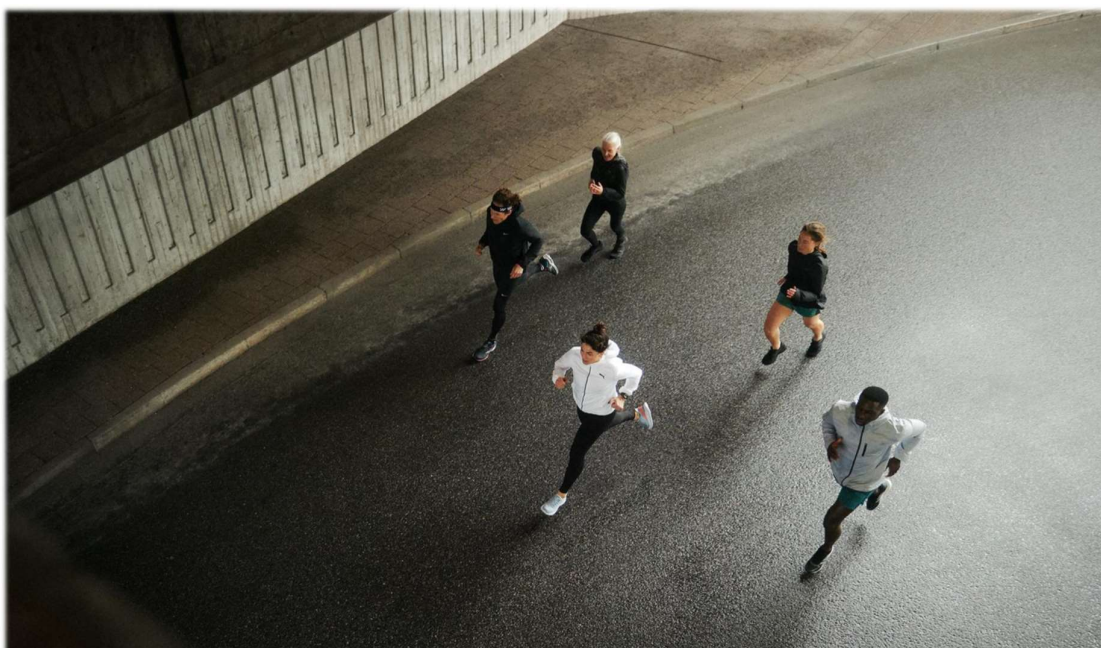


HIGHLIGHTS¹

- Total operating revenues of NOK 1.7 billion (NOK 1.6 billion) as sales recovery continues with growth in all markets and sales channels
- Increased sales resilience driven by strengthened campaign execution and activation of non-seasonal categories to compensate for lower sales of seasonal winter products
- Positive EBITDA of NOK 12 million (NOK 12 million)
- New cost and capital out target of gross NOK 300 million and continuing to implement turnaround plan

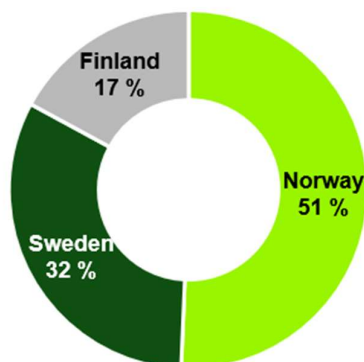


1) Please refer to definitions at the end of the report for descriptions of alternative performance measures that are used in highlights and key figures.

KEY FIGURES GROUP

<i>(Amounts in NOK million)</i>	Q1 2025	Q1 2024	FY 2024
GROUP			
Operating revenue	1 670	1 558	7 183
Growth (%)	7,2 %	-21,5 %	-9,8 %
Gross profit	637	605	2 580
Gross margin (%)	38,2 %	38,8 %	35,9 %
OPEX %	37,4 %	38,0 %	34,9 %
EBITDA	12	12	74
EBITDA margin (%)	0,7 %	0,8 %	1,0 %
EBIT	-179	-188	-1 371
EBIT margin (%)	-10,7 %	-12,0 %	-19,1 %
Impairment losses	-	-	670
EBIT adj.	-179	-188	-701
EBIT adj. margin (%)	-10,7%	-12,0%	-9,8%
Net Income	-311	-209	-1 717
Net Income adj.	-311	-209	-1 047
Basic Earnings per share (NOK)	-9,83	-12,57	-77,70
Average number of shares (1 000 shares)	31 622	16 636	22 103
Cash provided by operating activities	-124	24	-34
Like for like revenue growth	7,8 %	-24,4 %	-11,7 %
Number of stores at period end	85	85	85
New stores in the period	-	-	-
Closed stores in the period	-	1	1

Revenue Split Q1 2025



(Amounts in NOK million)

	Q1 2025	Q1 2024	FY 2024
Norway			
Operating revenue	846	802	3 643
Growth (%)	5,5 %	-20,1 %	-10,0 %
Gross profit	329	319	1 356
Gross margin (%)	38,9 %	39,7 %	37,2 %
OPEX %	26,6 %	26,6 %	23,9 %
EBITDA	104	106	484
EBITDA margin (%)	12,3 %	13,2 %	13,3 %
Number of stores at period end	39	39	39
New stores in the period	-	-	-
Closed stores in the period	-	-	-
Sweden			
Operating revenue	538	481	2 258
Growth (%)	12,0 %	-19,7 %	-5,4 %
Gross profit	200	184	772
Gross margin (%)	37,1 %	38,2 %	34,2 %
OPEX %	30,2 %	33,0 %	29,1 %
EBITDA	37	25	114
EBITDA margin (%)	6,9 %	5,3 %	5,1 %
Number of stores at period end	30	30	30
New stores in the period	-	-	-
Closed stores in the period	-	-	-
Finland			
Operating revenue	285	275	1 281
Growth (%)	3,9 %	-28,0 %	-16,0 %
Gross profit	108	102	452
Gross margin (%)	38,0 %	37,1 %	35,2 %
OPEX %	31,4 %	34,8 %	31,5 %
EBITDA	19	6	48
EBITDA margin (%)	6,6 %	2,3 %	3,7 %
Number of stores at period end	16	16	16
New stores in the period	-	-	-
Closed stores in the period	-	1	1
HQ & logistics			
EBITDA	-148	-125	-572
EBITDA margin (% of Group revenues)	-8,8 %	-8,0 %	-8,0 %

Strong topline growth of 7 per cent in the first quarter 2025 driven by the progression of the “Reset & Rethink” turnaround plan

Oslo, 28 April 2025: XXL delivered a growth of 7 per cent in the first quarter 2025 driven by progress in the “Reset & Rethink” strategy. Total operating revenue amounted to NOK 1.7 billion (NOK 1.6 billion) as XXL continued to see sales recovery. All markets and sales channels contributed to the growth, despite muted winter conditions, as XXL managed to compensate reduced winter sales with growth in non-seasonal categories. The general availability of products improved in the quarter, driven by increased quantities of products on lower price points, especially within Private Label. The inventory was stable in value, and EBITDA amounted to NOK 12 million (NOK 12 million).

In the quarter XXL closed its rights issue of NOK 600 million, and subsequently paid down a bridge loan facility of NOK 300 million, to support efforts in regaining top line growth and continue to deliver on XXL’s “Reset & Rethink” plan. Looking ahead, XXL will remain committed to execute on its turnaround agenda to restore profitability by utilizing all available measures to strengthen its position as the leading mass-market sports retailer in the Nordics.

First quarter 2025 review

(Figures in brackets = same period previous year, unless otherwise specified)

XXL delivered growth of 7.2 per cent in the first quarter 2025 and total operating revenue ended at NOK 1 670 million (NOK 1 558 million). The overall market remained challenging, especially in Finland, but XXL experienced continued sales recovery with growth in all markets and across all sales channels. Revenue recovery has now been consistent, quarter over quarter, since Q1 2024. Sales development accelerated during the quarter despite muted winter conditions. XXL experienced lower demand in winter products but was able to successfully compensate by activating more non-seasonal products, and consequently generating growth in core categories within running, training and biking. However important winter products like cross country skis and base layer clothing were in decline. The general availability of products improved in the quarter, driven by increased quantities of products on lower price points. The inventory was stable in value. In the quarter XXL experienced growth of 9.7 per cent in the E-commerce sales channel, now representing 22.6 per cent (21.7 per cent) of total operating revenue for the Group.

In Q4 2023 XXL introduced bonus- points and checks to its customer loyalty program “XXL Reward”. The member base now exceeds 4.4 million members across the Nordics, and will increasingly be an important loyalty and sales driver for the group, in the short as well as long term.

XXL has continued to emphasize strict liquidity control and stock management by prioritizing sales volume over gross margin optimization, also due to volatile winter conditions. The gross margin thus ended at 38.2 per cent (38.8 per cent), following intense end of season campaigns for capital-intensive hardware winter goods, partly counteracted by increasing Private Label share. Gross margin in Q1 2025 was positively impacted by a release of obsolescence provisions, partly offset by increased provisions for the loyalty program

“XXL Reward”, of around 3.2 percentage points (3.6 percentage points in Q1 2024).

Operating expenses as a percentage of sales decreased to 37.4 per cent in the first quarter of 2025 (38.0 per cent) driven by like for like growth impacting scale in operations positively.

The Group EBITDA in the first quarter 2025 ended at NOK 12 million (NOK 12 million), mainly explained by the growth in total operating revenue, but offset by increased operating expenses.

XXL had total liquidity reserves of NOK 344 million (NOK 591 million) and a net interest-bearing debt of NOK 968 million (NOK 1 070 million) by the end of Q1 2025. XXL closed a rights issue of NOK 600 million late March 2025, and subsequently paid down a bridge loan facility of NOK 300 million, to support efforts in strengthening top line growth and continue to deliver on the “Reset & Rethink” plan.

XXL is currently working on several short-term turnaround actions and a longer-term strategic plan, called “Reset & Rethink”, in order to improve sales and profitability. Five must win battles are identified and is currently in execution as part of the “Reset”:

- Reset category strategies
- Secure product availability
- Improve store sales strategies and operations
- Strengthen pricing processes
- Increase e-commerce profitability

The identified must win battles are expected to deliver an EBITDA run-rate uplift of NOK 500-750 million, conditional of sufficient availability of products in key seasonal categories and positive market development for sporting and outdoor goods in the Nordics. XXL has launched further ambitions to reduce cost and free up capital with a target of gross NOK 300 million by 2026.

Operating segments

(Figures in brackets = same period previous year, unless otherwise specified)

The Group's reporting structure comprises three operational segments based on XXL's operations in Norway, Sweden, and Finland, in addition to the HQ and Logistics segment.

Norway

The Norwegian operations delivered total operating revenue of NOK 846 million in the first quarter of 2025 compared to NOK 802 million in the same quarter last year, representing a growth of 5.5 per cent. XXL experienced growth in low price points as well as non-seasonal categories like running, training and bikes, partly counteracting lower sales within winter categories.

Gross margin declined to 38.9 per cent (39.7 per cent), despite a higher Private Label share, offset by seasonal discounting activities and higher provision for bonus points in XXL's loyalty program "XXL Reward".

Operating expenses as a percentage of sales ended at 26.6 per cent (26.6 per cent).

EBITDA amounted to NOK 104 million (NOK 106 million).

Sweden

Total operating revenue for XXL in Sweden in Q1 2025 amounted to NOK 538 million (NOK 481 million) corresponding to a growth of 9.3 per cent in local currency. The Swedish market is still improving and XXL has growth in several categories, but still somewhat hampered by lower demand and sales of winter related products.

Gross margin decreased to 37.1 per cent (38.2 per cent) driven by end of season sales and higher provision for bonus points in XXL's loyalty program "XXL Reward".

Operating expenses as percentage of sales improved to 30.2 per cent (33.0 per cent) due to cost reductions and growth improving scale in the operations.

EBITDA was NOK 37 million (NOK 25 million), driven by growth and cost efficiency, partly offset by lower gross margin.

Finland

Total operating revenue in the quarter amounted to NOK 285 million (NOK 275 million). This corresponded to a growth of 1.8 per cent in local currency in a still challenging market with weak consumer sentiment and low demand. In March 2024 XXL closed its store in Redi, Helsinki, negatively impacting the comparable total operating revenue with around NOK 8 million.

Gross margin ended at 38.0 per cent (37.1 per cent) mainly due to more aggressive campaigning and higher provision for bonus points in XXL's loyalty program "XXL Reward".

Operating expenses as percentage of sales ended at 31.4 per cent in Q1 2025 (34.8 per cent) due to increased sales, cost control and one less store.

EBITDA amounted to NOK 19 million in Q1 2025 (NOK 6 million).

HQ and Logistics

The HQ and Logistics segment consists of costs related to the Group's headquarters and logistics operations including its two central warehouses.

Operating expenses were NOK 148 million (NOK 125 million) in Q1 2025 due to higher sales volumes yielding increased handling costs at the central warehouses, costs related to external transaction support and legal advisory, as well as cost inflation and timing effects.

Financials

Consolidated income statement – First quarter 2025

(Figures in brackets = same period previous year, unless otherwise specified)

Total operating revenue increased by 7.2 per cent to NOK 1 670 million (NOK 1 558 million).

Total operating expenses excluding depreciation, impairment losses and cost of goods sold equaled NOK 625 million (NOK 593 million) in Q1, including a negative currency effect of NOK 7 million. As a percentage of the total operating revenue of the Group, operating expenses decreased from 38.0 per cent last year to 37.4 per cent in the first quarter.

Operating income amounted to a negative NOK 179 million (negative NOK 188 million). The improvement is explained by EBITDA improvement of NOK 0.4 million and reduction of depreciation.

Net financial expense amounted to NOK 102 million for the first quarter (net financial expense of NOK 21 million) of which NOK 25 million is related to IFRS 16 effects compared to NOK 21 million last year. Net interest expense at NOK 36 million compared to NOK 20 million. The increase is explained by the bridge loan facility and interest related to the MAP/APA settlement. Unrealized currency loss is NOK 53 million higher in the first quarter 2025 than first quarter 2024.

Income tax expense for the fourth quarter was NOK 30 million (NOK 0 million). The tax expense for the quarter is primarily due to a re-assessment of deferred tax assets due to uncertainty around utilization of tax losses carried forward.

Profit for the period negative of NOK 311 million (negative NOK 209 million).

Consolidated cash flow – First quarter 2025

(Figures in brackets = same period previous year, unless otherwise specified)

Cash used for operating activities was negative at NOK 124 million (positive NOK 24 million). Adverse currency movements and early inventory build-up and payments explain the change.

Cash used by investing activities was NOK 33 million in the first quarter (NOK 19 million). Investments have been made in necessary IT infrastructure and to downsize and relocate stores, but also the opening of a new store in Sweden.

Cash provided from financing activities was NOK 161 million in the first quarter (negative of NOK 267 million). In March XXL raised a net of NOK 562 million in equity, of which NOK 300 million was used to repay the bridge loan facility.

Financial position and liquidity

(Figures in brackets = same period previous year, unless otherwise specified)

As of 31 March 2025, total assets amounted to NOK 6 817 million (NOK 7 286 million). Total equity was NOK 1 462 million (NOK 2 109 million), an equity ratio of 21.5 per cent (28.9 per cent). The net interest-bearing debt (NIBD) was NOK 968 million (NOK 1 070 million).

The Group had cash and cash equivalents of NOK 194 million (NOK 142 million). In addition, the Group's liquidity reserves include total credit facilities of NOK 1 000 million where NOK 850 million was used as of 31 March 2025. XXL has been granted a holiday from the Group's liquidity covenant in April 2025.

Available liquidity reserves were NOK 344 million (NOK 591 million). In the first quarter 2024 XXL had NOK 1 300 million in total credit facilities, which was reduced by NOK 300 million in second quarter 2024 and thus affecting the comparable liquidity measurement.

Fully underwritten rights issue of NOK 600 million/New share capital

On 16 March 2025 XXL finalized a fully underwritten rights issue of 60 000 000 new shares in the Company, each with a nominal value of NOK 0.10, at a subscription price of NOK 10 per share. In addition, 1 889 997 new shares were issued in connection with settlement of underwriting commission and 1 000 000 new shares were issued in connection with the settlement of commission to bridge loan guarantors.

The Company's registered share capital is NOK 8 752 574.20 divided into 70 474 705 A Shares and 17 051 037 B Shares, in total 87 525 742 shares, each with a nominal value of NOK 0.10.

Mandatory offer by Frasers Group plc

On 14 April 2025 Frasers Group plc launched a mandatory offer for all shares in XXL ASA not already owned by Frasers at a price per share of NOK 10 by publication of a mandatory

offer document dated 14 April 2025. The offer period commences from 15 April 2025 to 16:30 CET on 13 May 2025.

XXL has engaged ABG Sundal Collier ASA and Advokatfirmaet Thommessen AS to assist the Company in connection with the mandatory offer. The Board of Directors of XXL will in consultation with these advisors review the offer document and consider the mandatory offer, and make a statement regarding the mandatory offer in accordance with section 6-16 of the Norwegian Securities Trading Act. The statement will be published by a stock exchange announcement no later than one week prior to the expiry of the acceptance period for the mandatory offer.

Changes in the legal structure

On 11 April 2025 XXL Sport & Villmark AS acquired the shares in XXL Europe GmbH from XXL Europe Holding Sàrl. XXL Europe GmbH will continue to purchase goods for resale in the Swedish and Finnish markets.

To simplify the legal structure of the Group and to make it more cost efficient, XXL will during Q2 2025 adjust its legal structure by dissolving several legal entities in Europe, including XXL Europe Holding Sàrl, XXL Sports & Outdoor GmbH, XXL Online GmbH and XXL Sports & Outdoor ApS.

Outlook

XXL is currently working on several short-term turnaround actions and a longer-term strategic plan, called "Reset & Rethink", in order to improve sales and profitability. Five must win battles are identified and is currently in execution as part of the "Reset":

- Reset category strategies
- Secure product availability
- Improve store sales strategies and operations
- Strengthen pricing processes
- Increase e-commerce profitability

The identified must win battles are expected to deliver an EBITDA run-rate uplift of NOK 500-750 million, conditional of sufficient availability of products in key seasonal categories and positive market development for sporting and outdoor goods in the Nordics. XXL has launched further ambitions to reduce cost and free up capital with a target of gross NOK 300 million by 2026.

XXL's target and goal moving forward is to come back to sound profitability as well as over time gain market shares in all markets and regain growth in the E-commerce channel. XXL will continue to emphasize strict liquidity control and stock management by prioritizing sales volume over gross margin optimization, due to risk of material liquidity constraints.

In line with the existing strategy, XXL will continue to mainly invest in operational efficiency, store footprint optimization, customer experience enhancing projects in both stores and in the E-commerce platform, as well as in IT and tech. Total CAPEX for XXL Group in 2025 is expected to remain at around NOK 100 million.

XXL has thus far one new store opening signed for 2025 as well as one store closure. Mid- to long-term XXL continues to expect the pace of the store roll-out to be 2-3 new stores per year including relocations of stores. At the same time XXL will be downsizing several existing stores. Short term the Group will continue to focus on optimizing the store portfolio, including evaluation of selective closures of low performing stores with limited turnaround abilities.

Condensed Consolidated Interim Statements of Income & Comprehensive Income

<i>(Amounts in NOK million)</i>	Note	Q1 2025	Q1 2024	FY 2024 (Audited)
Total Operating Revenue		1 670	1 558	7 183
Cost of goods sold		1 033	953	4 603
Personnel expenses		417	382	1 560
Other operating expenses		207	211	945
Depreciation		192	200	775
Impairment losses		-	-	670
Total Operating Expenses		1 849	1 745	8 554
Operating Income		-179	-188	-1 371
Net financial expense		-102	-21	-183
Profit before income tax		-281	-209	-1 553
Income tax expense	9	30	-	164
Net income for the Period		-311	-209	-1 717
Net income attributable to:				
Equity holders of the company		-309	-207	-1 705
Non-controlling interest		-2	-2	-12
Basic and diluted Earnings per share (NOK)		-9,83	-12,57	-77,70
Other comprehensive income				
Foreign currency rate changes		-5	7	55
Total other comprehensive income		-5	7	55
Total comprehensive income for the period		-316	-202	-1 662
Total comprehensive income attributable to:				
Equity holders of the company		-314	-200	-1 650
Non-controlling interest		-2	-2	-12

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Financial Position

<i>(Amounts in NOK million)</i>	Note	31.03.2025	31.03.2024	31.12.2024 (Audited)
NON CURRENT ASSETS				
Intangible Assets				
Goodwill		1 552	2 222	1 552
Other Intangible Assets		266	270	264
Deferred tax asset		184	254	183
Total Intangible Assets		2 002	2 747	1 999
Fixed Assets		406	456	417
Right of Use Assets	8	2 033	1 777	1 667
Total Non Current Assets		4 441	4 979	4 082
CURRENT ASSETS				
Inventory		1 953	1 885	1 818
Trade and Other Receivables		228	280	313
Cash and Cash Equivalents		194	142	166
Total Current Assets		2 376	2 307	2 298
TOTAL ASSETS		6 817	7 286	6 380

<i>(Amounts in NOK million)</i>	Note	31.03.2025	31.03.2024	31.12.2024 (Audited)
SHAREHOLDERS' EQUITY				
Paid-in Capital		5 195	4 065	4 618
Other equity		-3 733	-1 957	-3 417
Total Shareholders' Equity		1 462	2 109	1 201
Other non-current liabilities				
Interest Bearing Non-Current Liabilities		1 036	218	1 041
Lease Liabilities	8	1 739	1 488	1 376
Total non-current liabilities		2 774	1 706	2 417
Current liabilities				
Accounts Payable		1 048	1 116	885
Lease Liabilities	8	598	599	588
Current Interest Bearing Liabilities		127	995	322
Tax payable		1	32	9
Public duties payable		218	197	338
Other current liabilities		588	533	620
Total current liabilities		2 581	3 472	2 762
TOTAL LIABILITIES		5 355	5 178	5 179
TOTAL EQUITY AND LIABILITIES		6 817	7 286	6 380

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Cash Flows

<i>(Amounts in NOK million)</i>	Q1 2025	Q1 2024	FY 2024 (Audited)
Operating Activities			
Profit before tax	-281	-209	-1 553
Income tax paid	-33	-	-19
Depreciation and amortization	192	200	1 445
Net financial expense	102	37	140
Changes in inventory	-135	-109	-42
Changes in accounts receivable	110	57	7
Changes in accounts payable	163	208	-24
Changes in other balance sheet items	-242	-159	12
Net cash flow from operating activities	-124	24	-34
Investing Activities			
Investment in fixed assets	-33	-19	-85
Net cash flow from investing activities	-33	-19	-85
Financing Activities			
Proceeds from share capital increase	600	-	560
Transaction costs	-38	-	-14
Proceeds from borrowing	90	-66	317
Repayments of long-term debt	-73	-	-244
Proceeds from short-term debt	113	-	-
Repayments of short-term debt	-331	-	-31
Interest payments on interest-bearing liabilities	-39	-18	-62
Payment of Interest element of lease payments	-25	-21	-79
Payments of lease liabilities	-136	-162	-563
Net cash flow from financing activities	161	-267	-116
Net Change in Cash and Cash Equivalents	4	-262	-235
Cash and cash equivalents - beginning of period	166	406	406
Effect of foreign currency rate changes on cash and equivalents	25	-2	-5
Cash and Cash Equivalents - End of period	194	142	166

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Changes in Equity

<i>(Amounts in NOK million)</i>	Share capital	Share premium	Other paid in equity	Retained earnings	Foreign currency rate changes	Attributed to equity holders of the parent	Non-controlling interests	Total shareholders' equity
Shareholders' Equity 31.12.2023	665	3 355	44	-1 670	-30	2 364	-54	2 310
Profit for the Period	-	-	-	-207	-	-207	-2	-209
Foreign currency rate changes	-	-	-	-	7	7	-	7
Total comprehensive income for the interim period	-	-	-	-207	7	-200	-2	-202
Transactions with owners:								
Employee share incentive program	-	-	1	-	-	1	-	1
Share issue	-	-	-	-	-	-	-	-
Shareholders' Equity 31.03.2024	665	3 355	45	-1 877	-23	2 165	-56	2 109
Shareholders' Equity 31.12.2024	986	3 585	48	-3 376	25	1 267	-66	1 201
Profit for the Period	-	-	-	-309	-	-309	-2	-311
Foreign currency rate changes	-	-	-	-	-5	-5	-	-5
Total comprehensive income for the interim period	-	-	-	-309	-5	-314	-2	-316
Transactions with owners:								
Employee share incentive program	-	-	1	-	-	1	-	1
Share capital decrease	-983	-	983	-	-	-	-	-
Share issue	6	571	-	-	-	577	-	577
Shareholders' Equity 31.03.2025	9	4 155	1 031	-3 684	20	1 531	-68	1 462

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Notes to the interim financial statements¹⁾

Note 1 General information

XXL ASA and its subsidiaries' (together the "company" or the "Group") operating activities are related to the resale of sports and leisure equipment in the Nordic countries.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated. Due to rounding, there may be differences in the summation columns.

These condensed interim financial statements have not been audited.

Note 2 Basis of preparation

These condensed consolidated interim financial statements for the three-month reporting periods ending 31 March 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

Note 3 Accounting policies

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended 31 December 2024.

Note 4 Estimates, judgments, and assumptions

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

In preparing these condensed interim financial statements, the significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2024.

1) Please refer to definitions at the end of the report for descriptions of alternative performance measures

Note 5 Operating Segments

The Group's business is the sale of sports and leisure equipment. Segment performance is reviewed by Management and the Board of Directors as three reportable geographical segments and HQ & Logistics segment. The following presents the Group's revenue by operating segment:

Q1 2025

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total Segment
Operating revenue	846	538	285	-	1 670
Gross profit	329	200	108	-	637
EBITDA	104	37	19	-148	12
Operating Income	36	-14	-24	-177	-179

Q1 2024

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total Segment
Operating revenue	802	481	275	-	1 558
Gross profit	319	184	102	-	605
EBITDA	106	25	6	-125	12
Operating Income	27	-28	-31	-155	-188

FY 2024

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total Segment
Operating revenue	3 643	2 258	1 281	-	7 183
Gross profit	1 356	772	452	-	2 580
EBITDA	484	114	48	-572	74
Operating Income	-486	-91	-104	-690	-1 371

Note 6 Related Party Transactions

The Group's related parties include its associates, key Management, members of the Board of Directors and majority shareholders.

During Q1 2025 the Group entered into a fully guaranteed NOK 100 million Bridge Loan with DNB Bank ASA and Nordea Bank Abp. The loan is fully guaranteed by existing major shareholders of the group; Altor Invest 5 AS, Altor Invest 6 AS and Ferd AS (The Guarantors). The Guarantors shall receive a guarantee fee of 0.54 per cent per month that shall be settled in cash.

None of the Board members have been granted loans or guarantees in the current year or are included in the Group's pension or bonus plans. All related party transactions are concluded on an arm's length basis.

Note 7 Risk Management

A description of main risk factors in XXL is included in Note 20 in the Annual Report for 2024.

Note 8 Right-of-use assets and lease liabilities

The movements of the Group's right-of-use assets and lease liabilities during the year are presented below:

Right of use assets

<i>(Amounts in NOK million)</i>	Buildings, machinery and vehicles
Aquisition cost 01.01.2025	5 133
Additions and adjustments	513
Change incentives	0
Net exchange differences	-12
Aquisition costs 31.03.2025	5 633
Accumulated depreciation and impairment losses 01.01.2025	-3 467
Depreciation	-144
Impairment losses (-) Reversal of losses (+)	0
Transfers and reclassifications	0
Currency exchange differences	11
Accumulated depreciation and impairment 31.03.2025	-3 600
Right-of-Use Assets at 31.03.2025	2 033

Lease liabilities

(Amounts in NOK million)

Summary of the lease liabilities in the financial statements

Lease liabilities 01.01.2025	1 964
New lease liabilities recognised in the period and adjustments	512
Lease payments	-165
Interest expense on lease liabilities	25
Reassessment of the discount rate on previous lease liabilities	0
Currency exchange differences	1
Lease liabilities at 31.03.2025	2 337

whereof:

Current lease liabilities < 1 year	598
Non-current lease liabilities > 1 year	1 739

Note 9 Tax

Reference is made to the stock exchange announcement on 15 June 2023 regarding a reassessment of taxable income for the subsidiary XXL Sport & Villmark AS relating to the XXL group's international transfer pricing model. Reference is also made to stock exchange announcement dated 3 October 2023 regarding the payment of NOK 90 million to the Norwegian tax authorities in connection with the reassessment. During 2024, XXL signed a MAP and also an APA agreement with the respective tax authorities. Settlement of the agreements were expected to be finalized during Q1 2025. During the first quarter of 2025, XXL have settled all outstanding taxes to Norway in relation to the MAP/APA negotiations. The refund of approximately CHF 4.9 million from Switzerland is still outstanding, settlement is expected during Q2 2025.

Note 10 Subsequent events

Reference is made to the stock exchange announcement published by Frasers Group plc ("Frasers") on 14 April 2025 regarding the mandatory offer launched by Frasers for all shares in XXL ASA ("XXL" or the "Company") not already owned by Frasers at a price per share of NOK 10 (the "Mandatory Offer") by publication of a mandatory offer document dated 14 April 2025 (the "Offer Document").

Disclaimer

This report includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this notice, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

Definitions

Alternative Performance Measures (APM)

Certain financial measures and ratios related thereto in this quarterly report, including growth, gross profit, gross margin, EBIT, EBIT margin, EBITDA, EBITDA margin, working capital and Net Interest-Bearing Debt (collectively, the “Non-GAAP Measures”), are not specifically defined under IFRS or any other generally accepted accounting principles. These measures are presented in this quarterly report because they are among the measures used by Management to evaluate the cash available to fund ongoing, long-term obligations and they are frequently used by other interested parties for valuation purposes or as a common measure of the ability of a company to incur and meet debt service obligations. These measures may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, and you should not consider such items as alternatives to profit for the year, total operating revenues, operating income, or any other performance measures derived in accordance with IFRS, and they may be different from similarly titled measures used by other companies. All amounts in tables below are in NOK million.

EBIT

Our EBIT represents operating income.

EBIT adj

EBIT adjusted (adj) represents EBIT adjusted for impairment losses in the period.

	Q1'25	Q1'24	FY24
EBIT	-179	-188	-1 371
+ Impairment Losses	0	0	670
= EBIT adj	-179	-188	-701

Net Income Adj

Our Net Income adjusted (adj) represents Net Income adjusted for impairment losses in the period.

	Q1'25	Q1'24	FY24
Net Income	-311	-209	-1 717
+ Impairment Goodwill	0	0	670
= Net Income adj	-311	-209	-1 047

EBITDA

Earnings before interest, tax, depreciation, and amortization (EBITDA) is a key financial parameter for XXL. Our EBITDA represents operating income plus depreciation and impairment losses.

	Q1'25	Q1'24	FY24
Operating Income	-179	-188	-1 371
+ Depreciation	192	200	775
+ Impairment losses	0	0	670
= EBITDA	12	12	74

Like for Like

Like for Like includes comparable stores and E-commerce. Comparable stores are stores that have been open all months of the current year and all months of the previous year. Stores that have been relocated or significantly expanded are excluded from Like for Like stores. Like for Like for the total Group is calculated with FX constant year over year to eliminate the FX effect.

Gross profit / Gross margin

Gross profit represents operating revenue less cost of goods sold. Gross margin is gross profit in per cent of revenue.

	Q1'25	Q1'24	FY24
Operating revenue	1 670	1 558	7 183
+ Cost of goods sold	1 033	953	4 603
= Gross profit	637	605	2 580
Gross margin	38.2%	38.8%	35.9%

Working capital

Working capital consists of trade and other receivables, accounts payables, inventory, public duties payable and other current liabilities.

OPEX

OPEX is defined as other operating expenses including personnel expenses but excluding depreciation and amortization.

	Q1'25	Q1'24	FY 24
Other operating expenses	207	211	945
+ Personnel expenses	417	382	1 560
= OPEX	625	593	2 505

Net interest-bearing debt (NIBD)

Net interest-bearing liabilities is defined as non-current interest-bearing debt and current interest-bearing liabilities less cash and cash equivalents. NIBD does not include lease liabilities due to IFRS 16. Net debt is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength.

	Q1 25	Q1 24	FY24
Non-Current Interest-Bearing liabilities	1 036	218	1 041
+ Current Interest-Bearing liabilities	127	995	322
+ Cash and Cash Equivalents	194	142	166
= Net Interest-Bearing Debt	968	1 070	1 196

CAPEX

Capital expenditure is the sum of purchases of fixed assets and intangible assets as used in our cash flow. Capex is a measure of investments made in the operations in the relevant period and is useful to users of XXL's financial information in evaluating the capital intensity of the operations.

Liquidity reserve

Our liquidity reserve is defined as our available cash and cash equivalents plus available liquidity through overdraft and credit facilities.

	Q1 25	Q1 24	FY24
Cash and Cash Equivalents	194	142	166
+ Cash and Cash Equivalents (AHS)	0	0	0
+ Undrawn Credit Facilities	150	449	175
= Liquidity reserve	344	591	341

Ecommerce

Ecommerce is sales through online sales channels in comparison to sales through retail stores that are physical stores.

Inventory per store

Total inventory divided on number of stores and number of E-commerce markets at end of period.

$$\text{Inventory per store} = \frac{\text{Inventory}}{(\text{Number of stores} + \text{Ecom markets})}$$

IFRS 16 effects affecting EBITDA and EBIT

IFRS 16 was implemented for the Group 1 January 2019. EBITDA ex IFRS 16 effects and EBIT ex IFRS 16 effects represent our EBITDA and EBIT if IFRS 16 had not been implemented, respectively.

Q1'25	XXL Group	NOR	SWE	FIN	HQ & logistics
EBITDA reported	12	104	37	19	-148
IFRS 16 effects OPEX	-161	-65	-49	-33	-14
EBITDA ex IFRS 16 effects	-149	39	-12	-14	-162
EBIT Reported	-179	36	-14	-24	-177
IFRS 16 effects affecting EBIT	-17	-10	-11	7	-2
EBIT ex IFRS 16 effects	-196	26	-25	-18	-179

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FINANCIAL CALENDAR

Annual General Meeting	04.06.2025
Q2 and H1 2025 Results	11.07.2025
Q3 Results	29.10.2025

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