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*Gustaf Öhrn,  
President and CEO*

**Q4 2024**

BHG Group AB (publ)  
Nasdaq Stockholm

Interim report: 1 January-31 December 2024

## Growth and strong improvement in profitability

– The trend of a gradually improving sales performance continued in the fourth quarter, with growth and significantly stronger profitability compared with last year

### HIGHLIGHTS

#### 1 October-31 December

- Net sales increased 1.9% to SEK 2,883.8 million (2,828.8). Organic growth was 0.5%
- Adjusted gross profit amounted to SEK 733.8 million (718.1), corresponding to an adjusted gross margin of 25.4% (25.4)
- Adjusted EBIT amounted to SEK 106.7 million (54.7), corresponding to an adjusted EBIT margin of 3.7% (1.9)
- Cash flow from operating activities amounted to SEK 336.9 million (348.9)
- Earnings per share amounted to SEK -2.46 (-0.89) before dilution and SEK -2.46 (-0.89) after dilution

#### 1 January-31 December

- Net sales declined -15.5% to SEK 9,962.5 million (11,790.2). Organic growth was -9.2%
- Adjusted gross profit amounted to SEK 2,543.3 million (2,944.8), corresponding to an adjusted gross margin of 25.5% (25.0)
- Adjusted EBIT amounted to SEK 257.8 million (96.7), corresponding to an adjusted EBIT margin of 2.6% (0.8)
- Cash flow from operating activities amounted to SEK 657.2 million (1,550.2)
- Earnings per share amounted to SEK -3.79 (-8.73) before dilution and SEK -3.79 (-8.73) after dilution

The Board of Directors proposes to the Annual General Meeting that no dividend be paid to the shareholders for 2024.

#### Key events during the fourth quarter and after the period

- On 22 November, it was announced that BHG had entered into an agreement with the 30% minority owners and founders of IP-Agency Finland Oy regarding BHG's right to sell, and the founders' corresponding right to buy, all of the shares in IP-Agency. The agreement was subsequently approved at an extraordinary general meeting of BHG on 18 December.
- On 13 January, it was announced that Johan Engström had been appointed as the new Head of the Value Home business area. Johan Engström joined the company from his role of CEO of Lekia, having previously served in various roles including CEO of the outdoor furniture company Brafab and Managing Director of Brio Toys. Johan Engström succeeded Christian Eriksson, who chose to leave BHG after having worked at the Group since 2013 in roles such as CEO of Home Furnishing Nordic AB and most recently as Head of Value Home. Christian Eriksson has ensured a controlled and orderly hand over to Johan Engström.
- On 16 January, it was announced that Nordic Nest Group will open its first physical store outside Sweden in 2025, in Hamburg, Germany under the Nordic Nest brand. Nordic Nest Group already has five physical stores in Sweden under

### FINANCIAL SUMMARY

| SEKm (if not otherwise stated)          | Oct-Dec |         |            | Jan-Dec |          |           |
|---|---------|---------|------------|---------|----------|-----------|
|   | 2024    | 2023    | Δ          | 2024    | 2023     | Δ         |
| Net sales                               | 2,883.8 | 2,828.8 | 1.9%       | 9,962.5 | 11,790.2 | -15.5%    |
| Gross profit                            | 733.7   | 713.8   | 19.9       | 2,425.1 | 2,921.1  | -495.9    |
| Gross margin (%)                        | 25.4    | 25.2    | 0.2 p.p.   | 24.3    | 24.8     | -0.4 p.p. |
| Adjusted gross profit*                  | 733.8   | 718.1   | 15.7       | 2,543.3 | 2,944.8  | -401.5    |
| Adjusted gross margin (%)               | 25.4    | 25.4    | 0.1 p.p.   | 25.5    | 25.0     | 0.6 p.p.  |
| Adjusted EBIT*                          | 106.7   | 54.7    | 52.0       | 257.8   | 96.7     | 161.1     |
| Adjusted EBIT margin (%)                | 3.7     | 1.9     | 1.8 p.p.   | 2.6     | 0.8      | 1.8 p.p.  |
| Operating income                        | -333.0  | -43.6   | -289.4     | -442.9  | -1,374.2 | 931.3     |
| Operating margin (%)                    | -11.5   | -1.5    | -10.0 p.p. | -4.4    | -11.7    | 7.2 p.p.  |
| Net profit for the period               | -425.8  | -149.4  | -276.4     | -640.1  | -1,542.5 | 902.3     |
| Earnings per share before dilution, SEK | -2.46   | -0.89   | -1.57      | -3.79   | -8.73    | 4.94      |
| Earnings per share after dilution, SEK  | -2.46   | -0.89   | -1.57      | -3.79   | -8.73    | 4.94      |
| Cash flow from operating activities     | 336.9   | 348.9   | -11.9      | 657.2   | 1,550.2  | -893.0    |
| Net debt (+) / Net cash (-)             | 1,027.0 | 1,129.7 | -102.8     | 1,027.0 | 1,129.7  | -102.8    |

\* Refer to "Relevant reconciliations of non-IFRS alternative performance measures (APMs)" on page 30 of this report for a more detailed description.



# Comments by Gustaf Öhrn

## President and CEO, BHG Group

Our tactical priorities for 2024 were to improve our sales performance and strengthen our profitability. With the fourth quarter now behind us, I am delighted to report that we have achieved our targets. We gradually improved our sales trend during the year and achieved growth in the fourth quarter. We also improved our profitability year on year for the fifth consecutive quarter. We are pleased to say that we have delivered on our plan and are well positioned for 2025!

Over the course of the year, we have seen a gradual improvement in several macro factors, mainly in our key Swedish market, such as housing market activity, lower interest rates and stabilised inflation. While our assessment is that these factors are having a positive impact on demand in our product categories, there will be a lag before their effects are felt. We saw a gradual improvement in the sales trend during the year as underlying macro factors started to affect consumption. Having seen the first glimmer of a positive impact on demand indicators in the third quarter, we can now confirm that this recovery gradually continued during the fourth quarter. We are seeing growth in our largest market – Sweden – where the market has improved, and the trend in Germany remains strong, although the underlying market remains challenging. We are also experiencing growth in product categories that previously faced tough pressure, such as bathrooms, windows, doors, and floors. Based on the information currently available, our best assessment is that this gradual recovery will continue during 2025.

Since launching our Olympia strategy in late 2022, we have been focused on its implementation, with the aim of adapting our operations to a challenging market situation in an effort to strengthen our profitability. We have focused on increasing our scalability and efficiency, mainly by consolidating smaller businesses into larger platforms and divesting smaller businesses that were not strategically compatible. To further increase the efficiency and scalability of our business, we have invested in IT infrastructure and automation, and carried out more joint procurement and purchasing. To strengthen the Group financially, we have adapted our cost and inventory levels to the prevailing market conditions, thus generating strong cash flow and thereby reducing our net debt and improving our balance sheet. We are strategically, structurally, operationally and financially prepared to further improve on our leading position.

While our focus in 2023 and 2024 was mainly on adapting the business to the current market environment and reversing the sales trend, our top priorities in 2025 will be a return to growth, improved profitability and customer satisfaction. Our main tactical priorities for 2025 can be summarised as follows:

- Increase our **market share** in a gradually stronger market
- Aim to maintain our cost levels in order to leverage our fixed costs and working capital, thereby **increasing our profitability**
- Continued improvement in **customer satisfaction**

We will achieve our priorities by working every day to provide our customers with the best offering and a positive shopping experience. By offering the best combination of price, product and experience, we will gain satisfied, returning customers. As previously communicated, we will also continue to target our three main strategic focus areas – **growth, consolidation and efficiency** – in order to boost our profitability. We have already achieved a great deal in these three areas, but there is still more work to be done.

BHG is the leading e-commerce group in the Nordic region. Thanks to the decisive actions we took in 2023 and 2024, we are well positioned for 2025 and expect to see a gradual improvement in the market. We have a clear goal to further strengthen our market position and increase our profitability, and we have a well-defined strategy to achieve this goal. We're ready!

Malmö, 29 January 2025

**Gustaf Öhrn,**  
President and CEO, BHG Group





# Condensed consolidated information

| SEKm (if not otherwise stated)      | Oct-Dec |         |            | Jan-Dec  |          |           |
|-------------------------------------|---------|---------|------------|----------|----------|-----------|
|                                     | 2024    | 2023    | Δ          | 2024     | 2023     | Δ         |
| Net sales                           | 2,883.8 | 2,828.8 | 1.9%       | 9,962.5  | 11,790.2 | -15.5%    |
| Gross profit                        | 733.7   | 713.8   | 19.9       | 2,425.1  | 2,921.1  | -495.9    |
| Gross margin (%)                    | 25.4    | 25.2    | 0.2 p.p.   | 24.3     | 24.8     | -0.4 p.p. |
| Adjusted gross profit*              | 733.8   | 718.1   | 15.7       | 2,543.3  | 2,944.8  | -401.5    |
| Adjusted gross margin (%)           | 25.4    | 25.4    | 0.1 p.p.   | 25.5     | 25.0     | 0.6 p.p.  |
| Adjusted EBITDA*                    | 192.1   | 154.0   | 38.0       | 610.5    | 578.9    | 31.6      |
| Adjusted EBITDA margin (%)          | 6.7     | 5.4     | 1.2 p.p.   | 6.1      | 4.9      | 1.2 p.p.  |
| Adjusted EBIT*                      | 106.7   | 54.7    | 52.0       | 257.8    | 96.7     | 161.1     |
| Adjusted EBIT margin (%)            | 3.7     | 1.9     | 1.8 p.p.   | 2.6      | 0.8      | 1.8 p.p.  |
| Items affecting comparability       | -417.0  | -75.2   | -341.8     | -602.7   | -1,372.5 | 769.9     |
| Operating income                    | -333.0  | -43.6   | -289.4     | -442.9   | -1,374.2 | 931.3     |
| Operating margin (%)                | -11.5   | -1.5    | -10.0 p.p. | -4.4     | -11.7    | 7.2 p.p.  |
| Net profit for the period           | -425.8  | -149.4  | -276.4     | -640.1   | -1,542.5 | 902.3     |
| Cash flow from operating activities | 336.9   | 348.9   | -11.9      | 657.2    | 1,550.2  | -893.0    |
| Total order value                   | 2,983.8 | 2,824.8 | 5.6%       | 10,278.5 | 11,930.0 | -13.8%    |
| Orders (thousands)                  | 1,412   | 1,377   | 2.5%       | 4,158    | 4,716    | -11.8%    |
| Average order value (SEK)           | 2,113   | 2,051   | 62         | 2,472    | 2,529    | -58       |

\* Refer to "Relevant reconciliations of non-IFRS alternative performance measures (APMs)" on page 30 of this report for a more detailed description.

\*\* As a result of regulatory changes for the processing of personal data and changes in tools from third-party suppliers for gathering data on online traffic, the data collected during the quarter is not comparable with the year-earlier period. We are therefore no longer presenting data for online traffic ("Number of visits") and the conversion rate since this would result in a misleading and inaccurate view of the development over time.

## COMMENTS ON THE RESULT FOR THE PERIOD

### Fourth quarter of the year

The fourth quarter marked a turning point. We saw a broader recovery of consumers' willingness to spend during the quarter, after a positive trend in several of our key underlying macro factors in recent quarters. We recorded sales growth and significantly strengthened our profitability during the quarter – marking the fifth consecutive quarter of improved profitability compared with the year-earlier period.

During the quarter, we returned to growth in our two largest markets – Sweden and Finland – and continued our strong performance from previous quarters in Germany. A positive trend was noted in the underlying market in Sweden due to favourable trends in macro factors, while the underlying market in Finland and Germany remained challenging. Our sales performance in Sweden and Finland was mainly driven by growth in previously strained, capital-intensive product categories such as bathrooms, doors and windows as well as a favourable shift towards entry-level products in Value Home's furniture segment, particularly in Sweden. The performance in Germany was mainly attributable to strong sales in Premium Living and the successful international expansion of some of our businesses in Home Improvement.

Supported by available market data we assess that the group's total sales development has developed stronger than the market, for the product categories and geographies we operate in, in the quarter.

We substantially improved our profitability during the quarter compared with last year by reducing our fixed costs, depreciation, amortisation and direct selling costs.

- The Group's net sales amounted to SEK 2,883.8 million (2,828.8) for the quarter. Total growth amounted to 1.9% and organic growth to 0.5%.
- Adjusted EBIT amounted to SEK 106.7 million (54.7) for the quarter, corresponding to an adjusted EBIT margin of 3.7% (1.9).
- Cash flow from operating activities amounted to SEK 336.9 million (348.9) for the quarter, primarily driven by the Group's EBITDA and a positive effect from changes in working capital. The trend in working capital was in turn primarily driven by decreasing inventory levels in the period.
- Total interest-bearing liabilities at the end of the quarter amounted to SEK 2,839.4 million, up SEK 24.4 million compared with the same period last year.

### Focus areas to strengthen profitability

Our main priorities for 2024 were to improve our sales performance and strengthen our profitability. Through the actions we took in 2023 and 2024, we have significantly reduced our cost base and built a more scalable business. We have consolidated smaller businesses into larger platforms, discontinued unprofitable businesses, cut costs and reduced our inventories. Our efforts to strengthen our profitability in 2024 mainly focused on the following priority areas: growth,

consolidation and efficiency. In 2025, we will continue to prioritise these areas.

### Growth

We see opportunities for cost-efficient growth, mainly through international expansion and product range development.

During the fourth quarter, our initiatives to achieve geographic expansion outside our companies' home markets continued to progress well, mainly driven by Premium Living and Nordic Nest, but also by successful international expansion in Home Improvement. Our efforts to shift the product range towards entry models and strengthen Value Home's price leadership in the furniture segment have been successful, and we are seeing increased sales, primarily in Sweden, which has been our focus market.

### Consolidation

We have made good progress on our consolidation journey, with the aim of achieving economies of scale. Having previously had 25 operating units in the Group, our goal now is to consolidate these into seven platforms. Six of these platforms are already in place.

The remaining consolidation will take place in Home Improvement, focusing on consolidating our Nordic DIY operations through the scalable platform Bygghemma Nordic, with local one-stop-shop destinations within DIY in our Nordic main markets. This is a major project that is expected to lead to significant savings and synergies, and the work will continue over the next 12-15 months as we balance our resources between structural measures and day-to-day operations.

The structure is now in place for the six platforms already created, and work is now focused on generating sales and cost synergies.

### Efficiency

Continuing to streamline, partly by reducing warehouse space, automating inventory handling and developing the use of artificial intelligence in customer service, content and marketing.

As announced in the second quarter, consolidations and substantially lower inventory levels have enabled a reduction in warehouse space, which is expected to lead to reduced rental expenses of about SEK 38 million on an annual basis. Warehouse space is being reduced by approximately 45,000 square metres, mainly within the Value Home business area, in three stages. During the second quarter, the warehouse space outside Helsingborg was reduced by 18,000 square metres. As a second step, the warehouse space in southern Stockholm was reduced by 23,390 square metres in the third quarter. As a third step, the remaining warehouse space of 3,900 square metres in southern Stockholm is planned to be completely vacated in the fourth quarter of 2025. Total cost savings when the above measures are implemented are estimated at approximately SEK 38 million on a rolling 12-month basis, attributable to depreciation of lease assets and interest expenses on lease liabilities. SEK 28 million of the cost savings will come from the measures that will be implemented in 2024 and thus have full effect in 2025.

The final phase of Nordic Nest's warehouse automation was completed in the fourth quarter and has already contributed to increased efficiency in the logistics flow.

We also reduced our last-mile costs during the fourth quarter, partly through better Group-wide agreements with our shipping partners.

In 2024, we began investing in AI-supported customer service and CRM tools in several of our platforms. This work will continue in 2025.

### The market

While the market as a whole was challenging in 2024, we saw a gradual improvement over the year. As a result of interest-rate rate cuts during the year and stabilised inflation, disposable consumer income – mainly in Sweden – is now roughly in line with the same period last year. We are also continuing to see a higher activity level in the housing market. We started to see signs of improved demand back in the third quarter, and this recovery continued in the fourth quarter.

The macro factors in our largest market – Sweden – were more favourable than in most other countries where we operate, and our assessment is that Sweden has seen the strongest recovery.

In the third quarter, we started to see a slightly positive trend in the previously strained renovation and capital-intensive product categories of bathrooms, doors, windows and floors. In the fourth quarter, we noted growth in these categories.

### Outlook

In recent quarters, we have seen several positive signals indicating a favourable market trend going forward. During the fourth quarter, we saw some reversal in the positive development of certain macro factors, but we still assess the trend to be positive. Our assessment is that Sweden is ahead of other geographic regions in terms of recovery and that it is more uncertain when and to what extent macro factors will have a positive impact on demand outside Sweden. Overall, we expect to see a continued gradual recovery in 2025.

One positive signal that could bode well for demand going forward is a higher rate of activity in the housing market. If the number of housing transactions continues to increase, this should have a positive impact on demand in our product categories over time. Moreover, inflation has stabilised and interest rates have started to fall, with further cuts expected in the future.

While it is difficult to assess how the uncertain geopolitical situation will develop, it could pose a risk to demand going forward. Furthermore, some major European economies, such as Germany, are showing signs of a slowdown, which could have a negative impact on demand in our categories.

Shipping costs from Asia increased in the quarter compared with the same period last year due to increased demand and lower capacity. While we expect shipping prices to fall in the first quarter of 2025 in line with past patterns, geopolitical uncertainty makes the future difficult to assess.

Our assessment is that the long-term fundamental structural trends that have driven BHG's growth journey are continuing. The structural shift from physical stores to online and penetration within the product categories and markets where we operate are still lower than in more mature product

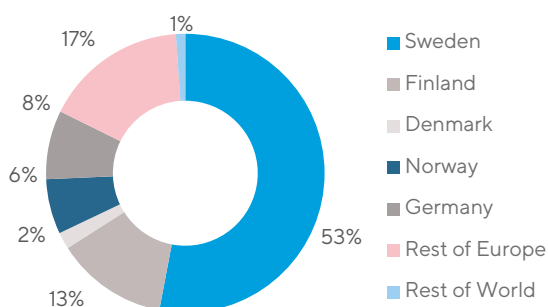
markets and geographies. For further information, refer to the Group's financial targets (page 7).

### Acquisitions

In 2024, we made two small bolt-on acquisitions to our existing platforms. Going forward, our focus will be on these types of acquisitions – acquisitions with limited risk but which can help strengthen our platforms.

In January 2024, we carried out a minor bolt-on acquisition in Nordic Nest through an asset purchase transfer of the KitchenTime brand and inventory. We also conducted a bolt-on acquisition in the Value Home business area when Trendrum was acquired in March 2024 in connection with the creation of Hemfint Group.

### Distribution of net sales by country (%), Oct-Dec 2024



### Net sales

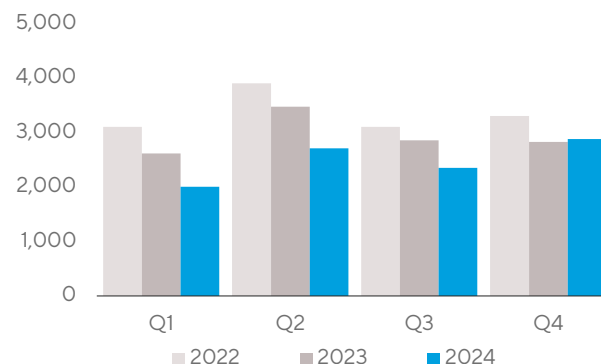
Net sales grew in the fourth quarter compared with the year-earlier period. During the quarter, we noted an improvement in product categories that had previously experienced a significant negative impact as well as an improvement in our largest geographic regions.

Back in the third quarter, we saw an improvement in our previously weak performance in renovation-related and capital-intensive categories such as floors, doors, windows and bathrooms. In the fourth quarter, this positive trend continued and we achieved year-on-year growth in several of these categories.

We also achieved growth in our three largest markets – Sweden, Finland and Germany – during the quarter. The strongest performance was noted in Germany, driven by Premium Living and Nordic Nest as well as the successful geographic expansion in Home Improvement. Sweden outperformed the other Nordic countries. The growth we achieved in Sweden and Finland was mainly driven by Home Improvement and Premium Living.

Net sales increased 1.9% to SEK 2,883.8 million (2,828.8) during the quarter. Organic growth for the quarter was 0.5%.

### Net sales (SEKm)



### Gross margin

The adjusted product margin was 37.6% (38.4) for the quarter and 37.8% (38.0) for the full year. The adjusted gross margin (that is, the margin after deductions for direct selling costs, such as logistics, fulfilment, etc.) amounted to 25.4% (25.4) for the quarter and 25.5% (25.0) for the full year.

This improved adjusted gross margin was mainly attributable to lower last-mile costs, primarily as a result of efficiencies and better Group-wide agreements with third-party suppliers, and to improved fulfilment costs.

### SG&A

Selling, general and administrative expenses (SG&A, defined as total personnel costs and other external costs adjusted for items affecting comparability) amounted to SEK -543.5 million (-563.5) for the quarter, corresponding to 18.8% (19.9) of net sales, and to SEK -1,945.8 million (-2,370.5) for the full year, corresponding to 19.5% (20.1) of net sales.

Of the total reduction in SG&A of SEK 20.0 million in the quarter, SEK 6.3 million was attributable to divested operations and the remaining SEK 13.7 million to savings resulting from the extensive cost-cutting and structural measures taken in 2023 and 2024.

### Earnings

The Group's operating income amounted to SEK -333.0 million (-43.6) for the quarter, corresponding to an operating margin of -11.5% (-1.5), and SEK -442.9 million (-1,374.2) for the full year, corresponding to an operating margin of -4.4% (-11.7).

Depreciation, amortisation and impairment of tangible and intangible assets amounted to SEK -507.2 million (-186.1) for the quarter, of which SEK -55.2 million (-134.1) pertains to depreciation, amortisation and impairment of lease assets, and SEK -903.0 million (-697.7) for the full year, of which SEK -278.9 million (-457.8) pertains to depreciation, amortisation and impairment of lease assets. Impairment of SEK -399.0 million, as a result of IP-Agency being recognised as a disposal group as of the fourth quarter, had a negative impact on the quarter and the full year.

The Group's adjusted EBIT amounted to SEK 106.7 million (54.7) for the quarter and SEK 257.8 million (96.7) for the full year, corresponding to an adjusted EBIT margin of 3.7% (1.9) and 2.6% (0.8), respectively.

Items affecting comparability amounted to SEK -417.0 million (-75.2) for the quarter and SEK -602.7 million (-1,372.5)



for the full year, with the aforementioned impairment of a disposal group accounting for SEK -399.0 million in the quarter.

The Group's net financial items amounted to SEK -37.9 million (-65.5) for the quarter and pertained to interest expenses of SEK -42.1 million (-54.4) for the quarter, of which SEK -4.6 million (-5.4) are related to lease liabilities in accordance with IFRS 16. The Group's net financial items for the full year amounted to SEK -193.9 million (-219.1). Interest expenses amounted to SEK -180.9 million (-193.3), of which SEK -18.7 million (-24.5) pertained to lease liabilities in accordance with IFRS 16.

The Group reported a loss before tax of SEK -371.0 million (-109.1) for the quarter and SEK -636.8 million (-1,593.3) for the full year. Net income totalled SEK -425.8 million (-149.4) for the quarter and SEK -640.1 million (-1,542.5) for the full year. The effective tax rate was 14,8% (36.9) for the quarter, corresponding to SEK -54.8 million (-40.3), and 0.5% (-3.2) for the full year, corresponding to SEK -3.3 million (50.9). The low tax rate for the period and the full year was primarily attributable to impairment of the disposal group.

#### **Cash flow and financial position**

Cash flow from operating activities was SEK 336.9 million (348.9) for the quarter and SEK 657.2 million (1,550.2) for the full year, primarily driven by the Group's EBITDA and a positive effect from changes in working capital. The trend in working capital was in turn primarily driven by decreasing inventory levels in the period.

Cash flow for the period followed BHG's seasonal profile. Strong demand in the fourth quarter typically results in lower working capital at the end of the quarter due to low inventories and high accounts payable, which in turn results in strong cash flow.

Cash flow from operating activities in the preceding year was largely driven by the sharp reduction in inventories carried out by the Group in 2023.

Cash conversion (cash flow from operating activities before tax less investments in non-current assets in relation to adjusted EBITDA) was 149.5% (156.3) for the quarter and 90.8% (243.8) for the full year.

The Group's cash flow to investing activities amounted to SEK -20.9 million (-46.0) for the quarter and SEK -77.6 million (-654.4) for the full year, and during the period was mainly

attributable to IT investments related to technology platforms.

Cash flow to financing activities amounted to SEK -113.5 million (-674.0) for the quarter and SEK -477.4 million (-970.9) for the full year, and was primarily attributable to repayments of lease liabilities and interest payments.

The Group's cash and cash equivalents at the end of the reporting period, compared with the beginning of the year, amounted to SEK 473.0 million (370.3).

The Group's net debt, which is defined as the Group's current and non-current interest-bearing liabilities to credit institutions, less cash and cash equivalents and investments in securities, etc., amounted to SEK 1,027.0 million at the end of the period, compared with SEK 1,129.7 million at the beginning of the year, corresponding to net debt in relation to pro-forma adjusted EBITDAaL, LTM (see definition on page 40) of 3.33x, which is above the Group's medium-term capital structure target.

In conjunction with the commencement of the Group's new financing agreement, BHG's total credit facilities were reduced from SEK 3,300 million to SEK 2,300 million. The Group's unutilised credit facilities amounted to SEK 800 million at the end of the period, compared with SEK 1,800 million at the beginning of the year.

#### **FINANCIAL TARGETS**

##### **Sales growth**

Continue to deliver organic growth above the addressable market.

##### **Profitability**

Return to an adjusted EBIT margin of 5%. Over time, further improve the adjusted EBIT margin to 7%.

##### **Capital structure**

Objective to strengthen the balance sheet and operate with a net debt/EBITDA target of below 2.5x, subject to flexibility for strategic activities.

##### **Dividend policy**

When free cash flow exceeds available investments in profitable growth, and provided that the capital structure target is met, the surplus will be distributed to shareholders.

2024/Q4

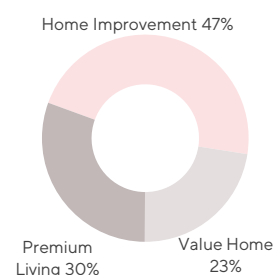


# Home Improvement

"A well-executed Black Friday campaign period had the desired effect in terms of growth for the Home Improvement business area. The work carried out with respect to cost savings, consolidation and efficiency yielded results in the form of improved underlying profitability," says Mikael Hagman, Deputy CEO and Head of Home Improvement.

- Net sales increased 1.0% to SEK 1,356.9 million (1,343.7) for the quarter and decreased -9.6% to SEK 5,175.4 million (5,726.7) for the full year. During the quarter, we noted a continued positive trend in previously strained renovation and capital-intensive product categories such as bathrooms, doors and windows.
- Organic growth was 2.1% for the quarter and -8.6% for the full year.
- The gross margin improved significantly to 24.1% (22.1) for the quarter and 23.9% (21.2) for the full year.
- Adjusted EBIT amounted to SEK 54.2 million (12.6) for the quarter and SEK 163.0 million (54.0) for the full year, corresponding to an adjusted EBIT margin of 4.0% (0.9) and 3.1% (0.9), respectively. The improvement in the EBIT margin for the quarter was mainly attributable to lower fixed costs, lower last-mile costs resulting from better Group-wide agreements and a higher product margin.

## Net sales by business area, Oct-Dec 2024



| SEKm (if not otherwise stated) | Oct-Dec |         |            | Jan-Dec |         |           |
|--------------------------------|---------|---------|------------|---------|---------|-----------|
|                                | 2024    | 2023    | Δ          | 2024    | 2023    | Δ         |
| Net sales                      | 1,356.9 | 1,343.7 | 1.0%       | 5,175.4 | 5,726.7 | -9.6%     |
| Gross profit                   | 326.6   | 293.0   | 33.6       | 1,194.7 | 1,205.2 | -10.5     |
| Gross margin (%)               | 24.1    | 21.8    | 2.3 p.p.   | 23.1    | 21.0    | 2.0 p.p.  |
| Adjusted gross profit          | 326.6   | 297.3   | 29.4       | 1,237.2 | 1,215.2 | 21.9      |
| Adjusted gross margin (%)      | 24.1    | 22.1    | 1.9 p.p.   | 23.9    | 21.2    | 2.7 p.p.  |
| Adjusted EBITDA                | 95.1    | 56.5    | 38.6       | 325.4   | 234.5   | 90.9      |
| Adjusted EBITDA margin (%)     | 7.0     | 4.2     | 2.8 p.p.   | 6.3     | 4.1     | 2.2 p.p.  |
| Adjusted EBIT                  | 54.2    | 12.6    | 41.6       | 163.0   | 54.0    | 109.0     |
| Adjusted EBIT margin (%)       | 4.0     | 0.9     | 3.1 p.p.   | 3.1     | 0.9     | 2.2 p.p.  |
| Items affecting comparability  | -414.9  | -52.5   | -362.4     | -448.9  | -68.1   | -380.8    |
| Operating income               | -375.0  | -54.3   | -320.7     | -343.2  | -71.5   | -271.7    |
| Operating margin (%)           | -27.6   | -4.0    | -23.6 p.p. | -6.6    | -1.2    | -5.4 p.p. |
| Net profit for the period      | -464.9  | -118.7  | -346.2     | -508.3  | -198.3  | -310.1    |
| Total order value              | 1,347.5 | 1,332.2 | 1.1%       | 5,277.4 | 5,755.1 | -8.3%     |
| Orders (thousands)             | 509     | 539     | -5.6%      | 1,857   | 2,117   | -12.3%    |
| Average order value (SEK)      | 2,650   | 2,473   | 177        | 2,842   | 2,719   | 123       |



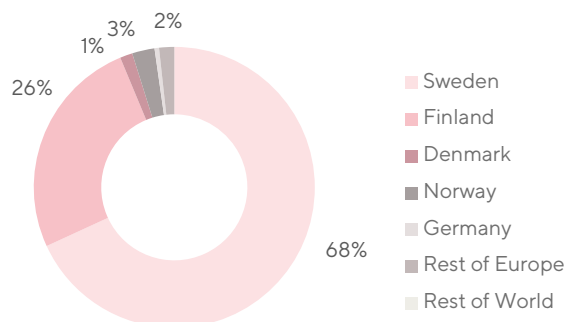
## COMMENTS ON HOME IMPROVEMENT

The Home Improvement business area accounted for 47% of the Group's total net sales for the quarter and 52% for the full year. Home Improvement operates almost exclusively in the Nordic market, and is largely based on a drop shipping model with a low level of tied-up capital, featuring a broad product range and price matching. Sweden is its largest market, making up approximately two thirds of the business area's sales in the fourth quarter.

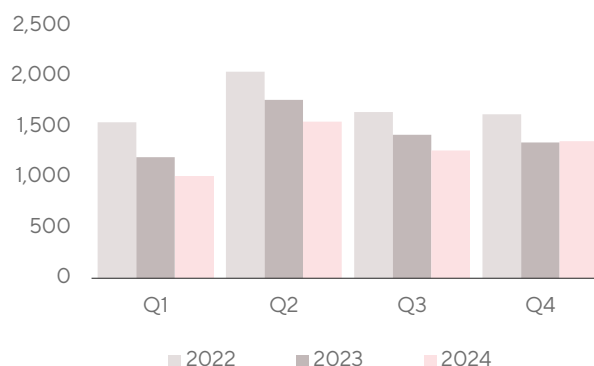
The leading brand in Home Improvement is Bygghemma. The focus is on:

- Creating a Nordic DIY powerhouse with a shared organisation to achieve economies of scale and improve profitability and customer value.
- Streamlining purchasing processes, in part through joint purchasing, increasing the share of sales from proprietary brands, which generally have higher margins, and broadening the range of additional services.
- Fully leveraging the product range through all relevant sales channels, in part through intercompany sales, and continuing to drive geographic expansion for the operations with strong positions in their home markets.

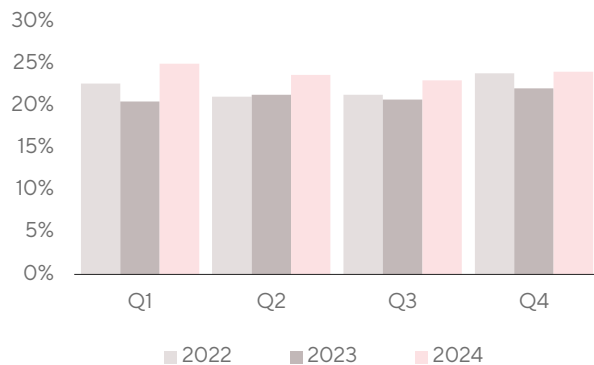
Distribution of net sales by country (%), Oct-Dec 2024



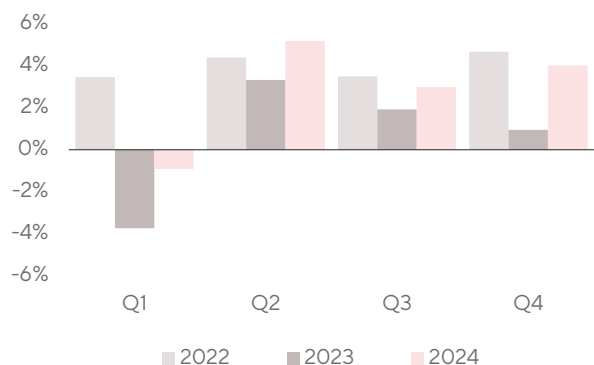
Net sales (SEKm)



Adjusted gross margin (%)



Adjusted EBIT margin (%)



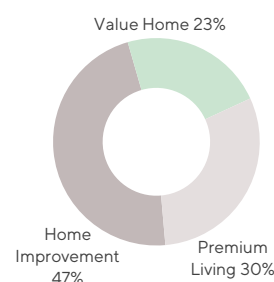


## Value Home

"During the quarter, we continued to focus on strengthening the product range and improving the availability of stocked products that were negatively impacted by imbalances following the sharp reduction in inventories in 2023. We are pleased to see that our actions have paid off, and our organic sales trend improved compared with previous quarters of the year," says Johan Engström, Head of Value Home.

- Net sales decreased -8.2% to SEK 654.2 million (713.0) for the quarter and -37.6% to SEK 2,458.3 million (3,941.4) for the full year.
- The business area's organic growth was -7.7% for the quarter and -17.0% for the full year.
- The gross margin amounted to 30.0% (32.1) for the quarter and 30.8% (30.7) for the full year.
- Adjusted EBIT amounted to SEK 9.5 million (21.7) for the quarter and SEK 78.3 million (49.5) for the full year, corresponding to an adjusted EBIT margin of 1.5% (3.0) and 3.2% (1.3), respectively. The year-on-year decline in the EBIT margin in the quarter was primarily due to a lower product margin, which in turn was mainly attributable to negative currency effects.

### Net sales by business area, Oct-Dec 2024



| SEKm (if not otherwise stated) | Oct-Dec |       |           | Jan-Dec |          |           |
|--------------------------------|---------|-------|-----------|---------|----------|-----------|
|                                | 2024    | 2023  | Δ         | 2024    | 2023     | Δ         |
| Net sales                      | 654.2   | 713.0 | -8.2%     | 2,458.3 | 3,941.4  | -37.6%    |
| Gross profit                   | 196.5   | 228.8 | -32.3     | 704.2   | 1,196.4  | -492.2    |
| Gross margin (%)               | 30.0    | 32.1  | -2.0 p.p. | 28.6    | 30.4     | -1.7 p.p. |
| Adjusted gross profit          | 196.5   | 228.8 | -32.3     | 756.4   | 1,210.1  | -453.8    |
| Adjusted gross margin (%)      | 30.0    | 32.1  | -2.0 p.p. | 30.8    | 30.7     | 0.1 p.p.  |
| Adjusted EBITDA                | 33.3    | 59.9  | -26.6     | 187.8   | 284.0    | -96.1     |
| Adjusted EBITDA margin (%)     | 5.1     | 8.4   | -3.3 p.p. | 7.6     | 7.2      | 0.4 p.p.  |
| Adjusted EBIT                  | 9.5     | 21.7  | -12.1     | 78.3    | 49.5     | 28.7      |
| Adjusted EBIT margin (%)       | 1.5     | 3.0   | -1.6 p.p. | 3.2     | 1.3      | 1.9 p.p.  |
| Items affecting comparability  | -2.0    | -22.7 | 20.7      | -110.1  | -1,290.7 | 1,180.7   |
| Operating income               | 5.3     | -4.1  | 9.4       | -43.9   | -1,259.3 | 1,215.4   |
| Operating margin (%)           | 0.8     | -0.6  | 1.4 p.p.  | -1.8    | -32.0    | 30.2 p.p. |
| Net profit for the period      | -32.3   | -18.2 | -14.0     | -120.0  | -1,276.0 | 1,156.0   |
| Total order value              | 644.8   | 664.9 | -3.0%     | 2,421.3 | 3,822.9  | -36.7%    |
| Orders (thousands)             | 143     | 207   | -30.6%    | 536     | 967      | -44.6%    |
| Average order value (SEK)      | 4,500   | 3,218 | 1,282     | 4,517   | 3,954    | 563       |

## COMMENTS ON VALUE HOME

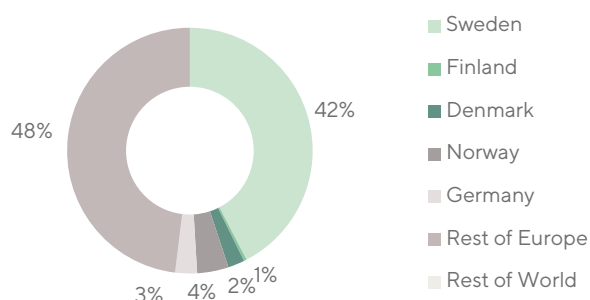
Net sales in the Value Home business area accounted for 23% of the Group's total net sales for the quarter and 25% for the full year. Sales to customers from countries outside the Nordic region accounted for 51% of sales for the business area during the third quarter.

Value Home operates primarily in the Nordic and Eastern European markets. It is a value-driven model that focuses on offering competitive prices, enabled by private label products.

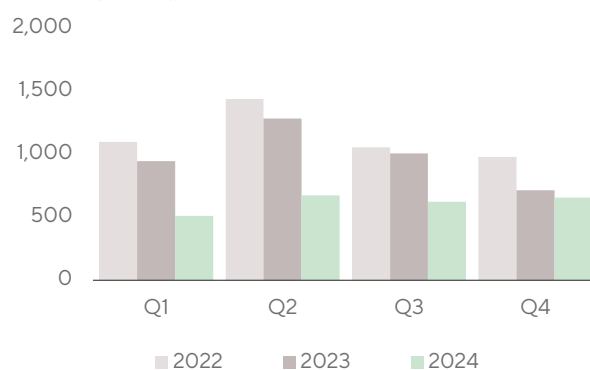
The focus continues to be on:

- Continuing to develop the business area's furniture segment by shifting the assortment towards entry models and strengthening our price leadership.
- Strengthening the availability of stocked products that were negatively impacted by inventory imbalances following the sharp reduction in inventories carried out in 2023.
- Integration of the newly formed Hemfint Group.
- Building scalable platforms when it comes to technology, warehousing and organisation in order to maintain a competitive cost structure.

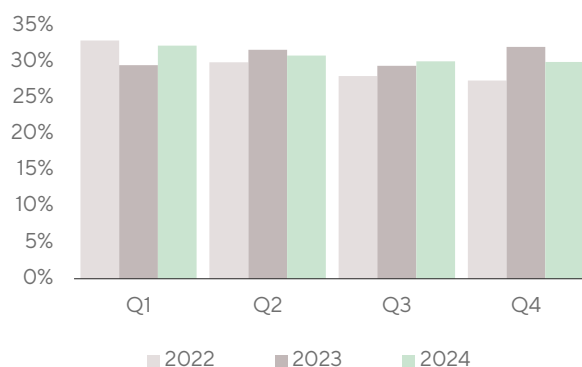
## Distribution of net sales by country (%), Oct-Dec 2024



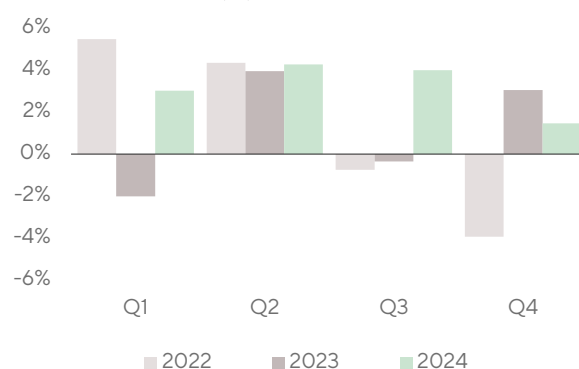
## Net sales (SEKm)



## Adjusted gross margin (%)



## Adjusted EBIT margin (%)



2024/Q4

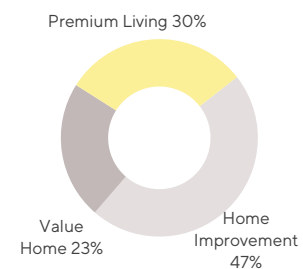


## Premium Living

"The growth that we experienced in 2024 accelerated in the fourth quarter of the year. We conducted a successful Black Friday campaign that effectively ran for a month and delivered growth in all our major markets. However, this long campaign period had a negative impact on our gross margin. We are still seeing very high campaign pressure in the market, which is expected to continue into 2025. Despite a lower gross margin, we delivered a very strong earnings improvement during the quarter, driven by higher efficiency in terms of both fixed and variable costs. The warehouse automation in Kalmar went live during the quarter and immediately resulted in efficiency improvements in the logistics flow, which we are now continuing to optimise and increase further," says Bank Bergström, Head of Premium Living.

- Net sales increased 12.6% to SEK 881.4 (782.7) for the quarter and 8.0% to SEK 2,377.4 million (2,201.2) for the full year. Markets outside the Nordic region showed growth of 11% during the quarter.
- The business area's organic growth was 5.0% for the quarter and 3.6% for the full year.
- The gross margin amounted to 24.1% (24.7) for the quarter and 23.5% (23.9) for the full year.
- Adjusted EBIT amounted to SEK 62.3 million (45.3) for the quarter and SEK 76.9 million (70.9) for the full year, corresponding to an adjusted EBIT margin of 7.1% (5.8) and 3.2% (3.2), respectively. The improvement in the EBIT margin in the quarter improved was mainly attributable to lower fixed costs combined with sales growth and to lower fulfilment costs as a result of efficiency enhancements in warehouse automation.

### Net sales by business area, Oct-Dec 2024



| SEKm (if not otherwise stated) | Oct-Dec |       |           | Jan-Dec |         |           |
|--------------------------------|---------|-------|-----------|---------|---------|-----------|
|                                | 2024    | 2023  | Δ         | 2024    | 2023    | Δ         |
| Net sales                      | 881.4   | 782.7 | 12.6%     | 2,377.4 | 2,201.2 | 8.0%      |
| Gross profit                   | 212.5   | 193.7 | 18.9      | 534.9   | 525.3   | 9.6       |
| Gross margin (%)               | 24.1    | 24.7  | -0.6 p.p. | 22.5    | 23.9    | -1.4 p.p. |
| Adjusted gross profit          | 212.5   | 193.7 | 18.9      | 558.4   | 525.3   | 33.1      |
| Adjusted gross margin (%)      | 24.1    | 24.7  | -0.6 p.p. | 23.5    | 23.9    | -0.4 p.p. |
| Adjusted EBITDA                | 82.3    | 61.9  | 20.4      | 155.0   | 135.8   | 19.2      |
| Adjusted EBITDA margin (%)     | 9.3     | 7.9   | 1.4 p.p.  | 6.5     | 6.2     | 0.4 p.p.  |
| Adjusted EBIT                  | 62.3    | 45.3  | 17.0      | 76.9    | 70.9    | 6.0       |
| Adjusted EBITmargin (%)        | 7.1     | 5.8   | 1.3 p.p.  | 3.2     | 3.2     | 0.0 p.p.  |
| Items affecting comparability  | -       | -     | -         | -40.5   | 0.6     | -41.1     |
| Operating income               | 56.0    | 39.6  | 16.4      | 7.6     | 48.6    | -41.0     |
| Operating margin (%)           | 6.4     | 5.1   | 1.3 p.p.  | 0.3     | 2.2     | -1.9 p.p. |
| Net profit for the period      | 36.4    | 17.1  | 19.3      | -24.4   | 11.3    | -35.7     |
| Total order value              | 991.4   | 827.7 | 19.8%     | 2,579.8 | 2,352.0 | 9.7%      |
| Orders (thousands)             | 760     | 632   | 20.3%     | 1,765   | 1,633   | 8.1%      |
| Average order value (SEK)      | 1,304   | 1,309 | -5        | 1,462   | 1,440   | 21        |





## COMMENTS ON PREMIUM LIVING

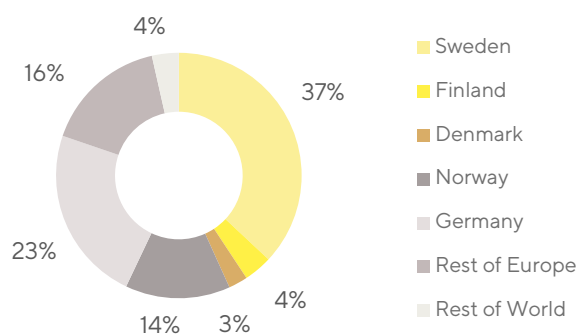
Net sales in the Premium Living business area accounted for 30% of the Group's total net sales for the quarter and 24% for the full year.

Premium Living has a premium position that is primarily based on stocking external brands, which internationalises Scandinavian design in a scalable way from their Nordic base. From having almost exclusively focused on the Nordic markets until 2018, the business area has since successfully established a rapidly growing presence in the European market and in certain Asian markets. Sales to customers from countries outside the Nordic region accounted for nearly 38% of sales for Premium Living during the third quarter. The leading brand in the business area is Nordic Nest.

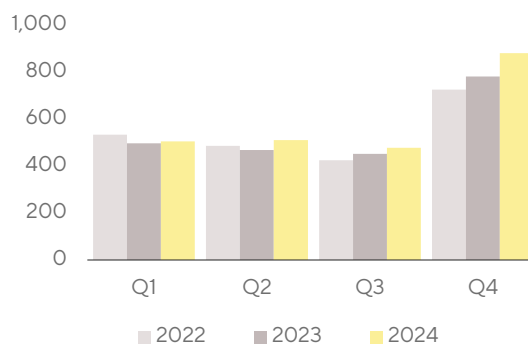
The focus continues to be on:

- Driving geographic growth for Nordic Nest.
- Continuing to develop Nordic Nest Group's three category specialists: Svenssons in furniture, KitchenTime in cookware and cooking, and Lightshop in lighting.
- Continuing efficiency work. Nordic Nest's investment in warehouse automation is divided into three phases that started in 2022, with the final completed in the fourth quarter of 2024.

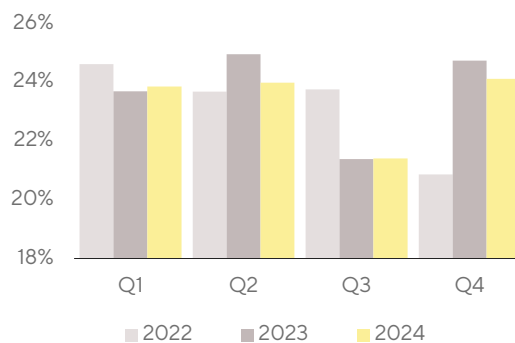
## Distribution of net sales by country (%), Oct-Dec 2024



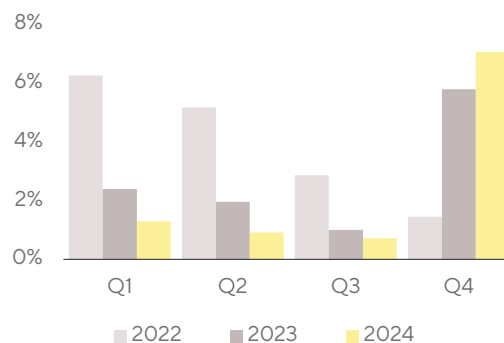
## Net sales (SEKm)



## Adjusted gross margin (%)



## Adjusted EBIT margin (%)





# Other

## **THE BHG SHARE**

The BHG Group AB (publ) share is listed on Nasdaq Stockholm under the ticker BHG with the ISIN code SE0010948588.

The share price at the beginning of the year was SEK 14.3. On the last day of trading in the period, the share price was SEK 19.2. The highest price paid, quoted in December, was SEK 21.3, and the lowest price paid, quoted in January, was SEK 12.4.

During the period, 155,157,703 BHG shares were traded, equivalent to a turnover rate of 87%.

As of 31 December, BHG had approximately 12,200 shareholders, of which the largest were Ferd AS (17.8%), Entrust Global Partners LLC (12.8%), Fidelity Investments (8.9%), Mikael Olander (5.0%) and the Fourth AP Fund (4.8%).

As of 31 December 2024, the number of shares issued was 179,233,563, all of which were ordinary shares.

## **PARENT COMPANY**

The Parent Company's net sales amounted to SEK 2.6 million (2.2) for the quarter and SEK 11.3 million (7.9) for the full year. The Parent Company posted an operating loss of SEK -19.0 million (-23.1) for the quarter and SEK -60.6 million (-79.8) for the full year. The Parent Company's cash and cash equivalents totalled SEK 2.8 million at the end of the reporting period, compared with SEK 42.5 million at the beginning of the year.

**Malmö, 29 January 2025****Christian Bubenheim**  
Chairman**Kristian Eikre**  
Board member**Joanna Hummel**  
Board member**Pernille Fabricius**  
Board member**Mikael Olander**  
Board member**Negin Yeganegy**  
Board member**Gustaf Öhrn**  
President and CEO**This report has not been audited by the company's auditors.****BHG Group AB (publ)**Neptunigatan 1  
SE-211 20 Malmö, Sweden  
Corporate registration number: 559077-0763

This information is information that BHG Group AB 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, at 7:00 a.m. CET on 29 January 2025.

**CONTACT INFORMATION**For further information, visit [www.wearebhg.com](http://www.wearebhg.com) or contact:Gustaf Öhrn, President and CEO  
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[jesper.flemme@bhgggroup.se](mailto:jesper.flemme@bhgggroup.se)  
+46 (0) 720-80 25 69Jakob Nylin, Head of Investor Relations  
[jakob.nylin@bhgggroup.se](mailto:jakob.nylin@bhgggroup.se)  
+46 (0) 760-48 02 38**CONFERENCE CALL IN CONNECTION WITH PUBLICATION OF THE INTERIM REPORT**

Gustaf Öhrn, President and CEO, and Jesper Flemme, CFO, will hold a conference call at 10:00 a.m. on Wednesday, 29 January in connection with the publication of the interim report. The call will be held in English. Use the following link to participate in the webcast: <https://bhg.events.inderes.com/q4-report-2024>. There will be an opportunity to ask questions in writing during the webcast. If you wish to ask questions verbally during the conference call, please register via the following link: <https://conference.inderes.com/teleconference/?id=5006603>. Once you have registered you will receive a telephone number and conference ID to log in to the conference. There will be an opportunity to ask questions verbally during the webcast.



The presentation will be available from the Group's website:  
<https://www.wearebhg.com/investors/presentations/>.

**INTERIM REPORTS ON WWW.WEAREBHG.COM**

The full interim report for the period January-December 2024 and previous interim and year-end reports are available at <https://www.wearebhg.com/investors/financial-reports/>

**FINANCIAL CALENDAR**

|                 |                                       |
|-----------------|---------------------------------------|
| 11 April 2025   | 2024 Annual Report                    |
| 25 April 2025   | Interim report January-March 2025     |
| 18 July 2025    | Interim report January-June 2025      |
| 24 October 2025 | Interim report January-September 2025 |
| 27 January 2026 | Year-end report January-December 2025 |

# Condensed consolidated income statement

| SEKm  | Oct-Dec        |                | Jan-Dec        |                 |
|---|----------------|----------------|----------------|-----------------|
|   | 2024           | 2023           | 2024           | 2023            |
| Net sales   | 2,883.8        | 2,828.8        | 9,962.5        | 11,790.2        |
| Other operating income  | 2.3            | 6.8            | 32.7           | 20.6            |
| <b>Total net sales</b>  | <b>2,886.1</b> | <b>2,835.6</b> | <b>9,995.2</b> | <b>11,810.9</b> |
| Cost of goods sold  | -2,150.0       | -2,115.0       | -7,537.4       | -8,869.2        |
| Personnel costs   | -229.2         | -254.7         | -861.1         | -1,067.1        |
| Other external costs and operating expenses                           | -328.1         | -320.6         | -1,121.3       | -1,354.7        |
| Other operating expenses  | -4.5           | -2.8           | -15.3          | -1,196.4        |
| Depreciation and amortisation of tangible and intangible fixed assets | -507.2         | -186.1         | -903.0         | -697.7          |
| <b>Operating income</b>   | <b>-333.0</b>  | <b>-43.6</b>   | <b>-442.9</b>  | <b>-1,374.2</b> |
| Profit/loss from financial items                                      | -37.9          | -65.5          | -193.9         | -219.1          |
| <b>Profit before tax</b>  | <b>-371.0</b>  | <b>-109.1</b>  | <b>-636.8</b>  | <b>-1,593.3</b> |
| Income tax  | -54.8          | -40.3          | -3.3           | 50.9            |
| <b>Profit for the period</b>  | <b>-425.8</b>  | <b>-149.4</b>  | <b>-640.1</b>  | <b>-1,542.5</b> |
| Attributable to:  |                |                |                |                 |
| Equity holders of the parent  | -441.7         | -159.8         | -678.8         | -1,564.7        |
| Non-controlling interest  | 15.9           | 10.4           | 38.7           | 22.2            |
| <b>Net income for the period</b>                                      | <b>-425.8</b>  | <b>-149.4</b>  | <b>-640.1</b>  | <b>-1,542.5</b> |
| Earnings per share before dilution, SEK                               | -2.46          | -0.89          | -3.79          | -8.73           |
| Earnings per share after dilution, SEK                                | -2.46          | -0.89          | -3.79          | -8.73           |

\* The formula for earnings per share is as follows: earnings per share = net profit/loss for the period/(average number of ordinary shares outstanding + dilution effect due to outstanding warrants and share savings programmes). At the end of the period, there was a total of 7,063,654 (8,263,660) warrants and share awards under the share saving programme outstanding, of which 0 (0) had a dilution effect during the quarter and 0 (0) had a dilution effect for the full year.





# Condensed consolidated statement of comprehensive income

| SEKm   | Oct-Dec            |                    | Jan-Dec            |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 2024               | 2023               | 2024               | 2023               |
| Profit for the period  | -425.8             | -149.4             | -640.1             | -1,542.5           |
| <b>Other comprehensive income</b>                                      |                    |                    |                    |                    |
| Items that are or may be reclassified to profit or loss                |                    |                    |                    |                    |
| Translation differences for the period                                 | 15.5               | -33.1              | 31.0               | -74.5              |
| Reclassification of foreign currency differences to profit or loss for | -                  | -                  | 5.9                | -                  |
| <b>Other comprehensive income for the period</b>                       | <b>15.5</b>        | <b>-33.1</b>       | <b>36.9</b>        | <b>-74.5</b>       |
| <b>Total comprehensive income for the period</b>                       | <b>-410.3</b>      | <b>-182.5</b>      | <b>-603.2</b>      | <b>-1,617.0</b>    |
| <b>Total comprehensive income attributable to:</b>                     |                    |                    |                    |                    |
| Parent Company shareholders  | -428.8             | -187.4             | -647.5             | -1,644.5           |
| Non-controlling interest   | 18.5               | 4.9                | 44.3               | 27.6               |
| <b>Total comprehensive income for the period</b>                       | <b>-410.3</b>      | <b>-182.5</b>      | <b>-603.2</b>      | <b>-1,617.0</b>    |
| <b>Shares outstanding at period's end</b>                              | <b>179,233,563</b> | <b>179,233,563</b> | <b>179,233,563</b> | <b>179,233,563</b> |
| <b>Average number of shares</b>  |                    |                    |                    |                    |
| Before dilution  | 179,233,563        | 179,233,563        | 179,233,563        | 179,233,563        |
| After dilution   | 179,233,563        | 179,233,563        | 179,233,563        | 179,233,563        |

# Condensed consolidated statement of financial position

| SEKm  | 31 Dec          |                 |
|---|-----------------|-----------------|
|   | 2024            | 2023            |
| <b>Non-current assets</b>                                       |                 |                 |
| Goodwill  | 5,641.1         | 5,899.7         |
| Other intangible fixed assets                                   | 2,339.7         | 2,436.8         |
| <b>Total intangible fixed assets</b>                            | <b>7,980.9</b>  | <b>8,336.5</b>  |
| Buildings and land  | 20.3            | 20.8            |
| Leased fixed assets   | 555.6           | 615.0           |
| Tangible fixed assets   | 88.2            | 124.6           |
| Financial fixed assets  | 16.9            | 16.4            |
| Deferred tax asset  | 76.1            | 92.3            |
| <b>Total fixed assets</b>                                       | <b>8,738.1</b>  | <b>9,205.6</b>  |
| <b>Current assets</b>   |                 |                 |
| Inventories   | 1,102.6         | 1,312.9         |
| Current receivables   | 496.8           | 534.6           |
| Cash and cash equivalents                                       | 451.3           | 370.3           |
| Assets held for sale  | 106.0           | -               |
| <b>Total current assets</b>                                     | <b>2,156.6</b>  | <b>2,217.8</b>  |
| <b>Total assets</b>   | <b>10,894.7</b> | <b>11,423.3</b> |
| <b>Equity</b>   |                 |                 |
| Equity attributable to owners of the parent                     | 5,658.4         | 6,342.6         |
| Non-controlling interest  | 195.8           | 167.4           |
| <b>Total equity</b>   | <b>5,854.1</b>  | <b>6,510.0</b>  |
| <b>Non-current liabilities</b>                                  |                 |                 |
| Deferred tax liability  | 450.0           | 479.0           |
| Other provisions  | 29.0            | 28.0            |
| Non-current interest-bearing liabilities to credit institutions | 1,496.2         | 1,495.5         |
| Non-current lease liabilities                                   | 374.3           | 427.4           |
| Non-current acquisition related interest-bearing liabilities    | 198.6           | 325.3           |
| Other non-current interest-bearing liabilities                  | 172.1           | -               |
| <b>Total non-current liabilities</b>                            | <b>2,720.3</b>  | <b>2,755.1</b>  |
| <b>Current liabilities</b>                                      |                 |                 |
| Current lease liabilities                                       | 233.1           | 259.7           |
| Current acquisition related interest-bearing liabilities        | 280.1           | 48.9            |
| Other current interest-bearing liabilities                      | 85.0            | 258.2           |
| Other current liabilities                                       | 1,673.6         | 1,591.4         |
| Liabilities directly associated with assets held for sale       | 48.5            | -               |
| <b>Total current liabilities</b>                                | <b>2,320.2</b>  | <b>2,158.2</b>  |
| <b>Total equity and liabilities</b>                             | <b>10,894.7</b> | <b>11,423.3</b> |

# Condensed consolidated statement of cash flows

| SEKm   | Oct-Dec       |               | Jan-Dec       |                |
|--|---------------|---------------|---------------|----------------|
|  | 2024          | 2023          | 2024          | 2023           |
| EBITDA   | 174.2         | 142.4         | 460.1         | -676.6         |
| Adjustments for items not included in cash flow*                             | 3.8           | -31.7         | -30.6         | 1,004.1        |
| Income tax paid  | 14.7          | 47.1          | -32.4         | -46.1          |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>192.7</b>  | <b>157.8</b>  | <b>397.1</b>  | <b>281.4</b>   |
| Changes in working capital   | 144.2         | 191.1         | 260.1         | 1,268.8        |
| <b>Cash flow from operating activities</b>                                   | <b>336.9</b>  | <b>348.9</b>  | <b>657.2</b>  | <b>1,550.2</b> |
| Investments in operations  | -             | -             | -49.9         | -467.1         |
| Investments in other non-current assets                                      | -35.2         | -60.9         | -135.1        | -184.5         |
| Divestment of operations   | 0.4           | 0.1           | 74.9          | -32.8          |
| Divestment of other tangible fixed assets                                    | 2.8           | 0.4           | 12.6          | 3.6            |
| Received interest  | 11.1          | 14.5          | 19.9          | 26.3           |
| <b>Cash flow to/from investing activities</b>                                | <b>-20.9</b>  | <b>-46.0</b>  | <b>-77.6</b>  | <b>-654.4</b>  |
| New share issue  | -             | -             | -             | 80.7           |
| Loans taken  | -             | -             | 500.0         | -              |
| Amortisation of loans  | -67.2         | -602.1        | -784.9        | -856.7         |
| Issue of warrants  | -             | -             | -             | 5.2            |
| Interest paid  | -46.3         | -58.3         | -175.2        | -203.9         |
| Transactions with non-controlling interest                                   | -             | 11.0          | 0.0           | 28.4           |
| Dividends to non-controlling interests                                       | -             | -24.6         | -17.2         | -24.6          |
| <b>Cash flow to/from financing activities</b>                                | <b>-113.5</b> | <b>-674.0</b> | <b>-477.4</b> | <b>-970.9</b>  |
| <b>Cash flow for the period</b>  | <b>202.6</b>  | <b>-371.1</b> | <b>102.2</b>  | <b>-75.0</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b>              | <b>266.6</b>  | <b>768.5</b>  | <b>370.3</b>  | <b>477.6</b>   |
| Translation differences in cash and cash equivalents                         | 3.9           | -27.2         | 0.6           | -32.3          |
| <b>Cash and cash equivalents at the end of the period**</b>                  | <b>473.0</b>  | <b>370.3</b>  | <b>473.0</b>  | <b>370.3</b>   |

\* Adjustments for non-cash items for the full year consist of capital gains of SEK -14.2 million from the divestment of operations and fixed assets, a change of SEK -20.5 million in provisions for obsolescence/inventory impairment, other provisions of SEK 5.4 million and other items of SEK -1.3 million. For full-year 2023, the item consists of capital gains of SEK 1,117.1 million from the divestment of operations, a change of SEK -190.3 million in provisions for obsolescence, a change of SEK 6.4 million in other provisions and other items of SEK 70.9 million.

\*\* Cash and cash equivalents at the end of the period include cash in the disposal group of SEK 21.8 million.

# Condensed consolidated statement of changes in equity

| SEKm  | 31 Dec         |                |
|---|----------------|----------------|
|   | 2024           | 2023           |
| <b>Opening balance</b>                                    | <b>6,510.0</b> | <b>7,669.8</b> |
| Comprehensive income for the period                       | -603.2         | -1,617.0       |
| Transactions with non-controlling interests               | 59.1           | 29.3           |
| New share issues*   | -              | -0.7           |
| Issue of warrants   | 1.5            | 8.5            |
| Dividends to non-controlling interests                    | -17.2          | -24.6          |
| Remeasurement of liabilities to non-controlling interests | -96.1          | 444.8          |
| <b>Closing balance</b>                                    | <b>5,854.1</b> | <b>6,510.0</b> |

\* The Group received proceeds of SEK 81.4 million for the shares issued on 30 December 2022 during the first quarter of 2023. Transaction costs of SEK 0.9 million and a tax effect of SEK -0.2 million were subsequently added, which resulted in a corresponding difference between the statement of changes in equity and the statement of cash flows.





# Notes

## **NOTE 1 ACCOUNTING POLICIES**

This report has been prepared by applying the rules of IAS 34 Interim Financial Reporting and applicable regulations contained in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Swedish Annual Accounts Act. For the Group and the Parent Company, the same accounting policies and estimation techniques have been applied as in the 2023 Annual Report.

In the fourth quarter of 2024, BHG entered into an agreement to divest all shares in its subsidiary IP-Agency (see note 5). IP-Agency is therefore recognised as a disposal group under the criteria in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. In the statement of financial position, all assets related to IP-Agency are presented as "Assets held for sale" under current assets, while the liabilities in the company are presented as "Liabilities attributable to assets held for sale" under current liabilities. The disposal group is measured at the lower of its carrying amount and fair value less selling costs.

The Group also applies the European Securities and Markets Authority's (ESMA) guidelines for alternative performance measures. Definitions of alternative performance measures can be found in the relevant reconciliations on pages 30-42 of this report. The interim information on pages 1-15 is an integrated part of this financial report.

## **NOTE 2 SEASONAL VARIATIONS**

The Group's operations are impacted by seasonal variations' effect on demand, especially for building products, outdoor furniture and home furnishings. As a rule, demand and thus the Group's sales and cash flow are highest in the second and fourth quarters. Demand in the second quarter is driven by the important gardening season, while demand in the fourth quarter is mainly driven by the Black Week period. Demand and thus the Group's sales are generally lower in the third quarter than in the second and fourth quarters. Demand has historically been lowest in the first quarter. Although seasonal variations do not normally affect the Group's relative earnings and cash flow from year to year, earnings and cash flow may be impacted in years with extremely mild or severe weather conditions, or with very high or low rainfall. Weather conditions may also have a significant impact on individual quarters.

## NOTE 3 SEGMENTS

| SEKm  | Oct-Dec        |                | Jan-Dec         |                 |
|---|----------------|----------------|-----------------|-----------------|
|   | 2024           | 2023           | 2024            | 2023            |
| <b>Net sales</b>                              |                |                |                 |                 |
| Home Improvement                              | 1,356.9        | 1,343.7        | 5,175.4         | 5,726.7         |
| Value Home                                    | 654.2          | 713.0          | 2,458.3         | 3,941.4         |
| Premium Living                                | 881.4          | 782.7          | 2,377.4         | 2,201.2         |
| <b>Total net sales</b>                        | <b>2,892.5</b> | <b>2,839.4</b> | <b>10,011.1</b> | <b>11,869.3</b> |
| Other*  | 9.0            | 7.0            | 36.0            | 32.1            |
| Eliminations                                  | -17.8          | -17.6          | -84.6           | -111.2          |
| <b>Group consolidated total</b>               | <b>2,883.8</b> | <b>2,828.8</b> | <b>9,962.5</b>  | <b>11,790.2</b> |
| <b>Revenue from other segments</b>            |                |                |                 |                 |
| Home Improvement                              | 0.4            | 1.5            | 4.0             | 6.6             |
| Value Home                                    | 8.2            | 9.0            | 42.7            | 72.3            |
| Premium Living                                | 0.2            | 0.1            | 1.9             | 0.2             |
| Other*  | 9.0            | 7.0            | 36.0            | 32.1            |
| <b>Total</b>                                  | <b>17.8</b>    | <b>17.6</b>    | <b>84.6</b>     | <b>111.2</b>    |
|   |                |                |                 |                 |
| SEKm  | Oct-Dec        |                | Jan-Dec         |                 |
|   | 2024           | 2023           | 2024            | 2023            |
| <b>Operating income and profit before tax</b> |                |                |                 |                 |
| Home Improvement                              | -375.0         | -54.3          | -343.2          | -71.5           |
| Value Home                                    | 5.3            | -4.1           | -43.9           | -1,259.3        |
| Premium Living                                | 56.0           | 39.6           | 7.6             | 48.6            |
| <b>Total operating income</b>                 | <b>-313.7</b>  | <b>-18.8</b>   | <b>-379.4</b>   | <b>-1,282.2</b> |
| Other*  | -19.4          | -24.8          | -63.5           | -92.0           |
| <b>Group consolidated operating income</b>    | <b>-333.0</b>  | <b>-43.6</b>   | <b>-442.9</b>   | <b>-1,374.2</b> |
| Financial net                                 | -37.9          | -65.5          | -193.9          | -219.1          |
| <b>Group consolidated profit before tax</b>   | <b>-371.0</b>  | <b>-109.1</b>  | <b>-636.8</b>   | <b>-1,593.3</b> |

\* The Group's other operations primarily consist of Group-wide functions and financing arrangements. Accordingly, net sales consist in all material aspects of management fees.

## Oct-Dec 2024

| SEKm             | Home Improvement |             | Value Home   |             | Premium living |             | Other      | Elimination  | Group          |             |
|------------------|------------------|-------------|--------------|-------------|----------------|-------------|------------|--------------|----------------|-------------|
|                  |                  | %           |              | %           |                | %           |            |              |                | %           |
| Sweden           | 924.6            | 68.1%       | 277.2        | 42.4%       | 325.9          | 37.0%       | 9.0        | -8.5         | 1,528.2        | 53.0%       |
| Finland          | 347.1            | 25.6%       | 2.4          | 0.4%        | 33.0           | 3.7%        | -          | -7.7         | 374.8          | 13.0%       |
| Denmark          | 19.5             | 1.4%        | 14.3         | 2.2%        | 22.2           | 2.5%        | -          | -0.0         | 56.0           | 1.9%        |
| Norway           | 35.1             | 2.6%        | 27.1         | 4.1%        | 121.8          | 13.8%       | -          | -            | 184.0          | 6.4%        |
| Germany          | 7.0              | 0.5%        | 18.8         | 2.9%        | 204.3          | 23.2%       | -          | -            | 230.2          | 8.0%        |
| Rest of Europe   | 23.6             | 1.7%        | 314.5        | 48.1%       | 143.0          | 16.2%       | -          | -1.7         | 479.4          | 16.6%       |
| Rest of World    | -                | -           | -            | -           | 31.2           | 3.5%        | -          | -            | 31.2           | 1.1%        |
| <b>Net sales</b> | <b>1,356.9</b>   | <b>100%</b> | <b>654.2</b> | <b>100%</b> | <b>881.4</b>   | <b>100%</b> | <b>9.0</b> | <b>-17.8</b> | <b>2,883.8</b> | <b>100%</b> |

| Oct-Dec 2023     |                  |             |              |             |                |             |            |              |                |             |   |
|------------------|------------------|-------------|--------------|-------------|----------------|-------------|------------|--------------|----------------|-------------|---|
| SEKm             | Home Improvement |             | Value Home   |             | Premium living |             | Other      | Elimination  | Group          |             |   |
|                  |                  | %           |              | %           |                | %           |            |              |                |             | % |
| Sweden           | 900.6            | 67.0%       | 281.3        | 39.5%       | 308.8          | 39.4%       | 7.0        | -16.0        | 1,481.7        | 52.4%       |   |
| Finland          | 316.1            | 23.5%       | 36.8         | 5.2%        | 21.6           | 2.8%        | -          | -0.2         | 374.3          | 13.2%       |   |
| Denmark          | 54.6             | 4.1%        | 3.6          | 0.5%        | 20.7           | 2.6%        | -          | -            | 79.0           | 2.8%        |   |
| Norway           | 57.4             | 4.3%        | 72.5         | 10.2%       | 90.5           | 11.6%       | -          | -            | 220.4          | 7.8%        |   |
| Germany          | 3.5              | 0.3%        | 0.1          | 0.0%        | 158.9          | 20.3%       | -          | -            | 162.5          | 5.7%        |   |
| Rest of Europe   | 11.4             | 0.9%        | 318.7        | 44.7%       | 146.2          | 18.7%       | -          | -1.4         | 475.0          | 16.8%       |   |
| Rest of World    | -                | -           | -            | -           | 36.0           | 4.6%        | -          | -            | 36.0           | 1.3%        |   |
| <b>Net sales</b> | <b>1,343.7</b>   | <b>100%</b> | <b>713.0</b> | <b>100%</b> | <b>782.7</b>   | <b>100%</b> | <b>7.0</b> | <b>-17.6</b> | <b>2,828.8</b> | <b>100%</b> |   |

| Jan-Dec 2024     |                  |             |                |             |                |             |             |              |                |             |   |
|------------------|------------------|-------------|----------------|-------------|----------------|-------------|-------------|--------------|----------------|-------------|---|
| SEKm             | Home Improvement |             | Value Home     |             | Premium living |             | Other       | Elimination  | Group          |             |   |
|                  |                  | %           |                | %           |                | %           |             |              |                |             | % |
| Sweden           | 3,535.9          | 68.3%       | 1,157.7        | 47.1%       | 1,019.8        | 42.9%       | 36.0        | -70.8        | 5,678.6        | 57.0%       |   |
| Finland          | 1,344.9          | 26.0%       | 65.9           | 2.7%        | 74.9           | 3.1%        | -           | -8.1         | 1,477.5        | 14.8%       |   |
| Denmark*         | 60.0             | 1.2%        | 23.2           | 0.9%        | 57.1           | 2.4%        | -           | -0.8         | 139.4          | 1.4%        |   |
| Norway           | 161.3            | 3.1%        | 169.1          | 6.9%        | 260.3          | 11.0%       | -           | -            | 590.8          | 5.9%        |   |
| Germany*         | 16.4             | 0.3%        | 18.9           | 0.8%        | 445.9          | 18.8%       | -           | -            | 481.2          | 4.8%        |   |
| Rest of Europe   | 57.0             | 1.1%        | 1,023.3        | 41.6%       | 411.1          | 17.3%       | -           | -4.8         | 1,486.6        | 14.9%       |   |
| Rest of World    | -                | -           | -              | -           | 108.5          | 4.6%        | -           | -            | 108.5          | 1.1%        |   |
| <b>Net sales</b> | <b>5,175.4</b>   | <b>100%</b> | <b>2,458.3</b> | <b>100%</b> | <b>2,377.4</b> | <b>100%</b> | <b>36.0</b> | <b>-84.6</b> | <b>9,962.5</b> | <b>100%</b> |   |

| Jan-Dec 2023     |                  |             |                |             |                |             |             |               |                 |             |   |
|------------------|------------------|-------------|----------------|-------------|----------------|-------------|-------------|---------------|-----------------|-------------|---|
| SEKm             | Home Improvement |             | Value Home     |             | Premium living |             | Other       | Elimination   | Group           |             |   |
|                  |                  | %           |                | %           |                | %           |             |               |                 |             | % |
| Sweden           | 3,760.1          | 65.7%       | 1,489.4        | 37.8%       | 976.9          | 44.4%       | 32.1        | -105.0        | 6,153.5         | 52.2%       |   |
| Finland          | 1,383.6          | 24.2%       | 178.2          | 4.5%        | 59.9           | 2.7%        | -           | -1.2          | 1,620.4         | 13.7%       |   |
| Denmark*         | 282.0            | 4.9%        | 361.7          | 9.2%        | 61.3           | 2.8%        | -           | -             | 705.0           | 6.0%        |   |
| Norway           | 241.1            | 4.2%        | 348.0          | 8.8%        | 233.4          | 10.6%       | -           | -             | 822.6           | 7.0%        |   |
| Germany*         | 12.6             | 0.2%        | 478.8          | 12.1%       | 383.7          | 17.4%       | -           | -             | 875.1           | 7.4%        |   |
| Rest of Europe   | 47.2             | 0.8%        | 1,085.4        | 27.5%       | 364.8          | 16.6%       | -           | -4.9          | 1,492.5         | 12.7%       |   |
| Rest of World    | -                | -           | -              | -           | 121.2          | 5.5%        | -           | -             | 121.2           | 1.0%        |   |
| <b>Net sales</b> | <b>5,726.7</b>   | <b>100%</b> | <b>3,941.4</b> | <b>100%</b> | <b>2,201.2</b> | <b>100%</b> | <b>32.1</b> | <b>-111.2</b> | <b>11,790.2</b> | <b>100%</b> |   |

\* The decrease in net sales in Germany and Denmark between full-year 2024 and full-year 2023 was mainly attributable to the divestment of AH-Trading in Germany and MyHome in Denmark, which took place at the end of September 2023. AH-Trading conducted sales exclusively in Germany, while MyHome conducted sales exclusively in Denmark. In 2023, the Group recognised net sales of SEK 481.4 million attributable to AH-Trading and net sales of SEK 338.5 million attributable to MyHome.

## NOTE 4 BUSINESS COMBINATIONS

### Acquisitions in 2024

- On 5 March, it was announced that BHG had acquired 67.5% of Trendrum AB (trendrum.se) for a consideration comprising 32.5% of the Group's holding in Arc E-Commerce AB and 16.3% of the holding in Hemfint. Ownership of these companies will be placed in a jointly owned, newly established holding company that forms Hemfint Group, of which 67.5% will be owned by BHG and 32.5% by a company jointly owned by, among others, the founders of Trendrum and Hemfint. After the transaction, 67.5% of Hemfint Group will thus be indirectly owned by BHG. Trendrum has a range of products aimed at the entry and lower mid-segment that fits well into the Value Home portfolio. Trendrum also further strengthens the Group's purchasing expertise through its many years of experience from making purchases directly from producers in Asia. The acquisition is recognised in the Value Home segment from 1 April.

| 2024  |   |             |                |                           |  |               |
|---|---|-------------|----------------|---------------------------|--|---------------|
| SEKm  | Net identifiable assets and liabilities | Goodwill    | Purchase price | Cash and cash equivalents | Contingent/deferred purchase price, vendor loans | Net cash flow |
| <b>Business combinations during 2024</b>        |   |             |                |                           |  |               |
| Acquisition of shares in Trendrum AB*           | -2.6                                    | 93.1        | 90.5           | 1.1                       | 31.4   | 1.1           |
| Acquisition of assets in KitchenTime AB         | -                                       | -           | -              | -                         | -  | -30.0         |
| <b>Acquisition of non-controlling interests</b> |   |             |                |                           |  |               |
| Acquisition of shares in Arc E-commerce AB      | -                                       | -           | -              | -                         | -  | -12.0         |
| Acquisition of shares in Nordic Nest Group AB   | -                                       | -           | -              | -                         | -  | -9.0          |
|   | <b>-2.6</b>                             | <b>93.1</b> | <b>90.5</b>    | <b>1.1</b>                | <b>31.4</b>                                      | <b>-49.9</b>  |

\* The consideration for the acquisition of Trendrum consisted of shares in the subsidiaries Arc E-commerce AB and Hemfint Kristianstad AB and a liability for a put option issued to the minority shareholders entitling them to sell their holding in the sub-group Hemfint Group to BHG Group in the future. Hemfint Group includes Arc E-commerce, Hemfint Kristianstad and Trendrum. BHG did not pay any cash consideration for the acquisition of Trendrum.

#### Revenue and profit/loss for the period for acquired company

Since the acquisition date, Trendrum has contributed SEK 113.9 million to the Group's revenue and SEK 4.0 million to the Group's profit/loss after tax. If Trendrum had been consolidated from the beginning of the financial year, it would have contributed SEK 165.4 million to the Group's revenue and SEK -10.0 million to the Group's profit/loss after tax.

#### NOTE 5 DIVESTMENT OF BUSINESSES

##### Divestment of IP-Agency Finland Oy

On 22 November 2024, BHG entered into an agreement with the minority owners of IP-Agency Finland Oy giving BHG the right to sell all of the shares in IP-Agency to the minority owners. The minority owners have a corresponding right to purchase all of the shares in IP-Agency from BHG. The minority owners, who are also the founders of IP-Agency, currently hold 30% of the shares in the company. The agreement was conditional on approval by an extraordinary general meeting of BHG, held 18 December 2024.

As of the date of this report, arbitration proceedings were ongoing regarding the price to be paid by BHG for the shares of the minority owners pursuant to the shareholder agreement entered into when BHG acquired a majority stake in IP-Agency in 2021. Depending on the outcome of the proceedings, the price for the shares could be between EUR 2.1 million and EUR 13.9 million (see Note 8). The arbitration proceedings are expected to be concluded in the first quarter of 2025. Following the proceedings, BHG will own 100% of the shares in IP-Agency. In accordance with the agreement of 22 November 2024, the minority owners have the right to purchase 100% of the shares in IP-Agency for a period of time following the end of the arbitration proceedings, while BHG has a corresponding right to sell 100% of the shares in IP-Agency to the minority owners.

IP-Agency's sales for full-year 2024 amounted to SEK 312.3 million, and its adjusted EBIT for the same period amounted to SEK 13.2 million. BHG intends to exercise its put option and sell 100% of the shares in IP-Agency for a consideration of EUR 5 million, corresponding to approximately SEK 57.4 million at the exchange rate in effect on 31 December 2024. IP-Agency is therefore recognised as a disposal group on the balance-sheet date, in accordance with IFRS 5. Impairment of SEK -399.0 million has been recognised on the measurement of the disposal group at fair value less selling costs in the fourth quarter. As of 31 December 2024, the disposal group for IP-Agency comprised assets of SEK 106.0 million less liabilities amounting to SEK 48.5 million. The disposal group is recognised in the Home Improvement segment.



**Assets held for sale**

| SEKm   | 31 dec       |  |
|--|--------------|--|
|  | 2024         |  |
| Inventory  | 66.2         |  |
| Other short-term receivables                                     | 18.0         |  |
| Cash and cash equivalents  | 21.8         |  |
| <b>Assets held for sale</b>                                      | <b>106.0</b> |  |
| Provisions   | 6.1          |  |
| Accounts payable   | 13.7         |  |
| Lease liabilities  | 4.2          |  |
| Other short-term liabilities                                     | 24.6         |  |
| <b>Liabilities directly associated with assets held for sale</b> | <b>48.5</b>  |  |
| <b>Disposal group</b>  | <b>57.4</b>  |  |

**Divestment of Designkupp AS**

In the second quarter, BHG divested the Norwegian bathroom and kitchen accessories specialist Designkupp AS with the site [www.vvskupp.no](http://www.vvskupp.no). The consideration amounted to NOK 71 million, corresponding to SEK 72 million on the transaction date. Designkupp had sales of NOK 125 million in 2023 with an EBIT margin of around 3%. The divestment gave rise to a capital gain of SEK 2.1 million, which was recognised in other operating revenue for the Group. The divestment also gave rise to positive cash flow of SEK 71.2 million after the deduction of cash and cash equivalents in the divested business.

**NOTE 6 FAIR VALUE**

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position comprise acquisition-related liabilities and currency forwards. The carrying amount for all financial assets and financial liabilities is deemed to be a reasonable approximation of the fair values of the items.

**Acquisition-related interest-bearing liabilities**

Acquisition-related interest-bearing liabilities pertain to contingent and deferred considerations attributable to the Group's acquisitions and liabilities to non-controlling interests. These are included in Level 3 of the valuation hierarchy, meaning the level applicable for assets and liabilities that are considered illiquid and difficult to value, and for which inputs for measuring fair value are unobservable inputs in the market. The fair value of contingent considerations is calculated by discounting future cash flows with a risk-adjusted discount interest rate. Expected cash flows are forecast using probable scenarios for future EBITDA levels, amounts that will result from various outcomes and the probability of those outcomes. The table below shows the carrying amounts for the Group's acquisition-related interest-bearing liabilities.

| SEKm                                      | 31 Dec       |                |
|---|--------------|----------------|
|   | 2024         | 2023           |
| <b>Reported value on the opening date</b> | <b>374.2</b> | <b>1,254.2</b> |
| Recognition in profit or loss             | -5.7         | 7.1            |
| Recognised in equity                      | 99.8         | -420.0         |
| Utilised amount                           | -21.0        | -467.1         |
| Acquisition value at cost                 | 31.4         | -              |
| <b>Reported value on the closing date</b> | <b>478.7</b> | <b>374.2</b>   |

**Currency forwards**

The Group recognises currency forwards at fair value, which as of 31 December 2024 was SEK 0.4 million (-1.4), of which SEK 0.4 million (0.0) comprised assets and SEK 0.0 million (1.4) comprised liabilities for the Group. The currency forwards are measured based on a discount comprising the difference between the contracted forward rate and the actual forward rate for a currency forward maturing on the same date. This measurement is included in Level 2 of the valuation hierarchy.

**NOTE 7 RELATED-PARTY TRANSACTIONS**

During the third quarter, Board member Joanna Hummel received remuneration of SEK 134,887 for consultancy services relating to strategy development in Home Furnishing Nordic AB. As of June 2024, she is also a member of the Board of Directors of the subsidiary Nordic Nest Group AB and receives an annual director fee of SEK 150,000 for this work.

**NOTE 8 RISKS AND UNCERTAINTIES**

There are several strategic, operational and financial risks and uncertainties that can affect the Group's financial results and position. Most risks can be managed through internal procedures, while others are largely driven by external factors. There are risks and uncertainties related to IT and management systems, suppliers, season and weather variations and exchange rates,

while other risks and uncertainties may also arise in the case of new competition, changed market conditions or changed consumer behaviour for online sales. The Group is also exposed to interest-rate risk.

Other than the changes below, no significant changes to the Group's risks and uncertainties are deemed to have taken place compared with what is stated on pages 31–32 of the 2023 Annual Report.

**Dispute with minority owner**

BHG has an ongoing dispute with the minority owner of 30.0% of the subsidiary IP-Agency Oy. The dispute concerns the calculation of the price that BHG is obliged to pay for the minority stake in IP-Agency under the put option issued in connection with BHG's acquisition of IP-Agency in 2021. Depending on the outcome of the dispute, the price for the shares could be between EUR 2.1 million and EUR 13.9 million. The dispute also includes a claim by the minority owners that BHG should pay a higher amount of EUR 18.0 million for the minority shares due to an alleged breach of a shareholder agreement between the parties. BHG, for its part, has claimed damages of EUR 4 million from the minority owners for a breach of the shareholder agreement. The dispute concerning the alleged breaches of the shareholder agreement has not affected the value of the liability recognised by the Group for the commitment to purchase the minority owners' shares since BHG has deemed it unlikely that the claims for damages for the breaches of the shareholder agreement will be granted.

# Condensed Parent Company income statement

| SEKm  | Oct-Dec      |              | Jan-Dec      |              |
|---|--------------|--------------|--------------|--------------|
|   | 2024         | 2023         | 2024         | 2023         |
| Net sales   | 2.6          | 2.2          | 11.3         | 7.9          |
| <b>Total net sales</b>  | <b>2.6</b>   | <b>2.2</b>   | <b>11.3</b>  | <b>7.9</b>   |
| Personnel cost  | -13.4        | -14.0        | -49.2        | -58.0        |
| Other external costs  | -8.1         | -11.3        | -22.5        | -29.4        |
| Depreciation and amortisation of tangible and intangible fixed assets | -0.0         | -0.1         | -0.2         | -0.3         |
| <b>Operating income</b>   | <b>-19.0</b> | <b>-23.1</b> | <b>-60.6</b> | <b>-79.8</b> |
| Profit/loss from financial items                                      | -8.7         | -31.7        | -69.6        | -92.6        |
| Group contributions   | 45.0         | 110.0        | 45.0         | 110.0        |
| <b>Profit/loss before tax</b>   | <b>17.3</b>  | <b>55.2</b>  | <b>-85.1</b> | <b>-62.4</b> |
| Income tax  | -17.9        | -30.0        | 2.9          | -6.5         |
| <b>Profit/loss for the period</b>                                     | <b>-0.6</b>  | <b>25.2</b>  | <b>-82.3</b> | <b>-68.9</b> |

A statement of other comprehensive income has not been prepared since the Parent Company did not conduct any transactions recognised as other comprehensive income.

# Condensed Parent Company balance sheet

| SEKm  | 31 Dec         |                |
|---|----------------|----------------|
|   | 2024           | 2023           |
| <b>Non-current assets</b>                                       |                |                |
| Other intangible fixed assets                                   | 0.3            | 0.5            |
| <b>Total intangible fixed assets</b>                            | <b>0.3</b>     | <b>0.5</b>     |
| Financial fixed assets  | 7.7            | 7.4            |
| Participations in Group companies                               | 3,678.3        | 3,678.3        |
| Long-term receivables from Group companies                      | 4,764.5        | 4,805.5        |
| Deferred tax asset  | 0.2            | 0.0            |
| <b>Total fixed assets</b>                                       | <b>8,450.9</b> | <b>8,491.7</b> |
| <b>Current assets</b>   |                |                |
| Short-term receivables  | 5.7            | 4.8            |
| Short-term receivables from Group companies                     | 125.7          | 104.9          |
| Cash and cash equivalents                                       | 2.8            | 42.5           |
| <b>Total current assets</b>                                     | <b>134.2</b>   | <b>152.2</b>   |
| <b>Total assets</b>   | <b>8,585.1</b> | <b>8,644.0</b> |
| <b>Equity</b>   |                |                |
| Restricted equity   | 5.4            | 5.4            |
| Unrestricted equity   | 6,564.7        | 6,645.7        |
| <b>Total equity</b>   | <b>6,570.1</b> | <b>6,651.0</b> |
| <b>Non-current liabilities</b>                                  |                |                |
| Other provisions  | 1.0            | 0.2            |
| Long-term liabilities to Group companies                        | 450.0          | 450.0          |
| Non-current interest-bearing liabilities to credit institutions | 1,496.2        | 1,495.5        |
| Other non-current liabilities                                   | 9.1            | -              |
| <b>Total non-current liabilities</b>                            | <b>1,956.3</b> | <b>1,945.7</b> |
| <b>Current liabilities</b>                                      |                |                |
| Other interest-bearing liabilities                              | 4.6            | 13.7           |
| Other current liabilities                                       | 54.1           | 33.5           |
| <b>Total current liabilities</b>                                | <b>58.7</b>    | <b>47.2</b>    |
| <b>Total equity and liabilities</b>                             | <b>8,585.1</b> | <b>8,644.0</b> |

# Key ratios

|   | 2024    |         |         |         |          | 2023    |         |         |         |          |
|---|---------|---------|---------|---------|----------|---------|---------|---------|---------|----------|
|   | Q4      | Q3      | Q2      | Q1      | Jan-Dec  | Q4      | Q3      | Q2      | Q1      | Jan-Dec  |
| <b>THE GROUP</b>                                      |         |         |         |         |          |         |         |         |         |          |
| Net sales growth (%)                                  | 1.9     | -17.7   | -22.0   | -23.3   | -15.5    | -14.5   | -7.9    | -10.9   | -15.9   | -12.2    |
| Organic growth (%)                                    | 0.5     | -8.8    | -13.5   | -13.9   | -9.2     | -10.8   | -10.4   | -12.6   | -17.0   | -12.7    |
| Adjusted gross profit beofre direct selling costs (%) | 37.6    | 37.1    | 37.6    | 39.1    | 37.8     | 38.4    | 37.3    | 38.3    | 37.8    | 38.0     |
| Adjusted gross profit (%)                             | 25.4    | 24.6    | 25.6    | 26.6    | 25.5     | 25.4    | 24.0    | 25.8    | 24.5    | 25.0     |
| Adjusted EBIT (%)                                     | 3.7     | 2.2     | 3.6     | -0.0    | 2.6      | 1.9     | 0.4     | 2.8     | -2.6    | 0.8      |
| Earnings per share before dilution, SEK               | -2.46   | -0.37   | -0.57   | -0.38   | -3.79    | -0.89   | -7.30   | 0.12    | -0.66   | -8.73    |
| Earnings per share after dilution, SEK                | -2.46   | -0.37   | -0.57   | -0.38   | -3.79    | -0.89   | -7.30   | 0.12    | -0.66   | -8.73    |
| Equity/assets ratio %                                 | 53.7    | 55.2    | 55.1    | 56.1    | 53.7     | 57.0    | 55.0    | 52.6    | 52.7    | 57.0     |
| Net debt (+) / Net cash (-)                           | 1,027.0 | 1,233.4 | 1,161.2 | 1,376.7 | 1,027.0  | 1,129.7 | 1,231.5 | 968.8   | 1,429.3 | 1,129.7  |
| Cash flow from operating activites (SEKm)             | 336.9   | 103.3   | 327.8   | -110.8  | 657.2    | 348.9   | 223.7   | 766.8   | 210.8   | 1,550.2  |
| Total order value (SEKm)                              | 2,983.8 | 2,447.2 | 2,768.1 | 2,079.4 | 10,278.5 | 2,824.8 | 2,883.3 | 3,561.3 | 2,660.7 | 11,930.0 |
| Orders (thousands)                                    | 1,412   | 939     | 970     | 837     | 4,158    | 1,377   | 1,106   | 1,217   | 1,016   | 4,716    |
| Average order value (SEK)                             | 2,113   | 2,607   | 2,854   | 2,483   | 2,472    | 2,051   | 2,608   | 2,925   | 2,619   | 2,529    |
| <b>Home Improvement</b>                               |         |         |         |         |          |         |         |         |         |          |
| Net sales growth (%)                                  | 1.0     | -11.0   | -12.2   | -16.2   | -9.6     | -17.1   | -13.7   | -13.7   | -22.4   | -16.5    |
| Organic growth (%)                                    | 2.1     | -8.1    | -11.9   | -16.2   | -8.6     | -17.7   | -15.3   | -14.6   | -22.9   | -17.4    |
| Adjusted gross profit beofre direct selling costs (%) | 34.0    | 33.2    | 33.5    | 35.2    | 33.9     | 33.3    | 31.5    | 31.6    | 31.1    | 31.9     |
| Adjusted gross profit (%)                             | 24.1    | 23.0    | 23.7    | 25.0    | 23.9     | 22.1    | 20.8    | 21.3    | 20.6    | 21.2     |
| Adjusted EBIT (%)                                     | 4.0     | 3.0     | 5.2     | -0.9    | 3.1      | 0.9     | 1.9     | 3.3     | -3.7    | 0.9      |
| Total order value (SEKm)                              | 1,347.5 | 1,319.3 | 1,575.1 | 1,035.5 | 5,277.4  | 1,332.2 | 1,409.9 | 1,772.6 | 1,240.4 | 5,755.1  |
| Orders (thousands)                                    | 509     | 470     | 523     | 355     | 1,857    | 539     | 536     | 611     | 431     | 2,117    |
| Average order value (SEK)                             | 2,650   | 2,806   | 3,011   | 2,914   | 2,842    | 2,473   | 2,631   | 2,901   | 2,877   | 2,719    |
| <b>Value Home</b>                                     |         |         |         |         |          |         |         |         |         |          |
| Net sales growth (%)                                  | -8.2    | -38.1   | -47.5   | -45.9   | -37.6    | -26.9   | -4.6    | -10.7   | -13.9   | -13.5    |
| Organic growth (%)                                    | -7.7    | -14.7   | -23.7   | -17.6   | -17.0    | -13.4   | -9.4    | -14.1   | -16.6   | -13.5    |
| Adjusted gross profit beofre direct selling costs (%) | 44.2    | 45.3    | 45.4    | 46.4    | 45.3     | 46.2    | 45.4    | 46.2    | 44.4    | 45.6     |
| Adjusted gross profit (%)                             | 30.0    | 30.1    | 30.9    | 32.3    | 30.8     | 32.1    | 29.5    | 31.7    | 29.6    | 30.7     |
| Adjusted EBIT (%)                                     | 1.5     | 4.0     | 4.2     | 3.0     | 3.2      | 3.0     | -0.4    | 3.9     | -2.0    | 1.3      |
| Total order value (SEKm)                              | 644.8   | 617.1   | 654.5   | 504.9   | 2,421.3  | 664.9   | 984.1   | 1,260.5 | 913.4   | 3,822.9  |
| Orders (thousands)                                    | 143     | 138     | 139     | 115     | 536      | 207     | 244     | 286     | 230     | 967      |
| Average order value (SEK)                             | 4,500   | 4,457   | 4,706   | 4,383   | 4,517    | 3,218   | 4,030   | 4,410   | 3,969   | 3,954    |
| <b>Premium Living</b>                                 |         |         |         |         |          |         |         |         |         |          |
| Net sales growth (%)                                  | 12.6    | 5.9     | 9.1     | 1.7     | 8.0      | 7.8     | 6.1     | -3.7    | -6.7    | 1.3      |
| Organic growth (%)                                    | 5.0     | 1.2     | 5.8     | -2.6    | 3.6      | 7.8     | 6.1     | -3.7    | -6.7    | 1.3      |
| Adjusted gross profit beofre direct selling costs (%) | 38.3    | 36.4    | 39.0    | 39.1    | 38.2     | 39.9    | 36.2    | 39.6    | 40.3    | 39.2     |
| Adjusted gross profit (%)                             | 24.1    | 21.4    | 24.0    | 23.9    | 23.5     | 24.7    | 21.4    | 25.0    | 23.7    | 23.9     |
| Adjusted EBIT (%)                                     | 7.1     | 0.7     | 0.9     | 1.3     | 3.2      | 5.8     | 1.0     | 2.0     | 2.4     | 3.2      |
| Total order value (SEKm)                              | 991.4   | 510.8   | 538.5   | 539.1   | 2,579.8  | 827.7   | 489.4   | 528.1   | 506.9   | 2,352.0  |
| Orders (thousands)                                    | 760     | 330     | 308     | 367     | 1,765    | 632     | 325     | 321     | 355     | 1,633    |
| Average order value (SEK)                             | 1,304   | 1,548   | 1,750   | 1,469   | 1,462    | 1,309   | 1,504   | 1,647   | 1,429   | 1,440    |



# Relevant reconciliations of non-IFRS alternative performance measures (APMs)

Some of the data stated in this report, as used by management and analysts for assessing the Group's development, is not defined in accordance with IFRS. Management is of the opinion that this data makes it easier for investors to analyse the Group's development, for the reasons stated below. Investors should regard this data as a complement rather than a replacement for financial information presented in accordance with IFRS. The Group's definitions of these performance measures may differ from similarly named measures reported by other companies.

## **ADJUSTED EBIT, ADJUSTED EBITDA AND ADJUSTED GROSS PROFIT**

Adjusted EBIT corresponds to operating income excluding amortisation of acquisition-related intangible assets, gains/losses on sales of fixed assets and, where applicable, items affecting comparability. In other words, adjusted EBIT, in accordance with the accounting rules, includes all depreciation and amortisation of tangible and intangible assets attributable to the business. The difference between adjusted EBIT and EBIT is that the amortisation which arises as a result of the accounting treatment of purchase price allocations in conjunction with acquisitions is added back to adjusted EBIT.

Using the estimation technique for adjusted EBIT facilitates the understanding of the Group's earnings and profit, since adjusted EBIT provides a correct picture of the Group's operating income, without deduction of the accounting-related amortisation arising due to the acquisition analyses in conjunction with the acquisitions (which are not related to the underlying operations). Furthermore, the measure simplifies peer comp analysis of companies that do not make acquisitions, while analysis and assessment of acquisition candidates becomes clearer and more transparent, since their EBIT contribution will then correspond to their actual contribution to the Group after consolidation. It is also important to note that the effect of acquisitions is already reflected in the Group's capital structure and net debt, in accordance with generally accepted accounting practices.

Adjusted gross profit and adjusted EBITDA correspond to gross profit and EBITDA adjusted for items affecting comparability.





## Group

### Reconciliation between operating income & adjusted EBITDA

| SEKm  | Oct-Dec       |              | Jan-Dec       |                 |
|---|---------------|--------------|---------------|-----------------|
|   | 2024          | 2023         | 2024          | 2023            |
| <b>Operating income</b>   | <b>-333.0</b> | <b>-43.6</b> | <b>-442.9</b> | <b>-1,374.2</b> |
| Inventory impairment  | 0.1           | -            | 99.2          | -               |
| Salary expense for gardening leave                                    | 6.2           | 4.1          | 19.3          | 7.6             |
| Costs related to LTIP   | -             | -            | -             | 10.4            |
| Acquisition-related costs   | -             | -            | 1.4           | 4.0             |
| Disputes  | 5.7           | -            | 13.0          | -               |
| Restructuring costs   | 0.9           | 11.8         | 7.0           | 33.3            |
| Impairment due to restructuring                                       | 4.1           | 59.4         | 21.1          | 138.7           |
| Impairment due to warehouse consolidation                             | -             | -            | 46.9          | -               |
| Impairment IT platform  | -             | -0.0         | -             | 65.6            |
| Impairment disposal group   | 399.0         | -            | 399.0         | -               |
| Warehouse consolidation   | -             | -            | 8.1           | -               |
| Capital gain/ loss disposal   | -             | -0.1         | -2.1          | 1,117.7         |
| Gain from renegotiation of lease agreement                            | 1.0           | -            | -10.1         | -               |
| Received electricity support for business                             | -             | -            | -             | -4.9            |
| <b>Total items affecting comparability</b>                            | <b>417.0</b>  | <b>75.2</b>  | <b>602.7</b>  | <b>1,372.5</b>  |
| Amortisation of acquisition-related intangible fixed assets           | 22.8          | 23.1         | 93.9          | 98.4            |
| Scrapping of acquired brands when sites are discontinued              | -             | -            | 4.1           | -               |
| <b>Adjusted EBIT</b>  | <b>106.7</b>  | <b>54.7</b>  | <b>257.8</b>  | <b>96.7</b>     |
| <b>Adjusted EBIT (%)</b>  | <b>3.7</b>    | <b>1.9</b>   | <b>2.6</b>    | <b>0.8</b>      |
| Depreciation and amortisation of tangible and intangible fixed assets | 85.1          | 104.5        | 349.9         | 487.0           |
| Gain/loss from sale of fixed assets                                   | 0.2           | -5.2         | 2.8           | -4.8            |
| <b>Adjusted EBITDA</b>  | <b>192.1</b>  | <b>154.0</b> | <b>610.5</b>  | <b>578.9</b>    |
| <b>Adjusted EBITDA (%)</b>  | <b>6.7</b>    | <b>5.4</b>   | <b>6.1</b>    | <b>4.9</b>      |


**Reconciliation between gross profit & adjusted gross profit**

| SEKm   | Oct-Dec        |                | Jan-Dec        |                |
|--|----------------|----------------|----------------|----------------|
|  | 2024           | 2023           | 2024           | 2023           |
| Net sales  | 2,883.8        | 2,828.8        | 9,962.5        | 11,790.2       |
| Cost of goods  | -1,798.1       | -1,741.8       | -6,309.3       | -7,332.3       |
| <b>Gross profit before direct selling costs</b>              | <b>1,085.6</b> | <b>1,087.0</b> | <b>3,653.2</b> | <b>4,457.9</b> |
| <b>Gross profit before direct selling costs (%)</b>          | <b>37.6</b>    | <b>38.4</b>    | <b>36.7</b>    | <b>37.8</b>    |
| Direct selling costs   | -351.9         | -373.2         | -1,228.1       | -1,536.9       |
| <b>Gross profit</b>  | <b>733.7</b>   | <b>713.8</b>   | <b>2,425.1</b> | <b>2,921.1</b> |
| <b>Gross profit (%)</b>                                      | <b>25.4</b>    | <b>25.2</b>    | <b>24.3</b>    | <b>24.8</b>    |
| Inventory impairment   | 0.1            | -              | 99.2           | -              |
| Restructuring costs  | -              | -              | 6.8            | -              |
| Impairment due to restructuring                              | -              | 0.5            | 1.6            | 20.0           |
| Warehouse consolidation                                      | -              | -              | 4.8            | -              |
| <b>Adjusted gross profit before direct selling costs</b>     | <b>1,085.7</b> | <b>1,087.5</b> | <b>3,765.6</b> | <b>4,477.9</b> |
| <b>Adjusted gross profit before direct selling costs (%)</b> | <b>37.6</b>    | <b>38.4</b>    | <b>37.8</b>    | <b>38.0</b>    |
| Impairment due to restructuring                              | -              | 0.9            | 0.1            | 0.9            |
| Gain from renegotiation of lease agreement                   | -0.0           | -              | -0.3           | -              |
| Restructuring costs  | -              | 2.9            | -              | 2.9            |
| Impairment due to warehouse consolidation                    | -              | -              | 1.4            | -              |
| Disputes   | -              | -              | 4.5            | -              |
| <b>Adjusted gross profit</b>                                 | <b>733.8</b>   | <b>718.1</b>   | <b>2,543.3</b> | <b>2,944.8</b> |
| <b>Adjusted gross profit (%)</b>                             | <b>25.4</b>    | <b>25.4</b>    | <b>25.5</b>    | <b>25.0</b>    |

**Reconciliation of organic growth**

| SEKm                                | Oct-Dec        |                | Jan-Dec         |                 |
|-------------------------------------|----------------|----------------|-----------------|-----------------|
|                                     | 2024           | 2023           | 2024            | 2023            |
| <b>Net sales comparative period</b> | <b>2,828.8</b> | <b>3,307.9</b> | <b>11,790.2</b> | <b>13,433.6</b> |
| Currency effect                     | 20.6           | 19.4           | -13.1           | 247.6           |
| Effect acquired companies           | 88.5           | -              | 210.1           | 13.0            |
| Effect divested companies           | -69.3          | -142.3         | -935.6          | -203.0          |
| Organic growth                      | 15.1           | -356.2         | -1,089.1        | -1,701.0        |
| <b>Net sales current period</b>     | <b>2,883.8</b> | <b>2,828.8</b> | <b>9,962.5</b>  | <b>11,790.2</b> |
| <b>Organic growth (%)</b>           | <b>0.5</b>     | <b>-10.8</b>   | <b>-9.2</b>     | <b>-12.7</b>    |

**Reconciliation of selling, general and administrative expenses (SG&A)**

| SEKm  | Oct-Dec       |               | Jan-Dec         |                 |
|---|---------------|---------------|-----------------|-----------------|
|   | 2024          | 2023          | 2024            | 2023            |
| Personnel costs   | -229.2        | -254.7        | -861.1          | -1,067.1        |
| Other external costs and operating expenses   | -328.1        | -320.6        | -1,121.3        | -1,354.7        |
| <b>Total personnel costs and other external costs and operating expenses</b>                    | <b>-557.4</b> | <b>-575.3</b> | <b>-1,982.4</b> | <b>-2,421.9</b> |
| Adjustment items affecting comparability related to personnel costs                             | 6.2           | 9.9           | 23.2            | 30.0            |
| Adjustment items affecting comparability related to other external costs and operating expenses | 7.7           | 2.0           | 13.4            | 21.3            |
| <b>Selling, general and administrative expenses (SG&amp;A)</b>                                  | <b>-543.5</b> | <b>-563.5</b> | <b>-1,945.8</b> | <b>-2,370.5</b> |



## Home Improvement

### Reconciliation between operating income & adjusted EBITDA

| SEKm  | Oct-Dec       |              | Jan-Dec       |              |
|---|---------------|--------------|---------------|--------------|
|   | 2024          | 2023         | 2024          | 2023         |
| <b>Operating income</b>   | <b>-375.0</b> | <b>-54.3</b> | <b>-343.2</b> | <b>-71.5</b> |
| Inventory impairment  | 0.1           | -            | 41.2          | -            |
| Salary expense for gardening leave                                    | 6.2           | 4.1          | 8.8           | 7.0          |
| Acquisition-related costs   | -             | -            | -             | 4.0          |
| Disputes  | 5.7           | -            | 5.7           | -            |
| Restructuring costs   | 0.9           | 11.4         | 0.9           | 10.9         |
| Impairment due to restructuring                                       | 2.1           | 37.1         | 5.9           | 48.8         |
| Impairment disposal group   | 399.0         | -            | 399.0         | -            |
| Capital gain/ loss disposal   | -             | -            | -2.5          | -            |
| Gain from renegotiation of lease agreement                            | 1.0           | -            | -10.1         | -            |
| Received electricity support for business                             | -             | -            | -             | -2.5         |
| <b>Total items affecting comparability</b>                            | <b>414.9</b>  | <b>52.5</b>  | <b>448.9</b>  | <b>68.1</b>  |
| Amortisation of acquisition-related intangible fixed assets           | 14.3          | 14.4         | 57.3          | 57.4         |
| Scrapping of acquired brands when sites are discontinued              | -             | -            | -             | -            |
| <b>Adjusted EBIT</b>  | <b>54.2</b>   | <b>12.6</b>  | <b>163.0</b>  | <b>54.0</b>  |
| <b>Adjusted EBIT (%)</b>  | <b>4.0</b>    | <b>0.9</b>   | <b>3.1</b>    | <b>0.9</b>   |
| Depreciation and amortisation of tangible and intangible fixed assets | 40.2          | 43.7         | 156.0         | 177.2        |
| Gain/loss from sale of fixed assets                                   | 0.6           | 0.2          | 6.4           | 3.3          |
| <b>Adjusted EBITDA</b>  | <b>95.1</b>   | <b>56.5</b>  | <b>325.4</b>  | <b>234.5</b> |
| <b>Adjusted EBITDA (%)</b>  | <b>7.0</b>    | <b>4.2</b>   | <b>6.3</b>    | <b>4.1</b>   |

### Reconciliation between gross profit & adjusted gross profit

| SEKm   | Oct-Dec      |              | Jan-Dec        |                |
|--|--------------|--------------|----------------|----------------|
|  | 2024         | 2023         | 2024           | 2023           |
| Net sales  | 1,356.9      | 1,343.7      | 5,175.4        | 5,726.7        |
| Cost of goods  | -895.8       | -896.9       | -3,465.9       | -3,908.0       |
| <b>Gross profit before direct selling costs</b>              | <b>461.1</b> | <b>446.9</b> | <b>1,709.5</b> | <b>1,818.7</b> |
| <b>Gross profit before direct selling costs (%)</b>          | <b>34.0</b>  | <b>33.3</b>  | <b>33.0</b>    | <b>31.8</b>    |
| Direct selling costs   | -134.6       | -153.9       | -514.9         | -613.4         |
| <b>Gross profit</b>  | <b>326.6</b> | <b>293.0</b> | <b>1,194.7</b> | <b>1,205.2</b> |
| <b>Gross profit (%)</b>                                      | <b>24.1</b>  | <b>21.8</b>  | <b>23.1</b>    | <b>21.0</b>    |
| Inventory impairment   | 0.1          | -            | 41.2           | -              |
| Impairment due to restructuring                              | -            | 0.5          | 1.6            | 6.2            |
| <b>Adjusted gross profit before direct selling costs</b>     | <b>461.2</b> | <b>447.4</b> | <b>1,752.4</b> | <b>1,824.9</b> |
| <b>Adjusted gross profit before direct selling costs (%)</b> | <b>34.0</b>  | <b>33.3</b>  | <b>33.9</b>    | <b>31.9</b>    |
| Impairment due to restructuring                              | -            | 0.9          | -              | 0.9            |
| Gain from renegotiation of lease agreement                   | -0.0         | -            | -0.3           | -              |
| Restructuring costs  | -            | 2.9          | -              | 2.9            |
| <b>Adjusted gross profit</b>                                 | <b>326.6</b> | <b>297.3</b> | <b>1,237.2</b> | <b>1,215.2</b> |
| <b>Adjusted gross profit (%)</b>                             | <b>24.1</b>  | <b>22.1</b>  | <b>23.9</b>    | <b>21.2</b>    |



### Reconciliation of organic growth

| SEKm                                | Oct-Dec        |                | Jan-Dec        |                |
|-------------------------------------|----------------|----------------|----------------|----------------|
|                                     | 2024           | 2023           | 2024           | 2023           |
| <b>Net sales comparative period</b> | <b>1,343.7</b> | <b>1,621.5</b> | <b>5,726.7</b> | <b>6,856.3</b> |
| Currency effect                     | 16.2           | 11.7           | -0.3           | 110.5          |
| Effect acquired companies           | -              | -              | -              | 13.0           |
| Effect divested companies           | -31.7          | -2.4           | -59.7          | -63.0          |
| Organic growth                      | 28.7           | -287.1         | -491.3         | -1,190.1       |
| <b>Net sales current period</b>     | <b>1,356.9</b> | <b>1,343.7</b> | <b>5,175.4</b> | <b>5,726.7</b> |
| <b>Organic growth (%)</b>           | <b>2.1</b>     | <b>-17.7</b>   | <b>-8.6</b>    | <b>-17.4</b>   |

### Reconciliation of selling, general and administrative expenses (SG&A)

| SEKm  | Oct-Dec       |               | Jan-Dec       |               |
|---|---------------|---------------|---------------|---------------|
|   | 2024          | 2023          | 2024          | 2023          |
| Personnel costs   | -117.0        | -127.0        | -454.7        | -492.2        |
| Other external costs and operating expenses   | -129.7        | -124.7        | -477.9        | -506.3        |
| <b>Total personnel costs and other external costs and operating expenses</b>                    | <b>-246.7</b> | <b>-251.8</b> | <b>-932.6</b> | <b>-998.5</b> |
| Adjustment items affecting comparability related to personnel costs                             | 6.2           | 9.5           | 8.8           | 12.3          |
| Adjustment items affecting comparability related to other external costs and operating expenses | 7.7           | 2.0           | 8.3           | 5.5           |
| <b>Selling, general and administrative expenses (SG&amp;A)</b>                                  | <b>-232.9</b> | <b>-240.3</b> | <b>-915.5</b> | <b>-980.7</b> |



## Value Home

### Reconciliation between operating income & adjusted EBITDA

| SEKm  | Oct-Dec     |             | Jan-Dec      |                 |
|---|-------------|-------------|--------------|-----------------|
|   | 2024        | 2023        | 2024         | 2023            |
| <b>Operating income</b>   | <b>5.3</b>  | <b>-4.1</b> | <b>-43.9</b> | <b>-1,259.3</b> |
| Inventory impairment  | -           | -           | 45.9         | -               |
| Salary expense for gardening leave                                    | 0.0         | -           | 5.8          | -               |
| Acquisition-related costs   | -           | -           | 1.4          | -               |
| Restructuring costs   | -           | 0.4         | -            | 19.4            |
| Impairment due to restructuring                                       | 2.0         | 22.3        | 2.0          | 90.0            |
| Impairment due to warehouse consolidation                             | -           | -           | 46.9         | -               |
| Impairment IT platform  | -           | -0.0        | -            | 65.6            |
| Warehouse consolidation   | -           | -           | 8.1          | -               |
| Capital gain/ loss disposal   | -           | -0.1        | -            | 1,117.5         |
| Received electricity support for business                             | -           | -           | -            | -1.8            |
| <b>Total items affecting comparability</b>                            | <b>2.0</b>  | <b>22.7</b> | <b>110.1</b> | <b>1,290.7</b>  |
| Amortisation of acquisition-related intangible fixed assets           | 2.2         | 3.1         | 12.1         | 18.1            |
| <b>Adjusted EBIT</b>  | <b>9.5</b>  | <b>21.7</b> | <b>78.3</b>  | <b>49.5</b>     |
| <b>Adjusted EBIT (%)</b>  | <b>1.5</b>  | <b>3.0</b>  | <b>3.2</b>   | <b>1.3</b>      |
| Depreciation and amortisation of tangible and intangible fixed assets | 24.1        | 43.6        | 113.4        | 242.7           |
| Gain/loss from sale of fixed assets                                   | -0.4        | -5.4        | -3.8         | -8.2            |
| <b>Adjusted EBITDA</b>  | <b>33.3</b> | <b>59.9</b> | <b>187.8</b> | <b>284.0</b>    |
| <b>Adjusted EBITDA (%)</b>  | <b>5.1</b>  | <b>8.4</b>  | <b>7.6</b>   | <b>7.2</b>      |

### Reconciliation between gross profit & adjusted gross profit

| SEKm   | Oct-Dec      |              | Jan-Dec        |                |
|--|--------------|--------------|----------------|----------------|
|  | 2024         | 2023         | 2024           | 2023           |
| Net sales  | 654.2        | 713.0        | 2,458.3        | 3,941.4        |
| Cost of goods  | -365.4       | -383.3       | -1,396.4       | -2,158.2       |
| <b>Gross profit before direct selling costs</b>              | <b>288.9</b> | <b>329.7</b> | <b>1,061.9</b> | <b>1,783.3</b> |
| <b>Gross profit before direct selling costs (%)</b>          | <b>44.2</b>  | <b>46.2</b>  | <b>43.2</b>    | <b>45.2</b>    |
| Direct selling costs   | -92.3        | -100.9       | -357.7         | -586.9         |
| <b>Gross profit</b>  | <b>196.5</b> | <b>228.8</b> | <b>704.2</b>   | <b>1,196.4</b> |
| <b>Gross profit (%)</b>                                      | <b>30.0</b>  | <b>32.1</b>  | <b>28.6</b>    | <b>30.4</b>    |
| Inventory impairment   | -            | -            | 45.9           | -              |
| Impairment due to restructuring                              | -            | -0.0         | -              | 13.7           |
| Warehouse consolidation                                      | -            | -            | 4.8            | -              |
| <b>Adjusted gross profit before direct selling costs</b>     | <b>288.9</b> | <b>329.7</b> | <b>1,112.7</b> | <b>1,797.0</b> |
| <b>Adjusted gross profit before direct selling costs (%)</b> | <b>44.2</b>  | <b>46.2</b>  | <b>45.3</b>    | <b>45.6</b>    |
| Impairment due to warehouse consolidation                    | -            | -            | 1.4            | -              |
| <b>Adjusted gross profit</b>                                 | <b>196.5</b> | <b>228.8</b> | <b>756.4</b>   | <b>1,210.1</b> |
| <b>Adjusted gross profit (%)</b>                             | <b>30.0</b>  | <b>32.1</b>  | <b>30.8</b>    | <b>30.7</b>    |


**Reconciliation of organic growth**

| SEKm                                  | Oct-Dec      |              | Jan-Dec        |                |
|---------------------------------------|--------------|--------------|----------------|----------------|
|                                       | 2024         | 2023         | 2024           | 2023           |
| <b>Net sales comparative period</b>   | <b>713.0</b> | <b>975.6</b> | <b>3,941.4</b> | <b>4,558.7</b> |
| Currency effect                       | 4.4          | 7.7          | -12.8          | 137.1          |
| Effect acquired companies             | 29.0         | -            | 113.9          | -              |
| Effect divested companies             | 0.0          | -139.9       | -817.1         | -139.9         |
| Transfer of business between segments | -37.7        | -            | -95.5          | -              |
| Organic growth                        | -54.6        | -130.4       | -671.6         | -614.4         |
| <b>Net sales current period</b>       | <b>654.2</b> | <b>713.0</b> | <b>2,458.3</b> | <b>3,941.4</b> |
| <b>Organic growth (%)</b>             | <b>-7.7</b>  | <b>-13.4</b> | <b>-17.0</b>   | <b>-13.5</b>   |

**Reconciliation of selling, general and administrative expenses (SG&A)**

| SEKm  | Oct-Dec       |               | Jan-Dec       |               |
|---|---------------|---------------|---------------|---------------|
|   | 2024          | 2023          | 2024          | 2023          |
| Personnel costs   | -59.1         | -63.7         | -208.5        | -356.1        |
| Other external costs and operating expenses   | -104.6        | -105.6        | -376.5        | -594.3        |
| <b>Total personnel costs and other external costs and operating expenses</b>                    | <b>-163.7</b> | <b>-169.3</b> | <b>-585.0</b> | <b>-950.4</b> |
| Adjustment items affecting comparability related to personnel costs                             | 0.0           | 0.4           | 5.8           | 7.4           |
| Adjustment items affecting comparability related to other external costs and operating expenses | -             | -0.0          | 1.4           | 12.0          |
| <b>Selling, general and administrative expenses (SG&amp;A)</b>                                  | <b>-163.7</b> | <b>-168.9</b> | <b>-577.8</b> | <b>-931.0</b> |





## Premium Living

### Reconciliation between operating income & adjusted EBITDA

| SEKm  | Oct-Dec     |             | Jan-Dec      |              |
|---|-------------|-------------|--------------|--------------|
|   | 2024        | 2023        | 2024         | 2023         |
| <b>Operating income</b>   | <b>56.0</b> | <b>39.6</b> | <b>7.6</b>   | <b>48.6</b>  |
| Inventory impairment  | -           | -           | 12.0         | -            |
| Salary expense for gardening leave                                    | -           | -           | 4.7          | -            |
| Disputes  | -           | -           | 4.5          | -            |
| Restructuring costs   | -           | -           | 6.1          | -            |
| Impairment due to restructuring                                       | -           | -           | 13.2         | -            |
| Received electricity support for business                             | -           | -           | -            | -0.6         |
| <b>Total items affecting comparability</b>                            | <b>-</b>    | <b>-</b>    | <b>40.5</b>  | <b>-0.6</b>  |
| Amortisation of acquisition-related intangible fixed assets           | 6.3         | 5.7         | 24.6         | 22.9         |
| Scrapping of acquired brands when sites are discontinued              | -           | -           | 4.1          | -            |
| <b>Adjusted EBIT</b>  | <b>62.3</b> | <b>45.3</b> | <b>76.9</b>  | <b>70.9</b>  |
| <b>Adjusted EBIT (%)</b>  | <b>7.1</b>  | <b>5.8</b>  | <b>3.2</b>   | <b>3.2</b>   |
| Depreciation and amortisation of tangible and intangible fixed assets | 20.0        | 16.6        | 78.0         | 64.8         |
| Gain/loss from sale of fixed assets                                   | 0.0         | -           | 0.2          | 0.1          |
| <b>Adjusted EBITDA</b>  | <b>82.3</b> | <b>61.9</b> | <b>155.0</b> | <b>135.8</b> |
| <b>Adjusted EBITDA (%)</b>  | <b>9.3</b>  | <b>7.9</b>  | <b>6.5</b>   | <b>6.2</b>   |

### Reconciliation between gross profit & adjusted gross profit

| SEKm   | Oct-Dec      |              | Jan-Dec      |              |
|--|--------------|--------------|--------------|--------------|
|  | 2024         | 2023         | 2024         | 2023         |
| Net sales  | 881.4        | 782.7        | 2,377.4      | 2,201.2      |
| Cost of goods  | -543.8       | -470.6       | -1,487.0     | -1,339.3     |
| <b>Gross profit before direct selling costs</b>              | <b>337.5</b> | <b>312.1</b> | <b>890.4</b> | <b>861.9</b> |
| <b>Gross profit before direct selling costs (%)</b>          | <b>38.3</b>  | <b>39.9</b>  | <b>37.5</b>  | <b>39.2</b>  |
| Direct selling costs   | -125.0       | -118.4       | -355.5       | -336.6       |
| <b>Gross profit</b>  | <b>212.5</b> | <b>193.7</b> | <b>534.9</b> | <b>525.3</b> |
| <b>Gross profit (%)</b>                                      | <b>24.1</b>  | <b>24.7</b>  | <b>22.5</b>  | <b>23.9</b>  |
| Inventory impairment   | -            | -            | 12.0         | -            |
| Restructuring costs  | -            | -            | 6.8          | -            |
| <b>Adjusted gross profit before direct selling costs</b>     | <b>337.5</b> | <b>312.1</b> | <b>909.2</b> | <b>861.9</b> |
| <b>Adjusted gross profit before direct selling costs (%)</b> | <b>38.3</b>  | <b>39.9</b>  | <b>38.2</b>  | <b>39.2</b>  |
| Impairment due to restructuring                              | -            | -            | 0.1          | -            |
| Disputes   | -            | -            | 4.5          | -            |
| <b>Adjusted gross profit</b>                                 | <b>212.5</b> | <b>193.7</b> | <b>558.4</b> | <b>525.3</b> |
| <b>Adjusted gross profit (%)</b>                             | <b>24.1</b>  | <b>24.7</b>  | <b>23.5</b>  | <b>23.9</b>  |



### Reconciliation of organic growth

| SEKm                                  | Oct-Dec      |              | Jan-Dec        |                |
|---------------------------------------|--------------|--------------|----------------|----------------|
|                                       | 2024         | 2023         | 2024           | 2023           |
| <b>Net sales comparative period</b>   | <b>782.7</b> | <b>725.9</b> | <b>2,201.2</b> | <b>2,172.1</b> |
| Currency effect                       | 0.0          | -            | 0.0            | -              |
| Effect acquired companies             | 59.5         | -            | 96.3           | -              |
| Effect divested companies             | -37.7        | -            | -95.5          | -              |
| Transfer of business between segments | 37.7         | -            | 95.5           | -              |
| Organic growth                        | 39.2         | 56.9         | 79.9           | 29.1           |
| <b>Net sales current period</b>       | <b>881.4</b> | <b>782.7</b> | <b>2,377.4</b> | <b>2,201.2</b> |
| <b>Organic growth (%)</b>             | <b>5.0</b>   | <b>7.8</b>   | <b>3.6</b>     | <b>1.3</b>     |

### Reconciliation of selling, general and administrative expenses (SG&A)

| SEKm  | Oct-Dec       |               | Jan-Dec       |               |
|---|---------------|---------------|---------------|---------------|
|   | 2024          | 2023          | 2024          | 2023          |
| Personnel costs   | -41.5         | -50.9         | -158.7        | -154.6        |
| Other external costs and operating expenses   | -88.7         | -80.8         | -254.3        | -234.9        |
| <b>Total personnel costs and other external costs and operating expenses</b>                    | <b>-130.3</b> | <b>-131.7</b> | <b>-413.0</b> | <b>-389.5</b> |
| Adjustment items affecting comparability related to personnel costs                             | -             | -             | 8.7           | -             |
| Adjustment items affecting comparability related to other external costs and operating expenses | -             | -             | 0.8           | -             |
| <b>Selling, general and administrative expenses (SG&amp;A)</b>                                  | <b>-130.3</b> | <b>-131.7</b> | <b>-403.5</b> | <b>-389.5</b> |



## NET DEBT/NET CASH

Management is of the opinion that because the Group's actual net debt/net cash corresponds to the Group's non-current and current interest-bearing liabilities to credit institutions less cash and cash equivalents, investments in securities, etc. and transaction fees, other non-current and current interest-bearing liabilities should be excluded. The Group's other non-current and current interest-bearing liabilities consist of acquisition-related liabilities, which are subject to an implicit interest expense. Lease liabilities reflect the balance sheet effects of IFRS 16.

| SEKm   | 31 Dec         |                |
|--|----------------|----------------|
|  | 2024           | 2023           |
| Non-current interest-bearing liabilities   | 2,241.3        | 2,248.2        |
| Short-term interest-bearing liabilities  | 598.1          | 566.8          |
| <b>Total interest-bearing liabilities</b>  | <b>2,839.4</b> | <b>2,815.0</b> |
| Cash and cash equivalents financial position                                       | -451.3         | -370.3         |
| Cash and cash equivalents disposal group   | -21.8          | -              |
| <b>Cash and cash equivalents</b>   | <b>-473.0</b>  | <b>-370.3</b>  |
| Adjustment lease liabilities   | -607.4         | -687.1         |
| Adjustment of acquisition related liabilities                                      | -478.7         | -374.2         |
| Adjustment taxes and fees with deferred payment due to the Corona pandemic         | -257.1         | -258.2         |
| Adjustment transaction costs   | 3.8            | 4.5            |
| <b>Net debt (+) / Net cash (-)</b>   | <b>1,027.0</b> | <b>1,129.7</b> |
| Adjusted EBITDAaL Pro forma, LTM   | 308.1          | 236.8          |
| <b>Net debt (+) / Net cash (-) in relation to adjusted EBITDAaL Pro forma, LTM</b> | <b>3.33x</b>   | <b>4.77x</b>   |
| <b>Adjusted EBITDAaL Pro forma, LTM</b>  |                |                |
| Adjusted EBITDA, LTM   | 610.5          | 578.9          |
| Adjustment for IFRS 16   | -234.9         | -360.2         |
| Adjustment for result attributed to legal minority interest*                       | -50.3          | -44.8          |
| Pro forma adjustment for acquired/divested businesses                              | -17.2          | 63.0           |
| <b>Adjusted EBITDAaL Pro forma, LTM</b>  | <b>308.1</b>   | <b>236.8</b>   |

\* Since 1 January 2024, BHG has excluded earnings related to the legal minority stake from the calculation of pro-forma adjusted EBITDAaL, LTM. For more information, refer to the definitions of performance measures on page 40.

# Definitions

| Performance measure  | Definition   | Reasoning   |
|--|--|---|
| Share turnover rate  | Number of shares traded during the period divided by the weighted-average number of shares outstanding before dilution.  | The share turnover rate shows the rate at which shares in BHG Group AB are bought and sold through trading on NASDAQ Stockholm.     |
| Number of visits   | Number of visits to the Group's webstores during the period in question. Sessions only related to consumers with consent of cookies.   | This performance measure is used to measure customer activity.  |
| Number of orders   | Number of orders placed during the period in question.   | This performance measure is used to measure customer activity.  |
| Gross margin   | Gross profit as a percentage of net sales.   | Gross margin gives an indication of the contribution margin as a share of net sales.  |
| Gross margin before direct selling costs                             | Gross profit before direct selling costs – primarily postage and fulfilment – as a percentage of net sales.  | An additional margin measure, complementing the fully loaded gross margin measure, allowing for further transparency.               |
| Gross profit   | Net sales less cost of goods sold. Gross profit includes costs directly attributable to goods sold, such as warehouse and transportation costs. Gross profit includes items affecting comparability.                               | Gross profit gives an indication of the contribution margin in the operations.  |
| EBIT   | Earnings before interest, tax and acquisition-related amortisation and impairment.   | Together with EBITDA, EBIT provides an indication of the profit generated by operating activities.                                  |
| EBITDA   | Operating income before depreciation, amortisation, impairment, financial net and tax.   | EBITDA provides a general indication as to the profit generated in the operations before depreciation, amortisation and impairment. |
| EBITDA margin  | EBITDA as a percentage of net sales.   | In combination with net sales growth, the EBITDA margin is a useful performance measure for monitoring value creation.              |
| EBIT margin  | EBIT as a percentage of net sales.   | In combination with net sales growth, the EBIT margin is a useful performance measure for monitoring value creation.                |
| Average order value (AOV)  | Total order value (meaning Internet sales, postage income and other related services) divided by the number of orders.   | Average order value is a useful indication of revenue generation.   |
| Investments  | Investments in tangible and intangible fixed assets.   | Investments provide an indication of total investments in tangible and intangible assets.   |
| Adjusted gross margin  | Adjusted gross profit as a percentage of net sales.  | Adjusted gross margin gives an indication of the contribution margin as a share of net sales.                                       |
| Adjusted gross margin before direct selling costs ("Product margin") | Adjusted gross profit before direct selling costs – primarily postage and fulfilment – as a percentage of net sales.   | An additional margin measure, complementing the fully loaded gross margin measure, allowing for further transparency.               |
| Adjusted EBITDA  | EBITDA excluding items affecting comparability.  | This performance measure provides an indication of the profit generated by the Group's operating activities.                        |
| Adjusted EBITDA margin   | Adjusted EBITDA as a percentage of net sales.  | This performance measure is relevant to creating an understanding of the operational profitability generated by the business.       |
| Adjusted EBIT  | Adjusted EBIT corresponds to operating profit adjusted for amortisation and impairment losses on acquisition-related intangible assets, gain/loss from sale of fixed assets and, from time to time, items affecting comparability. | This performance measure provides an indication of the profit generated by the Group's operating activities.                        |
| Adjusted EBIT margin   | Adjusted EBIT as a percentage of net sales.  | This performance measure provides an indication of the profit generated by the Group's operating activities.                        |

| Performance measure                                 | Definition   | Reasoning  |
|---|--|--|
| Pro-forma adjusted EBITDAaL, LTM                    | <p>LTM adjusted EBITDA with the following adjustments:</p> <ul style="list-style-type: none"> <li>less depreciation of right-of-use assets and interest on lease liabilities under IFRS 16 (or “Adjusted EBITDA after leases”),</li> <li>less net profit/loss for the period attributable to legal minority stakes in subsidiaries, regardless of whether or not the Group recognises a net profit/loss for the period for the minority stake (for the Group’s policies for the recognition of put options to non-controlling interests, refer to section 2.3.3. in Note 2 of the Annual Report),</li> <li>plus Adjusted EBITDAaL for acquired operations as though the acquired operations had been included in the consolidated income statement for the entire LTM period but not for the comparative period (pro-forma adjustment). For divested operations, a corresponding adjustment is made, meaning that adjusted EBITDAaL for the divested companies is excluded as though the divested companies were not included in the consolidated income statement for the entire LTM period but were included in the comparative period.</li> </ul> | <p>Pro-forma adjusted EBITDAaL, LTM is a performance measure used to facilitate transparency and comparisons between periods by excluding items affecting comparability, correcting for acquired and divested operations and net profit/loss for the period attributable to legal minority stakes in subsidiaries, and including all leases as an operating expense rather than as depreciation/amortisation and interest in accordance with IFRS 16. The performance measure is also used as a denominator for Net debt (+) / Net cash (-) in relation to Pro-forma adjusted EBITDAaL, LTM.</p> <p>As of 1 January 2024, BHG has adjusted the definition of the measure by now deducting net profit/loss for the period attributable to legal minority interests in subsidiaries. Previously, BHG adjusted for acquired and divested operations and the current amendment makes the calculation more consistent. Furthermore, the new definition is in line with the calculation of the Group’s fulfilment of the covenants in the financing agreement.</p> |
| Selling, general and administrative expenses (SG&A) | Total personnel costs and other external costs adjusted for items affecting comparability.   | The measure is relevant for showing costs for sales and administration during the period, thereby giving an indication of the efficiency of the company’s operations.  |
| Adjusted gross profit                               | Net sales less cost of goods sold. Adjusted gross profit includes costs directly attributable to goods sold, such as warehouse and transportation costs. Adjusted gross profit excluding items affecting comparability.  | Adjusted gross profit gives an indication of the contribution margin in the operations.  |
| Items affecting comparability                       | Items affecting comparability relate to events and transactions whose impact on earnings are important to note when the financial results for the period are compared with previous periods. Items affecting comparability include capital gains and losses on divestments, costs related to material downsizing, restructuring with action plans designed to restructure a major part of the operations, material impairment and other material non-recurring costs and revenue.  | Items affecting comparability is a term used to describe items which, when excluded, show the Group’s earnings excluding items which, by nature, are of a non-recurring nature in the operating activities.  |
| Cash conversion                                     | Pre-tax cash flow from operating activities less investments in non-current assets (capex) as a percentage of adjusted EBITDA.   | Operating cash conversion enables the Group to monitor management of its ongoing investments and working capital.  |
| Net sales growth                                    | Annual growth in net sales calculated as a comparison with the preceding year and expressed as a percentage.   | Net sales growth provides a measure for the Group to compare growth between various periods and in relation to the overall market and competitors.   |

| Performance measure   | Definition  | Reasoning  |
|---|---|--|
| Net debt/Net cash   | The sum of interest-bearing liabilities, excluding lease liabilities and earn-outs, less cash and cash equivalents, investments in securities, etc. and prepaid borrowing costs.  | Net debt/Net cash is a measure that shows the Group's interest-bearing net debt to financial institutions.   |
| Net debt/Net cash in relation to Pro-forma adjusted EBITDAaL, LTM | Net debt/Net cash divided by Pro-forma adjusted EBITDAaL, LTM   | Net debt/Net cash in relation to Pro-forma adjusted EBITDAaL, LTM describes the Company's ability to repay its debts with profit generated by operating activities.  |
| Organic growth  | Refers to growth for comparable operations compared with the preceding year. Organic growth is calculated as changes in net sales after adjustment for currency effect and the effect of acquired and divested operations.<br><br>Organic growth (%) = Organic growth / Net sales for the comparative period. | Organic growth is a measure that enables the Group to monitor underlying net sales growth, excluding the effects of currency, acquisitions, and divestments.<br><br>As of 1 January 2024, BHG has adjusted the definition of the key figure by now adjusting for currency effects in accordance with ESMA's guidance. The comparative figures have been recalculated.                |
| Working capital   | Inventories and non-interest-bearing current assets less non-interest-bearing current liabilities.  | Working capital provides an indication of the Group's short-term financial capacity, since it gives an indication as to whether the Group's short-term assets are sufficient to cover its current liabilities.   |
| Operating margin (EBIT margin)                                    | EBIT as a percentage of net sales.  | In combination with net sales growth, operating margin is a useful measure for monitoring value creation.  |
| Equity/assets ratio   | Equity, including non-controlling interests, as a percentage of total assets.   | This performance measure reflects the company's financial position and thus its long-term solvency. A favourable equity/assets ratio and strong financial position enable the Group to handle periods with a weak economic situation and provide the financial strength for growth. A lower equity/assets ratio entails a higher financial risk, but also higher financial leverage. |
| Total order value   | The total value (in SEK) of orders placed during the period before the deduction of orders cancelled.   | Total order value is used to measure customer activity and as an indication of revenue generation.   |



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