Interim report Q3 2026

JANUARY – SEPTEMBER 2026



embellence GROUP

Third quarter 2026

- Net sales amounted to MSEK 178 (174), up 3%. Organic growth amounted to 2% and exchange rate effects had an impact of 1%.
- The gross margin amounted to 62.4% (60.6).
- Operating profit (EBITA) amounted to MSEK 24 (24).
- The EBITA margin amounted to 13.2% (13.6).
- Net profit for the period amounted to MSEK 16 (13) and earnings per share before and after dilution to SEK 0.69 (0.55).
- Operating cash flow amounted to MSEK 39 (32).

SIGNIFICANT EVENTS DURING THE QUARTER

- New Managing Director of Wall&decò appointed.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- No significant events to report.

MSEK	Jul–Sep 2026	Jul–Sep 2025	Change	Jan–Sep 2026	Jan–Sep 2025	Change	R12	Full-year 2025
Group								
Net sales	178	174	3%	561	569	–2%	756	765
Gross profit	111	105	6%	351	350	0%	471	471
Gross margin, %	62.4%	60.6%	1.8 pp	62.5%	61.5%	1.0 pp	62.4%	61.9%
EBITA	24	24	0%	74	82	–9%	100	108
EBITA margin, %	13.2%	13.6%	–0.4 pp	13.3%	14.4%	–1.1 pp	13.3%	14.1%
Net profit/loss for the period	16	13	25%	48	52	–7%	65	69
Operating cash flow	39	32	21%	74	55	33%	116	98
Net debt/EBITDA R12	0.4	0.7		0.4	0.7		0.4	0.5
Earnings per share before dilution (SEK)	0.69	0.55		2.05	2.21		2.77	2.93
Earnings per share after dilution (SEK)	0.69	0.55		2.05	2.21		2.77	2.93


BORÅSTAPETER: HARALD

Growth and focus on channel diversification



Net sales for the third quarter amounted to MSEK 178 (174), up 3% compared with the year-earlier quarter. Currency-adjusted organic growth for the quarter amounted to 2%, and currency effects had a positive effect of 1 percentage point on sales performance.

Four of our five interior design brands grew during the quarter. Growth was driven primarily by direct-to-consumer sales – one of our strategic focus areas – which continued its strong performance and offset continued weakness in traditional physical retail. Pappelina in particular distinguished itself and more than doubled its sales in the direct-to-consumer (DTC) channel. Only Wall&decò posted a decline in sales.

The gross margin strengthened during the quarter, amounting to 62.4% (60.6), driven by a positive channel mix with a greater share of DTC sales, a positive product mix and improvements to efficiency in manufacturing. The increased share of DTC sales has strengthened the gross margin but at the same time has meant higher marketing and logistics costs. Overall, the impact on profitability has been a positive one.

EBITA for the quarter was MSEK 24 (24), corresponding to an operating margin of 13.2% (13.6). Earnings also include restructuring costs for the replacement of the Managing Director of Wall&decò.

Operating cash flow for the quarter amounted to MSEK 39 (32), up MSEK 7 compared with the year-earlier period. Working capital decreased by MSEK 8 (8) during the quarter as a result of reduced inventory levels. Our financial position strengthened further, with a net debt to EBITDA at a multiple of 0.4 (0.7).

A STRONG ORGANISATION IN LINE WITH OUR STRATEGIC PLAN

When I took office as CEO eighteen months ago, a key element of my assignment was to develop the organisation in order to better support our strategic plan and our long-term ambitions. For many years, the organisation had done great work on building up strong brands, but for the next stage of our development we have strengthened the organisations in each brand, developed the Group-wide team and added new commercial expertise in our strategic areas of growth. We have made significant progress, and we now have an organisation that is better equipped to pursue our strategy of profitable growth. These changes have entailed short-term restructuring costs that were charged to our operating income, but both the Board of Directors and I are convinced that they were necessary to strengthen our long-term competitiveness and profitability.

As part of this development, we also resolved on a leadership change at Wall&decò during the quarter and appointed Christian Benini as the new Managing Director. I am delighted to have Christian back at the helm of the brand he created. He and I share a clear vision of how Wall&decò can grow over the next few years, and Christian combines entrepreneurial creativity and strong skills in design and product innovation with a deep understanding of how to achieve commercial success in the wallpaper segment.

In the meantime, Lars-Erik Henriksson has decided to end his employment at the Group, and I am happy to inform you that we have decided to appoint Henrik Andersson, the current Managing Director of Pappelina, as his successor, which will mean a smooth transition in leadership for Borås tapeter, our largest brand. Henrik, who has successfully steered Pappelina towards strong growth, will take over as Managing Director of Borås tapeter during the first half of 2027. Henrik has been a driving force behind Pappelina's fine performance and has built a strong organisation, and I am confident that we will find a successor who can continue to drive Pappelina's positive growth forward. I would like to thank Lars-Erik for his contributions to Borås tapeter's development during his time as Managing Director, and I know that he will ensure a smooth transition to Henrik.

SALES GROWTH DRIVEN BY DIRECT-TO-CONSUMER

Borås tapeter increased its sales by 2% to MSEK 63 (62). Sales in traditional physical retail in Sweden remained weak, but sales through digital channels and internationally offset this. All significant international markets performed well. DTC sales also gained momentum during the quarter, supported by the launch of Borås tapeter's new online sales platform and a strengthened organisation.

Cole & Son achieved sales of MSEK 31 (30) in the third quarter. The efforts around restructuring our sales channels, which began early in the year, are now in their final stage and we believe that the temporary negative impact on sales will become more limited going forward. Our focus is now on continuing to develop our brand-building as well as a more diversified channel strategy. International sales performed positively, driven

by growth in the US – our focus market – while performance in the UK and Europe was more cautious. We are also seeing positive developments in the hospitality channel as a result of the initiatives that were launched during the first half of the year. In the middle of the second quarter, Yelena Ford took office as the new Managing Director, and during the quarter she has also strengthened the rest of the organisation with new expertise to lead and develop our DTC sales. A great deal remains to be done for Cole & Son in this channel, but with the strengthened organisation in place and the Group's support capacity, we have created a solid platform for long-term growth.

Sales for Wall&decò in the third quarter amounted to MSEK 17 (20). Sales performance remained weak and did not meet our expectations. In light of this, we decided to implement a change in leadership during the quarter and appointed Christian Benini, the founder of Wall&decò, as Managing Director. Under Christian's leadership, the team at Wall&decò has actively expanded its collaboration with the Group, with a clear focus on strengthening commercial execution and turning around the sales trend.

Pappelina posted yet another strong quarter with sales of MSEK 15 (11). This growth was driven primarily by DTC sales, with this trend – already a strong one in recent quarters – accelerating further during the third quarter. All major markets performed well, and it is gratifying to see that the drivers behind this positive trend in DTC sales also promoted an increase in sales to traditional physical retailers. At the same time, sales through online retailers declined in pace with a larger share of consumers choosing to purchase Pappelina's products directly from our own platform.

Artscape's sales in the third quarter amounted to MSEK 29 (28). Sales in the US – our core market – performed positively, mainly through the company's own online sales platform. At the same time, export sales were negatively impacted by increased trade barriers between the US and its neighbouring countries. During the year, we worked on a relaunch featuring a new product line, which will be rolled out during the fourth quarter at one of our major customers. Together with the positive performance in DTC sales, this has created good conditions for growth in the next quarter.

Sales to external customers through Borås Tapetfabrik totalled MSEK 23 (22) for the quarter. Customers – both traditional and digitally focused – contributed to this growth. After a prolonged period of double-digit annual growth, we anticipate a slightly lower growth rate going forward. In accordance with the Embellence Group's strategy, the primary focus for Borås Tapetfabrik will be on improving product innovation, production processes and services for the Group's own brands. Borås Tapetfabrik's sales to external customers remain important to the Group. Going forward, however, we will place even greater emphasis on improving efficiency and our ability to support the growth of our own brands.

FOCUS ON OUR STRATEGIC GROWTH AREAS

DTC sales are continuing to perform well, driven by strong international growth, particularly in the US and Europe. With a strengthened organisation and new online sales platforms in place, we are well equipped to scale up and accelerate performance in this channel although there is still much to be done.

We are also continuing our efforts to expand our product and service offerings in the hospitality channel to better meet the needs of larger and more complex projects. We took further steps in this direction during the quarter, for example, with the development of Cole & Son's offering and organisation. Alongside increased commercial collaboration among our brands, this will gradually strengthen our position in the hospitality channel.

As we have communicated earlier, our brands have historically held very strong positions in their respective local domestic markets, but we are seeing great potential for growth in our key international export markets. Going forward, these efforts will focus on better utilising Embellence Group's expertise and the customer relationships of the various brands, and prioritising the markets where we see the greatest potential, strengthening our commercial partnerships and developing our network of retailers, distributors, agents, architects, and interior designers. Performance in international sales was positive during the quarter, but burdened in part by a slump in Artscape's exports to Canada and Mexico. At the same time, the US continues to grow in importance and is currently an increasingly vital growth market for several of our brands.

I look forward to the final quarter of this year and the coming year with confidence. In 2026, we dedicated time and resources into strengthening our leadership and our organisation, restructuring our sales channels and building a stronger foundation – including new digital platforms – to support continued growth in the direct-to-consumer segment. This process of transformation is ongoing, but with our strong brands, a strengthened organisation and an intensified commercial focus, I am convinced that we will enter the coming year with a solid platform for creating long-term, profitable growth.

Borås, November 2026
Johan Andgren, CEO Embellence Group



COLE & SON: **ANGLED PLANES**

Group performance

CONSOLIDATED SALES

Net sales for the quarter amounted to MSEK 178 (174), up 3% compared with the year-earlier quarter. Organic sales growth during the quarter amounted to 2%. Exchange rate effects had a positive impact of 1%.

Net sales for the period, the first nine months of the year, amounted to MSEK 561 (569), down 2% compared with the year-earlier period. The organic sales trend amounted to 0% and exchange rate effects had an impact of –2%.

CONSOLIDATED EARNINGS

EBITA for the quarter was MSEK 24 (24), corresponding to an operating margin of 13.2% (13.6). The sales mix, with a higher share of DTC sales, strengthened the gross margin to 62.4% (60.6) Operating expenses were impacted by non-recurring costs for replacing the Managing Director of Wall&decò.

Net profit for the quarter amounted to MSEK 16 (13), resulting in earnings per share before and after dilution of SEK 0.69 (0.55).

EBITA for the quarter was MSEK 74 (82), corresponding to an operating margin of 13.3% (14.4). Net profit for the period amounted to MSEK 48 (52). Earnings per share before and after dilution amounted to SEK 2.05 (2.21).

NET FINANCIAL ITEMS

Net financial items for the quarter were MSEK 1 (–3). Net interest items amounted to MSEK –1 (–2). Remeasurement of financial items in foreign currency was MSEK 2 (0). Net financial items for the period amounted to MSEK –1 (–3).

CASH FLOW

Cash flow from operating activities for the quarter amounted to MSEK 39 (32). Changes in working capital amounted to MSEK 8 (8). Inventory decreased by MSEK 14. The decrease was attributable to seasonal variations and raw material inventories returning to normal levels. Cash flow from investing activities amounted to MSEK 1 (–4). Cash flow from financing activities for the quarter amounted to MSEK –27 (–30). Cash flow for the quarter amounted to MSEK 12 (–2).

Cash flow from operating activities for the period amounted to MSEK 74 (55). Cash flow of MSEK –14 (–29) from changes in working capital and MSEK 9 (–6) in Other contributed to this positive performance during the period.

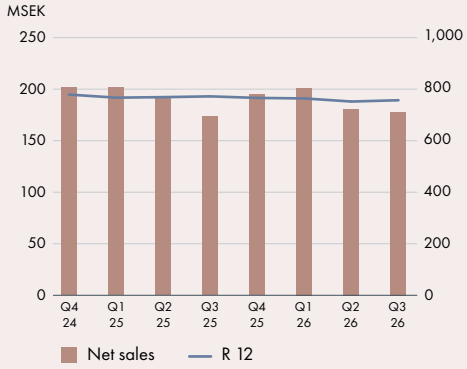
FINANCIAL POSITION

At the end of the quarter, the Group's total assets amounted to MSEK 806 (784). The equity ratio amounted to 69% (65) and cash and cash equivalents at the end of the quarter were MSEK 56 (37). The Group's net debt amounted to MSEK 53 (99) at the end of the quarter. At the end of the quarter, the ratio of net debt to EBITDA (R12) was 0.4 (0.7). Cash flow from operating activities contributed to this strengthened financial position.

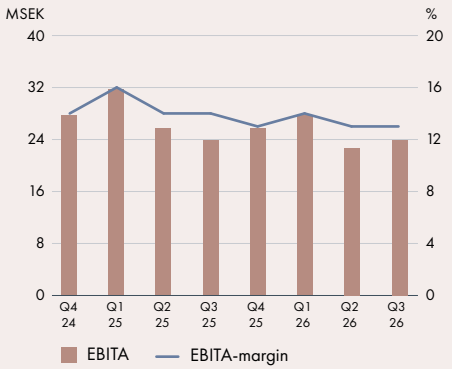


PAPPELINA: MIMI OCEAN BLUE

NET SALES (MSEK)



EBITA (MSEK) AND EBITA MARGIN (%)



Operational performance

GROUP

Consolidated net sales during the quarter amounted to MSEK 178, up 3% compared with the year-earlier quarter.

All brands except Wall&decò posted growth during the quarter. Pappelina's strong performance continued in the third quarter, with sales growth of 29%. Following the previously implemented measures, sales in Cole & Son stabilised and posted growth for the quarter. Meanwhile, Borås Tapetfabrik continued to develop positively.

BORÅSTAPETER

Boråstapeter's sales for the quarter amounted to MSEK 63, up 2% compared with the year-earlier quarter. Traditional retail remains a challenging channel, but increased sales to online retailers and DTC during the quarter offset this.

COLE & SON

Cole & Son's sales for the quarter totalled MSEK 31, up 3% compared with the year-earlier quarter. The impacts from the restructuring of sales channels decreased during the quarter, and the sales level has stabilised.

WALL&DECÒ

Wall&decò's sales amounted to MSEK 17, down 13% compared to the year-earlier quarter. During the quarter, Christian Benini was appointed as the new Managing Director of the brand. The Group is continuing to actively support and work alongside the local team in order to reverse the trend in sales.

PAPPELINA

Pappelina's sales for the quarter amounted to MSEK 15, up 29% compared with the year-earlier quarter. This positive trend is continuing, with increased DTC sales and a performance in the US that remains strong.

ARTSCAPE

Artscape's sales for the quarter amounted to MSEK 29, up 4% compared with the year-earlier quarter. DTC sales continued to perform well.



ARTSCAPE: METROPOLIS

NET SALES

MSEK	Jul–Sep 2026	Jul–Sep 2025	Change	Jan–Sep 2026	Jan–Sep 2025	Change	R12	Full-year 2025
Boråstapeter	63	62	2%	207	208	0%	286	287
Cole & Son	31	30	3%	93	104	–10%	123	134
Wall&decò	17	20	–13%	58	66	–13%	78	87
Pappelina	15	11	29%	41	34	22%	51	44
Artscape	29	28	4%	81	86	–7%	107	113
Borås Tapetfabrik	23	22	3%	81	72	13%	110	101
EMBELLENCE GROUP	**178**	**174**	**3%**	**561**	**569**	**–2%**	**756**	**765**

BORÅS TAPETFABRIK

Performance in Borås Tapetfabrik's sales to external customers remained positive and totalled MSEK 23, up 3% compared with the year-earlier quarter. Performance in the quarter was driven by existing customers in both digital and traditional printing.

Other Group

ORGANISATION
The number of FTEs on 30 September 2026 was 228 (225).

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 2025 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 2025 have not had a significant impact on the Group's financial statements for the current or future periods, nor on future transactions.

IASB has issued a new standard, IFRS 18, which replaces IAS 1 and is applicable for financial years beginning on 1 January 2027. The standard aims to improve comparability and transparency in financial reporting, primarily through new requirements for the presentation of the income statement and the introduction of certain mandatory subtotals. The Company is still evaluating the impact of the transition to IFRS 18.

For 2026, the cash flow statement has been changed within the framework of the currently applicable IAS 7 so that foreign exchange effects on working capital are included in changes in working capital rather than in other items. In addition, the Group has changed the classification of interest received and interest paid in the cash flow statement. Interest received is classified as cash flow from investing activities and interest paid as cash flow from financing activities. The change has been implemented to provide a more relevant and faithful presentation of the Group's cash flows and to better reflect the economic substance of the cash flows. The comparative figures have been restated, resulting in cash flow from operating activities increasing by MSEK 7 for the full year 2025, while cash flow from investing activities increased by MSEK 1 and cash flow from financing activities decreased by MSEK 8.

SIGNIFICANT EVENTS DURING THE QUARTER
New Managing Director of Wall&decò appointed.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER
No significant events to report.

AUDIT
This report has been reviewed by auditors.



WALL&DECÒ: GALLERY MEDIATEM

Parent Company

The Parent Company's net sales amounted to MSEK 6 (4) in the third quarter. Earnings after tax totalled MSEK –3 (–4).

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, 3 NOVEMBER 2026

MAGNUS WELANDER Chairman	JOHAN ANDGREN CEO	KARIN DENNFORD
MARIA VEERASAMY	HENRIK NYQVIST	CHRISTINA STÅHL

Condensed consolidated income statement

MSEK	Jul–Sep 2026	Jul–Sep 2025	Jan–Sep 2026	Jan–Sep 2025	Full-year 2025
Net sales	178	174	561	569	765
Cost of goods sold	–67	–68	–210	–219	–293
Gross profit	**111**	**105**	**351**	**350**	**471**
Selling and administrative expenses	–92	–86	–289	–282	–383
Other operating income	1	1	3	5	6
Other operating expenses	–	–	–2	–3	–4
Operating profit	**20**	**19**	**63**	**69**	**91**
Net financial items	1	–3	–1	–3	–4
Profit before tax	**21**	**17**	**61**	**66**	**87**
Tax	–4	–4	–13	–14	–18
Net profit for the period	**16**	**13**	**48**	**52**	**69**
Earnings per share for the period before dilution (SEK)	**0.69**	**0.55**	**2.05**	**2.21**	**2.93**
Earnings per share for the period after dilution (SEK)	**0.69**	**0.55**	**2.05**	**2.21**	**2.93**
Condensed statement of other comprehensive income					
Profit for the period	16	13	48	52	69
Translation differences	11	–6	30	–53	–64
Comprehensive income for the period	**27**	**7**	**78**	**–1**	**5**



BORÅSTAPETER: HAPPY HOLLYHOCKS GRAND

Condensed consolidated balance sheet

MSEK	30 Sep 2026	30 Sep 2025	31 Dec 2025
Assets			
Intangible non-current assets	316	320	311
Tangible non-current assets	93	83	87
Right-of-use assets	47	51	50
Deferred tax assets	9	7	4
Financial non-current assets	3	3	3
Total non-current assets	**468**	**464**	**455**
Inventories	147	144	140
Accounts receivable	97	108	95
Current tax assets	7	5	4
Other receivables	8	6	11
Prepaid expenses and accrued income	24	20	18
Cash and cash equivalents	56	37	38
Total current assets	**339**	**320**	**307**
Total assets	**806**	**784**	**762**

MSEK	30 Sep 2026	30 Sep 2025	31 Dec 2025
Equity and liabilities			
Share capital	59	59	59
Other contributed capital	111	111	111
Reserves	27	7	–3
Retained earnings, including net profit for the year	359	329	346
Equity attributable to Parent Company shareholders	**556**	**506**	**513**
Provisions for pensions	5	6	5
Deferred tax liabilities	20	16	20
Other non-current interest-bearing liabilities	30	42	39
Lease liabilities	36	41	39
Total non-current liabilities	**91**	**105**	**104**
Other current interest-bearing liabilities	12	12	12
Bank overdraft facility	15	25	1
Lease liabilities	16	16	15
Accounts payable	43	49	50
Other current liabilities	28	25	22
Accrued expenses and deferred income	46	46	45
Total current liabilities	**159**	**173**	**145**
Total liabilities	**250**	**278**	**248**
Total equity and liabilities	**806**	**784**	**762**

Condensed consolidated cash flow statement

MSEK	Jul–Sep 2026	Jul–Sep 2025	Jan–Sep 2026	Jan–Sep 2025	Full-year 2025
OPERATING ACTIVITIES					
Operating profit	20	19	63	69	91
Adjustments for non-cash items					
Depreciation and amortisation	11	11	31	32	43
Other	5	–2	9	–6	–9
Cash flow from changes in working capital	8	8	–14	–29	–13
Cash flow from operating activities before tax	**43**	**36**	**88**	**67**	**113**
Tax paid	–5	–4	–15	–11	–15
Cash flow from operating activities	**39**	**32**	**74**	**55**	**98**
INVESTING ACTIVITIES					
Investments in non-current assets	–	–4	–14	–13	–22
Interest received	1	–	1	–	1
Cash flow from investing activities	**1**	**–4**	**–13**	**–13**	**–21**
FINANCING ACTIVITIES					
Change in bank overdraft facilities	–19	25	14	–24	–48
Repayment of lease liabilities	–4	–4	–10	–11	–15
New borrowing	–	–	–	131	131
Repayment of loans	–3	–49	–9	–104	–107
Dividend	–	–	–35	–29	–29
Interest paid	–2	–2	–5	–6	–8
Cash flow from financing activities	**–27**	**–30**	**–46**	**–44**	**–77**
Cash flow for the period	12	–2	**15**	–1	**1**
Cash and cash equivalents at beginning of period	**42**	**39**	**38**	**41**	**41**
Exchange rate differences in cash and cash equivalents	2	–	3	–3	–4
Cash and cash equivalents at end of period	**56**	**37**	**56**	**37**	**38**



ARTSCAPE: SUNSHINE

Condensed consolidated statement of changes in equity

MSEK	30 Sep 2026
Opening balance 1 Jan 2026	513
Dividend	–35
Net profit for the period	48
Other comprehensive income	30
Closing balance 30 Sep 2026	556

MSEK	30 Sep 2025
Opening balance 1 Jan 2025	538
Dividend	–29
Net profit for the period	52
Other comprehensive income	–54
Closing balance 30 Sep 2025	506


WALL&DECÒ: MOSE

Condensed Parent Company income statement

MSEK	Jul–Sep 2026	Jul–Sep 2025	Jan–Sep 2026	Jan–Sep 2025	Full-year 2025
Net sales	**6**	**4**	**18**	**12**	**21**
Administrative expenses	–7	–6	–29	–22	–32
Operating profit	**–2**	**–2**	**–11**	**–11**	**–12**
Net financial items	–2	–3	42	–2	–3
Profit/loss after financial items	**–4**	**–5**	**32**	**–13**	**–15**
Group contributions	—	—	—	—	85
Other appropriations	—	—	—	—	–18
Profit/loss before tax	**–4**	**–5**	**32**	**–13**	**52**
Tax	1	1	4	3	–11
Net profit/loss for the period	**–3**	**–4**	**36**	**–10**	**42**

Condensed Parent Company balance sheet

MSEK	30 Sep 2026	30 Sep 2025	31 Dec 2025
Assets			
Intangible non-current assets	1	–	–
Tangible non-current assets	1	–	–
Deferred tax assets	4	3	1
Financial non-current assets	618	618	618
Total non-current assets	**623**	**621**	**619**
Current tax assets	6	5	–
Other receivables	–	–	–
Prepaid expenses and accrued income	2	2	2
Cash and cash equivalents	–	–	–
Total current assets	**8**	**8**	**3**
Total assets	**631**	**629**	**621**

MSEK	30 Sep 2026	30 Sep 2025	31 Dec 2025
Equity and liabilities			
Share capital	59	59	59
Statutory reserve	10	10	10
Share premium reserve	129	129	129
Retained earnings, including net profit for the year	185	133	185
Equity attributable to Parent Company shareholders	**383**	**331**	**383**
Untaxed reserves	**43**	**25**	**43**
Provisions for pensions	2	2	2
Other non-current interest-bearing liabilities	30	42	39
Total non-current liabilities	**32**	**44**	**41**
Other current interest-bearing liabilities	12	12	12
Bank overdraft facility	15	25	1
Accounts payable	2	1	1
Liabilities to Group companies	140	186	131
Other current liabilities	1	1	5
Accrued expenses and deferred income	5	3	5
Total current liabilities	**174**	**229**	**155**
Total liabilities	**206**	**273**	**196**
Total equity and liabilities	**631**	**629**	**621**

Notes

NOTE 1 Earnings per share

MSEK	Jul–Sep 2026	Jul–Sep 2025	Jan–Sep 2026	Jan–Sep 2025	Full-year 2025
Net profit for the period (SEK)					
Earnings per share before dilution	0.69	0.55	2.05	2.21	2.93
Earnings per share after dilution	0.69	0.55	2.05	2.21	2.93
Performance measures used in the calculation of earnings per share before and after dilution (MSEK)					
Net profit for the period	16	13	48	52	69
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	23,538,721	23,538,721
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	23,538,721	23,538,721

Notes

NOTE 2 Indebtedness

MSEK	30 Sep 2026	30 Sep 2025	31 Dec 2025
Lease liabilities	52	56	54
Bank overdraft facility	15	25	1
Other interest-bearing receivables and liabilities	42	54	51
Gross debt	**109**	**136**	**106**
Cash and cash equivalents	–56	–37	–38
Net debt	**53**	**99**	**68**
EBITDA (R12)	126	136	134
Net debt/EBITDA (R12)	**0.4**	**0.7**	**0.5**
Equity ratio	**69%**	**65%**	**67%**
Quota value per share (SEK)	**2.5**	**2.5**	**2.5**

Quarterly overview

GROUP

MSEK	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Net sales	202	202	193	174	195	201	181	178
Gross profit	123	126	120	105	121	127	113	111
Gross margin, %	60.7%	62.0%	61.9%	60.6%	61.8%	62.8%	62.3%	62.4%
EBITA	28	32	26	24	26	28	23	24
EBITA margin, %	13.9%	16.0%	13.5%	13.6%	13.2%	14.0%	12.6%	13.2%

NET SALES PER BRAND AND EXTERNAL MANUFACTURING

MSEK	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Borástapeter	72	79	66	62	79	83	61	63
Cole & Son	36	39	34	30	30	31	30	31
Wall&decò	24	23	23	20	20	21	19	17
Pappelina	10	11	11	11	10	13	14	15
Artscape	36	25	34	28	27	25	27	29
Borås Tapetfabrik	24	24	26	22	29	29	30	23
Total	**202**	**202**	**193**	**174**	**195**	**201**	**181**	**178**

NET SALES BY LARGEST MARKETS

MSEK	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Sweden	73	80	65	61	76	78	57	60
US	48	39	48	39	46	42	46	50
UK	19	21	17	17	16	20	12	18
Rest of World	62	63	63	57	57	61	66	51
Total	**202**	**202**	**193**	**174**	**195**	**201**	**181**	**178**

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.

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 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.


COLE & SON: **INLAY**

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 persons set out below, on 3 November 2026 at 8:00 a.m. CET.

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FINANCIAL CALENDAR

Q4 2026 – 24 February 2027
Q1 2027 – 11 May 2027
Annual General Meeting – 13 May 2027

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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