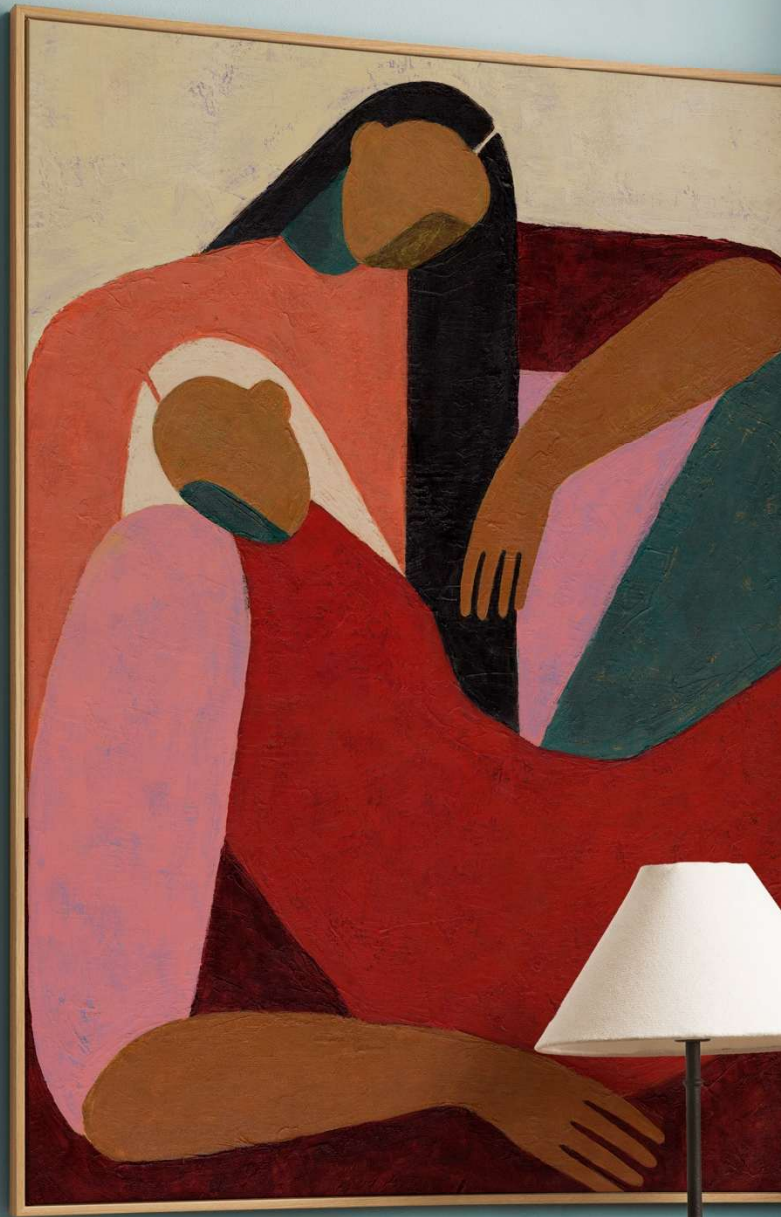


DESENIIO GROUP



2025

ANNUAL REPORT AND
SUSTAINABILITY REPORT







DESENI0 GROUP	6
THIS IS DESENI0 GROUP	6
LETTER FROM THE CEO	8
EXECUTIVE MANAGEMENT TEAM	12
THE BOARD OF DIRECTORS	14
SUSTAINABILITY REPORT	15
SUSTAINABILITY AT DESENI0 GROUP	17
FACTS 2025	18
PEOPLE - SOCIAL SUSTAINABILITY	20
PEOPLE & CULTURE	22
PLANET - ENVIRONMENTAL SUSTAINABILITY	28
OBJECTIVES	29
OUR DISTRIBUTION	30
FINANCIAL REPORTS	31
ADMINISTRATION REPORT	32
OPERATIONAL OVERVIEW	32
MULTI-YEAR REVIEW	34
THE SHARE	35
ALTERNATIVE KEY PERFORMANCE INDICATORS	38
INFORMATION ON RISKS AND UNCERTAINTY FACTORS	39
CORPORATE GOVERNANCE REPORT	41
FINANCIAL REPORTS	46
THE GROUP	46
PARENT COMPANY	50
NOTES TO THE FINANCIAL STATEMENTS	53
APPROVAL OF THE FINANCIAL STATEMENTS	84
AUDIT REPORT	85
PROVISIONAL FINANCIAL CALENDAR AND AGM	89
DEFINITION A OF KEY PERFORMANCE INDICATORS	90

DESENIO GROUP



FOLLOWERS

3,900,000

DESENIO Instagram 2M, Facebook 394K
POSTER STORE Instagram 1M, Facebook 486K
TOTAL 137,550 on Pinterest, YouTube & TikTok

Making millions of homes more beautiful
with authentic wall art and home decoration.

VISITORS
TO OUR
WEBSITES

55,000,000

About Desenio Group

We are the leading e-commerce company in authentic art in Europe and aim to become the leading company in North America too. We offer our customers everything they need to decorate their walls – a unique and curated range of around 9,000 different prints, frames and accessories. We are present in 37 countries and are gradually expanding into new markets. We are now building on our dynamic growth model, including our proprietary technology platform, industrialised creative processes and high-impact digital customer acquisition strategies.

OUR MISSION

Desenio Group's business model is simple – we help our customers create beautiful homes using on-trend art designed to suit their homes and individual styles. Using data-driven creativity, we produce our own artwork and own the rights to our art, which is a whole new way of approaching the global design category with huge expected growth potential.

OUR CULTURE

At our international workplace, we are one big family. A variety of nationalities are represented at Desenio Group, and we use this strength to understand local markets while uniting in common values and goals. We are a team that sets an example for one another and takes its own initiatives, always focusing on the customer and constantly delivering results.

AGILE ORGANISATION

We adapt our organisation to current market conditions in order to be ready and take advantage of future growth potential. The focus is on generating cash flow and profitability.

NEW MARKETS AND PRODUCTS

In addition to profitability, we also focus on selectively breaking new ground in future key markets, such as North America, while continuing to broaden our range with a mix of new categories and current trends in art and home decor.

COMPANY VALUES

CUSTOMER DEDICATION

Know our customer
Inspire & engage
Be passionate

STAND TOGETHER

One team
Common goals
Celebrate success

ALWAYS BE CLOSING

Keep it simple
Find solutions
Deliver result

LEAD BY EXAMPLE

Dare to lead
Walk the talk
Show respect

TURNING POINT

2025 was the most transformative year in Desenio Group's history. We began the year under considerable financial and operational pressure and ended it with a stabilised balance sheet, a new management team and a revised operating model. Most importantly, we saw the first clear signs that our turnaround strategy is beginning to deliver results.

From stabilisation to implementation

The first half of the year called for decisive action to secure the company's future. We undertook a major financial restructuring, significantly reducing our interest costs and enabling us to invest in growth. Once the debt burden had been addressed, we were able to focus fully on the operational core of the business.

We transitioned from legacy structures to a data-driven organisation, supported by clear performance metrics. It is not just a matter of changing job titles – it is a fundamental shift in the way we work. By giving individuals and teams ownership of defined product and marketing KPIs, we have improved execution and reduced the cost of testing and learning.

Signs that the turnaround is gaining momentum

Although our net sales for the full year reflect the weak market conditions in 2025, the fourth quarter marked a clear shift in momentum. Several internal indicators now show that our initiatives are beginning to take effect:

Marketing efficiency: With the new team in place, we have achieved significant cost savings in customer acquisition costs and overall operational efficiency.

Product offering: Over the course of the year, we have made significant progress in product and price optimisation, which has led to a rapid increase in the average order value.

Operational efficiency: The consolidation of our Swedish warehouse into the logistics centre in the Czech Republic is now delivering the margin improvements we anticipated. Our 'Right Sizing' initiative has reduced the company's overall fixed cost base, enabling us to remain profitable even at lower volumes. We are confident that we now have the most cost-effective operations in the industry.

Technology: "We are making significant investments in our technology platform to migrate legacy systems to the cloud

and enable a fully AI-driven personalisation engine across all customer interactions.

Looking ahead: The path to growth

Our work is far from complete, and we remain mindful of the continued uncertainty in consumer sentiment. However, the major restructuring process has now been completed. We have the right team, a scalable cost structure and a clear marketing strategy. It is now a matter of implementing the plan and continuing to make adjustments as we go along.

Our goal for 2026 is to return to stable and profitable growth. The foundations have been laid, momentum is building, and I am more convinced than ever of the credibility and strength of the Desenio and Poster Store brands.

Stockholm, May 2026

President and CEO, Desenio Group

ERIK FLINCK



” The foundations have been laid, momentum is building, and I am more convinced than ever of the credibility and strength of the Desenio and Poster Store brands.

1



3



4

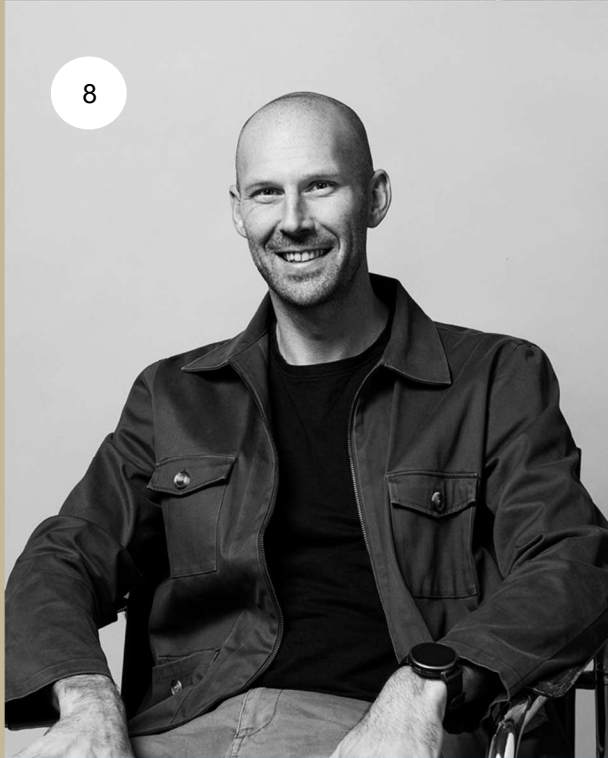


2



5





EXECUTIVE MANAGEMENT TEAM

1

COMPANY CEO SINCE 29 MAY 2025 AND MEMBER OF THE BOARD OF DIRECTORS

Erik Flinck

Born: 1980 **Education:** MSc Engineering (Software development) at Royal Institute of Technology, Stockholm and MSc in Business and Administration at Stockholm University and Stockholm School of Economics.

Work experience: CEO and Managing Director of BCG Sweden (2022–2023), Managing Director and Senior Partner at BCG (2020–2024), Managing Director Partner at BCG (2015–2020), Head of Group Strategy and M&A at Sandvik (2012–2015), Various Consultant roles at BCG (2005–2012), Strategy Board Member at Voi Technology (2018–2020) and BCG Media presence transformation (2022–2023).

Other ongoing engagements: Chairman of the Board at Catena Media and drHUD.se, Member of the Board of Directors at Exakta Foto.

Holdings: 24,192,166 shares

CHIEF FINANCIAL OFFICER SINCE 20 OCTOBER 2025

Carl Caap

2

Born: 1971 **Education:** Master of Business Administration from Gothenburg School of Economics and Commercial Law.

Work experience: Former CFO of PS of Sweden AB, CFO of Tiger of Sweden, Head of Business Control at Zodiak Media, Commercial Controller at The Absolut Company and CFO of Severa Pet Foods.

Other ongoing engagements: Board member of Utsikten Hus & Hem AB, deputy director of Caap & Co AB

Holdings: -

3

EXECUTIVE CREATIVE DIRECTOR AND EMPLOYED WITHIN THE GROUP SINCE 5 SEPTEMBER 2016

Annica Wallin

Born: 1969 **Education:** Advertising & Graphic Design and Design Management Executive from Berghs School of Communication.

Work experience: Former Global Creative Director at Oriflame Cosmetics, Art Director Lead and consultant at Valtech and Art Director at Pacer Communication.

Other ongoing engagements: -

Holdings: 459,246 shares.

CHIEF COMMERCIAL OFFICER SINCE 1 JULY 2024.

Michael Kurlancheek

4

Born: 1987 **Education:** Master of Science in Accounting from Indiana University – Kelley School of Business.

Work experience: Former General Manager of Lime, Portfolio Manager at Morgan Stanley, Investment Analyst at Bachrach Asset Management, Equity Research Analyst at Sidoti & Company, Senior Associate at KPMG LLP.

Other ongoing engagements: -

Holdings: -

CHIEF PEOPLE & CULTURE OFFICER SINCE 1 SEPTEMBER 2024.

Amanda Rietz

5

Born: 1991 **Education:** Bachelor's degree, Behavioural science.

Work experience: Former Human Resources Business Partner at Instabox and Consultant and Talent Manager at Jurek.

Other ongoing engagements: -

Holdings: -

CHIEF TECHNOLOGY OFFICER SINCE 7 JANUARY 2025

Ramzi Ferchichi

6

Born: 1981 **Education:** Master of Science in Computer Science, Uppsala University.

Work experience: CTO/Co-founder at Parsly, Director of Software Development at Buyers Edge Platform, Product Manager at Rubrik, R&D Director at Zebware, R&D Manager at Leica Geosystems.

Holdings: -

CHIEF MARKETING OFFICER SINCE 1 DECEMBER 2025

Hana Aljoofri

7

Born: 1989 **Education:** Bachelor in Business Administration, National University of Singapore

Work experience: Former Head of Digital Marketing at Arrive, Head of Paid Acquisition at Klarna, Marketing Director at Fishbrain, Digital Marketing at Zettle by PayPal, Media Buyer at MindShare Singapore.

Other ongoing engagements: -

Holdings: -

CHIEF SUPPLY CHAIN OFFICER SINCE 2019

Jimmie Grönlund

Born: 1985 **Education:** Marks Gymnasium, Business & administration

Work experience: Former Logistics Manager at Skincity, Sales manager at Fraktkompaniet, Logistics manager at Expohouse Sweden and Logistics manager at NMC Cellfoam AB.

8

Other ongoing engagements: -

Holdings: -

THE BOARD OF DIRECTORS



Martin Weiss

CHAIRMAN OF THE BOARD SINCE 23 APRIL 2025.
BORN: 1967

Education: B.Sc., Economics at London School of Economics & Political Science and M.P.A. at Harvard University, Cambridge, MA.

Work experience: Chairman of New Work SE, 2020 – 2024; CEO of Hubert Burda Media Holding Kommanditgesellschaft (2022–2024), Founder and CEO of Burda Principal Investments (2015–2021), Executive Vice President, Strategy and Corporate Development, Millicom Services UK Ltd. (Millicom International Cellular S.A.) (2013–2015), Founder and Managing Partner of Solon Management Consulting (1996–2013), Consultant and Engagement Manager, McKinsey & Company (Germany) (McKinsey & Company, Inc.) (1992–1996). (1992–1996).

Other ongoing engagements: Managing Director, Viscal Capital

Holdings: -

Independent in relation to the Company's major shareholders: Yes.



Andreas Otto

COMPANY BOARD MEMBER SINCE 23 APRIL 2025.
Born: 1976

Education: MBA, Business Administration at University of California Berkeley, Berkeley, CA, B.S., International Business at Northeastern University, Boston, MA and Diplom-Betriebswirt, International Business at European School Business, Reutlingen.

Work experience: Chief Commercial Officer at Storio Group (2022–2024), CEO at posterXXL (2017–2024), Founder and Managing Director at Caremondo (2015–2017), Investment Director at SevenVentures (2014), Co-Founder and Managing Director at The Iconic (2011–2013), Project Leader at Boston Consulting Group (2008–2011) and Brand Manager at BSH Home Appliances (2002–2006).

Other ongoing engagements: -

Holdings: -

Independent in relation to the Company's major shareholders: Yes.



Petra von Strombeck

COMPANY BOARD MEMBER SINCE 12 JUNE 2025.
Born: 1969

Education: Diplom-Kauffrau, Master of Management, Diplôme de Grande Ecole at ESCP in Paris, Oxford and Berlin.

Work experience: CEO, Lotto24 (2012–2019), Chief Marketing Officer Tipp24 SE (now Zeal Network SE) (2011-2012), International gambling and lottery consultant (2009-2011), Head of Marketing, subsequently Chief Marketing Officer, Tipp24 (2007-2009), CEO Serpie, Paris (2004-2007), Head of E-Commerce, Tchibo Direct (1999-2003).

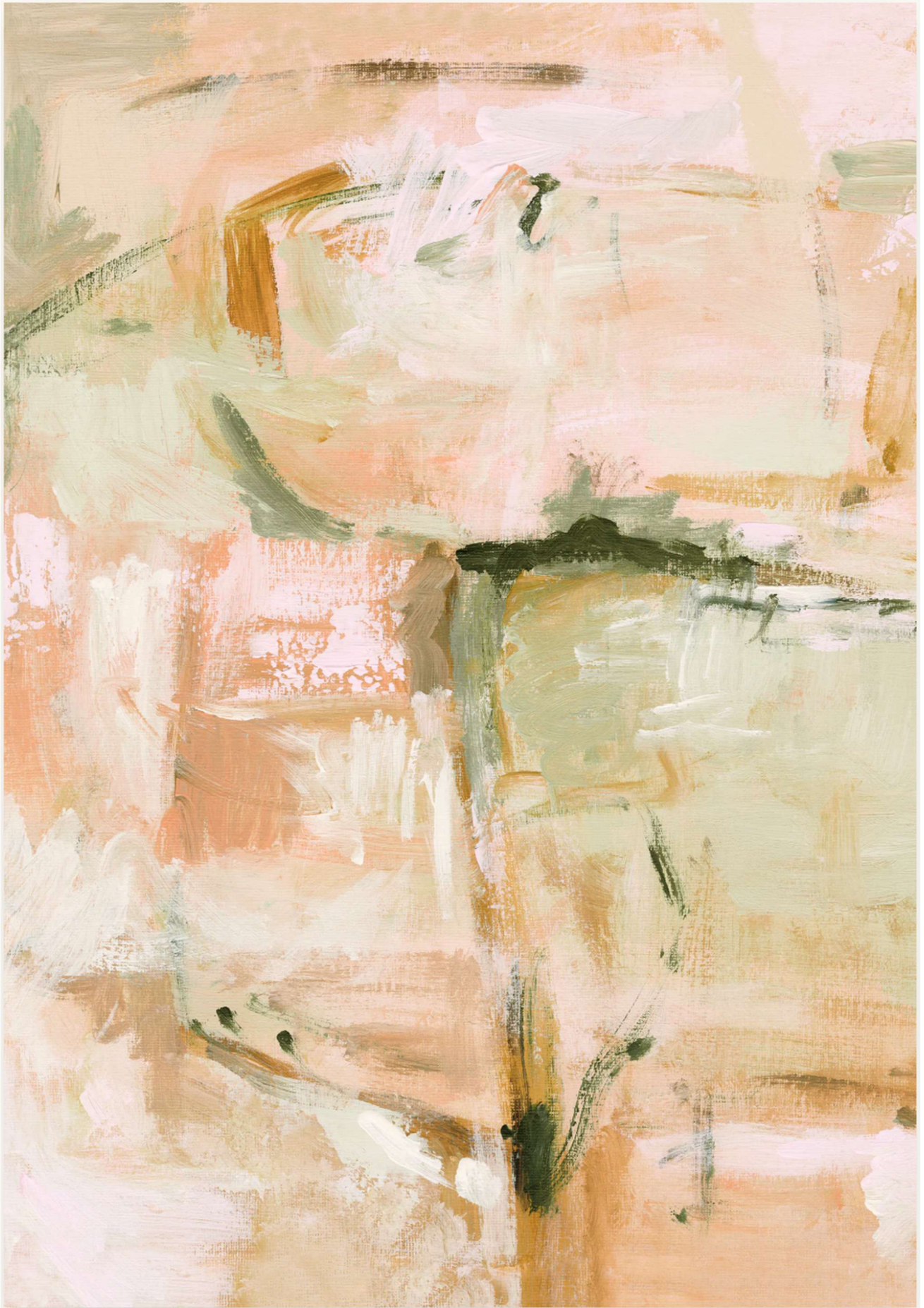
Other ongoing engagements: -

Holdings: -

Independent in relation to the Company's major shareholders: Yes.

SUSTAINABILITY REPORT

- This report has been created for Desenio Group AB (publ), org. no. 559107-2839 and covers the full year 2025.
- This report covers the areas of social and environmental sustainability that Desenio Group has focused on in 2025.
- All of the facts and data presented in this report are derived from internal systems, external suppliers and partners.
- The information in this report is relevant for the subsidiaries Desenio AB, Poster Store Sverige AB, Desenio MidCo AB, Desenio Group Inc., och DGFC s.r.o. (Desenio Group Fulfilment Center) unless otherwise indicated.
- The report has been prepared in accordance with the requirements of Chapter 6, Sections 10–14 of the Swedish Annual Accounts Act (1995:1554).



Sustainability is a core priority for Desenio Group, as our products depend on raw materials derived from forests. Creating beauty through art is why we exist, and doing this in a sustainable way means always striving to improve our production methods and actively reducing our impact on the environment.

FACTS



THIRTY-SEVEN
COUNTRIES

EMPLOYEES

110

(average 2025)

BOARD OF DIRECTORS

20% WOMEN
80% MEN



EXECUTIVE MANAGEMENT TEAM

33% WOMEN
67% MEN

TOTAL

78% WOMEN
22% MEN

Suppliers who have SIGNED OUR CODE OF CONDUCT = 100%

GEOGRAPHICAL
DISTRIBUTION FACTORIES

60 % EUROPE

30 % ASIA

10 % NORTH AMERICA

37

COUNTRIES

4

MAIN
SUPPLIERS





PEOPLE SOCIAL SUSTAINABILITY

Our vision is to be an attractive employer in attractive and sustainable wall art. We want to lead the way by having a transparent value chain where all the people who are involved in our business have the same rights, good working conditions, and equal opportunities to create a bright future.

OBJECTIVES

- 1 **REDUCE SICK LEAVE**
Reduce our employees' sick leave during 2025.

Outcome 2025: In 2025, the annual sick leave rate was 1.6%, compared to 2.8% in 2024.

.
- 2 **CROSS-FUNCTIONAL COMMUNICATION**
Improve communication between our departments and promote cross-functional collaboration.

Outcome 2025: Initiated and ran Customer Centric workshops to strengthen our connection with the business. We also launched Desenio Day, an onboarding programme designed to ensure a smooth induction for new employees, and organised an external communication workshop for all staff.
- 3 **EXPERTISE AND LEADERSHIP DEVELOPMENT**
Offer development opportunities for employees and managers.

Outcome 2025: In 2025, 26 employees progressed to new roles, taking the next step in their careers. We organised four leadership forums during the year and an external lecture on time management. In addition, employees are offered one professional development day per month, referred to internally as a 'self-development day'.
- 4 **SOCIAL AUDITS**
Ensure that at least 80% of our suppliers in high-risk countries have completed and passed an independent social audit under our social audit programme.

Outcome 2025: In 2025, 75% of our suppliers in high-risk countries conducted and passed an independent social audit.
- 5 **CODE OF CONDUCT**
Ensure that all suppliers have communicated our Code of Conduct to all subcontractors involved in the manufacture of products for Desenio Group.

Outcome 2025: In 2025, all our suppliers communicated our Code of Conduct to all their subcontractors.



PEOPLE & CULTURE

Our business would not exist without the people in our organisation. We want all our employees to feel welcome and appreciated every day, because as they grow, so does Desenio Group. Guided by our core values – Stand Together, Always be Closing, Customer Dedication and Lead by Example – we ensure we deliver results in a respectful, inspiring and collaborative environment. In 2025, we had an average of 110 employees working at Desenio Group. Together we have a number of distinct nationalities and speak more than 20 different languages. We work together as a team and we embody our values every day. Our ultimate goal in People & Culture is to ensure that we have a good work environment that prevents health problems and accidents from occurring, while creating a workplace that encourages personal development and is stimulating for all employees. Desenio Group works consciously, in a structured and active way to create a solid foundation for a work environment that encourages cooperation, motivation and personal development. We describe some of the initiatives we worked on in 2025 to achieve our People & Culture vision below.

WORK ENVIRONMENT

Our vision is to be a sustainable employer and a great place to work, offering all the necessary conditions to ensure wellbeing and performance. A place where you can influence, inspire and grow. To guide us in this work, we have our Work Environment Policy, which contains guidelines for the working environment at Desenio Group, health and safety targets, and what initiatives need to be implemented to achieve the targets. The aim of our Work Environment Policy is to create and develop an efficient organisation, and to create simple procedures to support the health, safety and wellbeing of our employees in the workplace. Managers and employees both contribute to creating and maintaining a motivating, proactive and healthy working environment.

At Desenio Group we do not tolerate harassment, bullying or victimisation. Our anti-harassment and anti-bullying work plan complements our work environment policy and describes how managers and employees should act in the event of such situations. We are well aware that this type of problem in the workplace is a threat to wellbeing, health and development opportunities, and that it leads to reduced productivity and therefore has a negative impact on the business. All managers are responsible for creating a work environment that is friendly, open, and respectful. We work together to maintain a positive work environment, and it is up to each employee to

ensure that their attitude and behaviour reflect our values, and to inform their line manager if they see any signs of victimisation or harassment in the workplace. If an employee feels harassed or suspects that someone else is being harassed, we have a process in place to quickly escalate and manage the issue internally.

“Desenio Group is the place to influence, inspire, and grow. Our work environment is built on our core values of passion, commitment and kindness.”

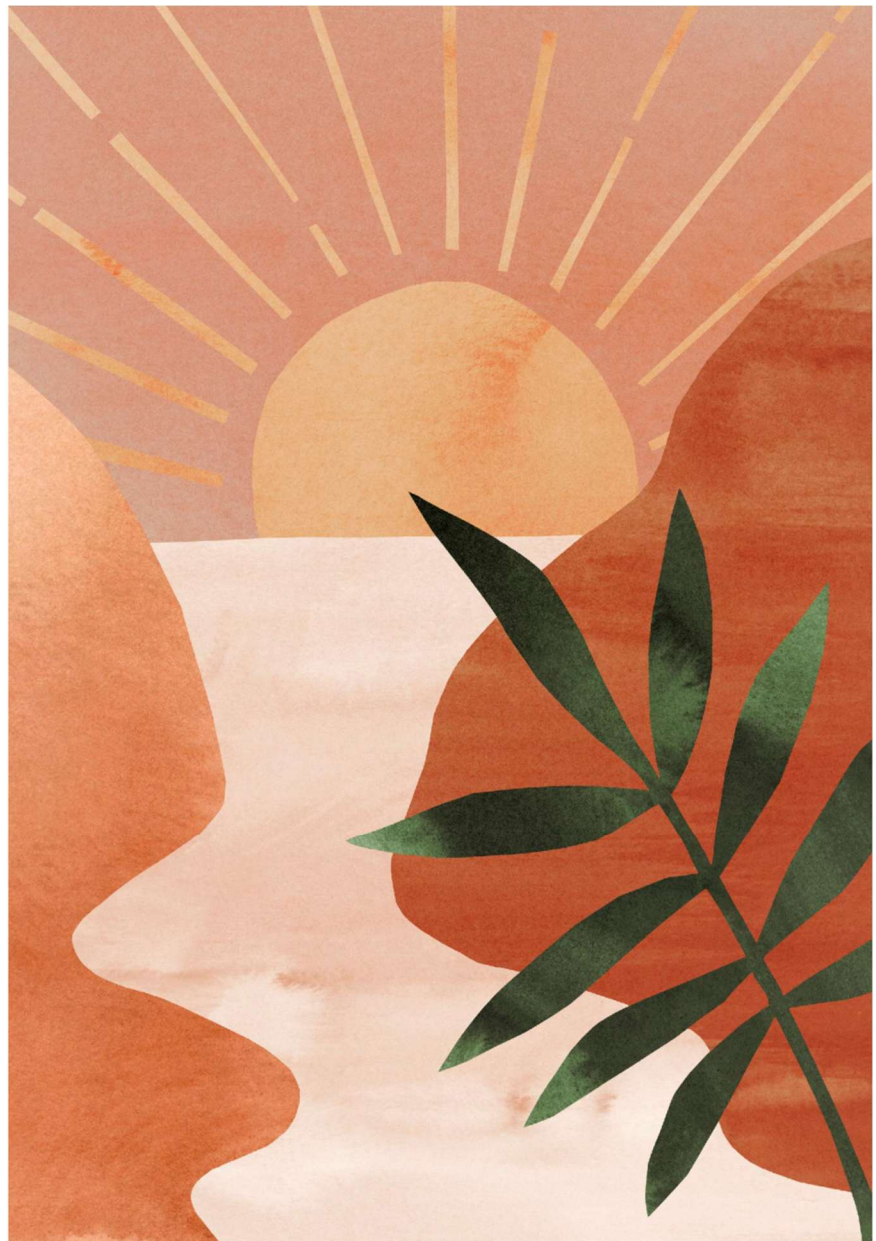
At Desenio Group, we believe that gender equality is an important part of creating an inclusive culture and a sustainable workplace. We have implemented our Gender Equality Plan as part of our work environment policy, to ensure that we actively and systematically work together to achieve a good work environment that is free from discrimination. The Gender Equality Plan contains guidelines on working conditions, salary levels, recruitment and career development, skills development and training, reconciling work and parenting, and last but not least, external gender equality initiatives. The Gender Equality Plan is evaluated once a year and concrete improvement measures are documented and monitored.

Desenio Group closely follows the requirements and regulations on systematic work environment from the Swedish Work Environment Authority (AFS 2001:1). These regulations describe how an employer should systematically plan, implement, and monitor activities carried out to achieve a good work environment. The regulations require all employers to analyse their employees' work conditions in terms of workload, working hours, bullying and discrimination. This work is carried out at three different levels: organisational; social and physical.

HEALTH AND SAFETY

Our safety representatives are elected by Desenio Group employees. Their responsibilities include being a point of contact for all employees for questions or concerns about the work environment, sharing information with relevant stakeholders within the organisation, and participating in the annual safety audit that evaluates our organisational, social and physical work environment. We also have a safety committee that works systematically on issues related to health and safety. The safety committee consists of a safety representative, an employers' representative and a workers' representative. As part of our health and safety work, we regularly measure sick leave in our organisation. Sick leave in Desenio Group was 1.6% in 2025.

“At Desenio Group, we believe that gender equality is an important part of creating an inclusive culture and a sustainable workplace.”



EMPLOYEE SATISFACTION

We measure our organisation's wellbeing on a monthly basis in each department through a system called Winningtemp. Every month, all Desenio Group employees are given the opportunity to answer 20 short questions in a survey format. The regular feedback gives us valuable insights into work conditions and is a very good tool to easily initiate a dialogue on what initiatives are needed to create a good work environment. The results of the surveys form the basis for workshops in each department, where members discuss positive and negative changes and what measures should be taken to create an engaging work environment.

Our employees' individual wellbeing is measured in Winningtemp with a metric called temperature. Our average temperature for 2025 was 7.5 out of 10. The strongest categories within Desenio Group were team spirit, leadership, and commitment.

Our main goal for Desenio Group is to conduct our business in an honest and direct way. Our employee Code of Conduct is available to everyone in our employee handbook. The Code of Conduct contains guidelines in areas such as anti-corruption, contracts with external parties, health and safety and press enquiries.



VALUE CHAIN

We work with around ten carefully selected suppliers, including four main suppliers (>SEK 1 million/year in purchases). 60% of all the factories we work with are based in Europe, 30% are in Asia and 10% are in North America. We nurture these relationships carefully and together we respect the important requirements for social and environmental sustainability that we have set out in our Code of Conduct. Our Code of Conduct has been signed by 100% of our main suppliers who produce products for Desenio Group. Before entering into a contract with a new supplier, we always require a signed Code of Conduct.

SUPPLIER CODE OF CONDUCT

For Desenio Group, it is important to take responsibility for our actions and the impact we have on our environment. One of our main responsibilities lies with the people involved in the production of our products. To clarify our position and what we expect from our suppliers and partners, we have created our Code of Conduct. Our Code of Conduct applies to all suppliers and their subcontractors who manufacture products for Desenio Group. The Code of Conduct is based on the UN and ILO conventions and sets out the minimum requirements that all suppliers and subcontractors must fulfil in order to do business with Desenio Group. Our Code of Conduct contains ten different principles in the areas of social and environmental sustainability.





SOCIAL AUDIT PROGRAMME

To ensure that all suppliers meet the requirements of our Code of Conduct, in 2020 we established a social audit programme for our entire supplier base. We classify all our suppliers as low or high risk for social non-compliance, based on the six different dimensions, also known as Worldwide Governance Indicators (WGI).

1. Voice and accountability
2. Political stability and absence of violence/terrorism
3. Government effectiveness
4. Regulatory quality
5. Rule of law
6. Control of corruption

We use the Amfori BSCI classification to determine whether a country is at low risk or high risk of non-compliance. Low-risk countries have an average WGI ranking of at least 60, and have a maximum of two individual dimensions ranked below 60. High-risk countries instead have an average ranking of between 0 and 60, and have three or more dimensions ranked below 60.

In our supplier base, 67% of all factories are in countries classified as low-risk, while the remaining 33% of factories are in high-risk countries. We require that all factories in high-risk countries undergo an annual independent social audit to ensure they fulfil the requirements of our Code of Conduct. All deviations must be rectified by the supplier within the period of time determined by Desenio Group. The supplier draws up an initial action plan followed by a list of completed actions including supporting evidence in the form of documentation. The action plan and the implemented measures are then checked and approved by Desenio Group.

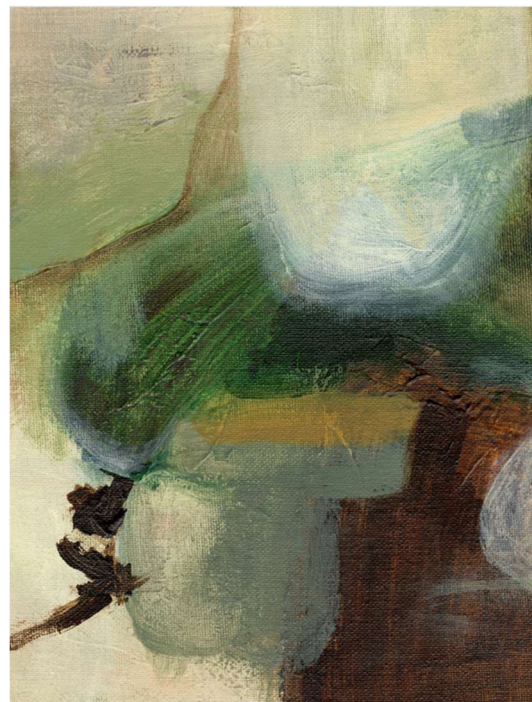
We aim to conduct social audits in 100% of all factories in high-risk countries.

PLANET ENVIRONMENTAL SUSTAINABILITY

Our vision is to be at the forefront of authentic and sustainable wall art, by creating products that are produced using certified raw materials and sustainable production methods, and by collaborating with external organisations that are dedicated to making our world a better place.

OUR PRODUCTION

We set high standards when producing our products, and we highly value the craftsmanship behind each individual component. Together with our suppliers, we work to continuously improve the quality and lifespan of our products through careful product development.



OBJECTIVES

- 1 Inbound air shipping: *to be used as an alternative shipping method only when other shipping methods are unsuitable or unavailable. A maximum of 5% of all inbound deliveries.*

During 2025, we eliminated the use of air shipping for all deliveries to our European warehouses. For our U.S. warehouse, air shipping accounted for less than 5% of all inbound shipments.

- 2 Outbound air shipping: *to be used as an alternative shipping method only when other shipping methods are unsuitable or unavailable. A maximum of 5% of all outbound deliveries.*

In 2025, outbound air shipping was used in <5% of all outbound deliveries.

POSTERS

The majority of our posters are printed in Sweden, but we endeavour to print as close to the end customer as possible. We also work with a printing company in the US that supplies posters to customers across North America, resulting in shorter lead times and a reduced environmental impact. We use a variety of printers to ensure the best quality for every type of design. The printing companies we work with use different types of ink depending on the printing method used, but the ink is always chosen taking into account all applicable EU regulations (including REACH). The ink is also 100% vegan. We are proud to say that we have very low levels of waste in our poster production, and that all waste is recycled into newspaper by the printers and paper mills we work with.

FRAMES

We offer elegant wooden and metal frames to suit all interior styles. We have everything from smaller frames that are great for photographs, to larger frames that can take centre stage on your walls. Our frames are made by hand by skilled craftsmen with extensive experience in frame making. All frames come with transparent acrylic plexiglass, which is lightweight and shatterproof. All frames can be opened from the back using rotating metal clips, to easily mount posters without having to open sharp metal pins.

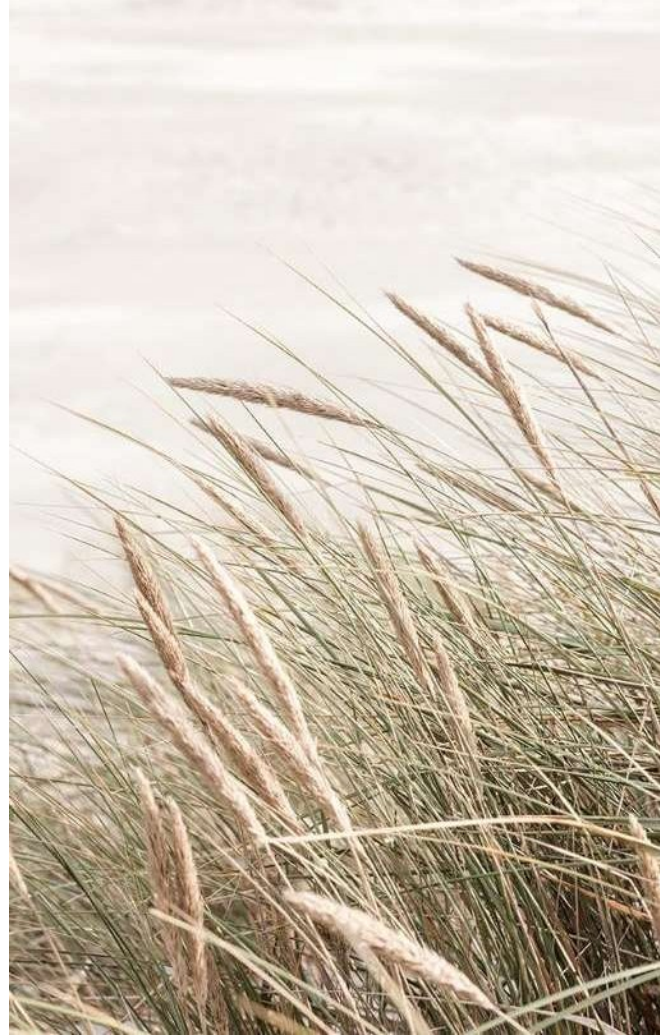
Our wooden frames are made from solid wood and are manufactured in Europe and Asia. The oak frames are made from untreated solid oak. We also make frames in dark oak. These frames are partly made from waste material from our other oak frames, resulting in reduced waste and improved utilisation of raw materials. The dark oak frames are stained with a semi-transparent lacquer to achieve a dark and dusky design. The black and white wooden frames are made from tulip trees and then painted. Our pale wood frames are made from maple that is treated with a transparent colour for a natural finish. Our metal frames are available in the colours black, gold, silver and copper. They are produced in Europe and made of aluminium with a thin and elegant profile. The metal frames in gold, silver and copper have a glossy finish while the black metal frame is matt. We also make canvas frames. They are made from high quality solid pine and covered with a cotton canvas. These frames are an elegant addition to our range of wall decor.

ACCESSORIES

We offer a range of accessories to add that extra touch to your posters: from mounts to hanging solutions such as hooks, clips, poster hangers and washi tape, to picture ledges. Our high-quality mounts are made in Sweden. With these, you can frame and accentuate a design and add an exclusive feel. Available in black and white, they are true to colour throughout, with the black having a black core and the white a white one. Our white mount has the exact same colour shade as the paper we use to print our posters. Our mounts, like our posters, are also acid-free.

OUR DISTRIBUTION

We mainly use road and sea transport for our incoming deliveries from the factories to our warehouses. We only use air shipping in exceptional cases for smaller orders where road or sea transport is not possible due to low order volumes. Lorries and boats are always our preferred option. All incoming deliveries within Europe are distributed by lorries. Distribution is from our logistics centres in Bor, Czech Republic and Ohio, USA. This enables a reduced transport distance for all customers in Northern and Southern Europe and North America, resulting in a lower environmental impact through less use of air shipping. For deliveries from all three warehouses, we work with a large number of shipping companies to cover the 37 countries we operate in. As with inbound shipments, we treat air shipping as an option to be used only when other transportation methods are inappropriate or unavailable for the type of shipment or destination.



We use several different packaging options to ensure that we have the optimal packaging for each product category. Based on the product category and product mix of each order, we use different packaging options to minimise the amount of air in each package without compromising the quality of our products.

ADMINISTRATION REPORT

Desenio Group (“Desenio”) is the leading e-commerce company in attractive and sustainable wall art in Europe, and aims to become the leading company in North America as well. Customers are offered a unique and curated range of around 9,000 motifs, as well as frames and accessories in 37 countries. Sales take place directly to customers without the use of retailers, wholesalers or distributors.

DESENIOS OPERATION

Desenio is the market leader in wall art in Europe, and is well positioned to build further on its dynamic growth model, including an in-house developed technical platform, industrialised creative processes and effective digital customer acquisition strategies.

Desenio has four competitive advantages: a disruptive business model within a global design category with significant anticipated growth, industrial and data-driven scalable creativity which generates unique motifs, profitable from the first order through a customer acquisition model based on social media and search engines with valuable influencer partnerships, as well as a proven model for geographical expansion with significant potential in existing and so far unexploited markets.

COLLEAGUES

The average number of employees during the year was 110 (117), with the majority based in Stockholm. The proportion of women was 78 (74) percent.

DEVELOPMENT OF THE COMPANY'S OPERATIONS, PROFITS, AND FINANCIAL POSITION

Net sales for the financial year decreased by 13.6% to SEK 738.2 (856.2) million.

The gross margin for the financial year was 84.9% (85.1%). Operating profit (EBIT) for the year amounted to SEK -215.3 (94.7) million. Adjusted EBITA for the year amounted to SEK 75.9 (105.4) million and the adjusted EBITA margin was 10.3% (12.3%). Items affecting comparability amounted to SEK 289.8 million and relate to restructuring costs and goodwill impairment.

SIGNIFICANT EVENTS 2025

- 1 On 21 March, Desenio completed a restructuring of its bonds, including a debt conversion involving a 75% write-down and a 95% dilution of shareholders' holdings.
- 2 On 29 May, Erik Flinck was appointed interim CEO of the Desenio Group, a role that became permanent on 5 November.

Equity as at 31 December 2025 totalled SEK 360.0 million, compared with SEK -76.9 million at the start of the financial year. Cash and cash equivalents as at 31 December 2025 totalled SEK 121.4 million compared with SEK 115.6 million at the start of the financial year. Net debt amounted to SEK 278.6 million as at 31 December 2025 compared to 1000.6 at the start of the financial year.

In November 2025, the merger of Poster Store Sverige AB into Desenio AB was completed.

REFINANCING

On 24 December 2024, a term sheet was signed for the restructuring of previously outstanding bonds. The agreement includes a debt conversion which implies a 75% write-down of the bonds and a 95% dilution of existing shareholders. This agreement was approved by the bondholders in February 2025 and ratified at an Extraordinary General Meeting of shareholders on 4 March 2025.

In December 2024, Desenio MidCo AB was registered as a subsidiary of Desenio Group AB to implement the refinancing. During 2025, the subsidiaries that were previously under Desenio Group AB were transferred to Desenio MidCo AB.

The former bond was exchanged for two new bonds in March 2025. Desenio Group AB has a 4-year bond with a nominal amount of SEK 251.3 million and an interest rate of 12.5% (8.75% is cash interest and 3.75% is payment-in-kind interest). Desenio MidCo AB has a 2.5-year bond with a nominal value of SEK 150 million and 7.75% cash interest.

As a result of this refinancing, the debt level and the maturity structure of the Company's financing have both improved significantly.

INVESTMENTS AND CASH FLOW

The cash flow from operating activities amounted to SEK 19.5 (-16.8) million for the period. Cash flow from changes in working capital totalled SEK -38.7 million, with inventories increasing by SEK 15.7 million during the period.

Net investments in intangible assets during the period totalled SEK 1.2 (0.3) million and mainly referred to investments in the warehouses in the USA and the Czech Republic as well as consumables for the Stockholm office. Investments in intangible assets totalled SEK 0 (0.3) million.

ENVIRONMENTAL INFORMATION AND SUSTAINABILITY REPORT

A Sustainability Report has been prepared and may be found earlier on in this Annual Report. Desenio does not carry on any notifiable/licensable operations.

EXPECTATIONS IN RESPECT OF FUTURE DEVELOPMENT

The market has been challenging in recent years, and Desenio has adjusted its cost structure in line with the resulting slight decline in sales. Our aim is to get back to positive organic growth. The combination of our efficient operations and a cost level that is balanced in relation to current sales levels makes the company well equipped for growth.

PROPOSED APPROPRIATION OF THE COMPANY'S PROFIT OR LOSS

The following amount in Swedish Kronor is at the disposal of the Annual General Meeting:

Retained earnings	125 102 231
Share premium reserve	706 224 221
Net profit for the year	-555 513 049
Total	275 813 403

The Board of Directors proposes that the available profits be appropriated as follows:

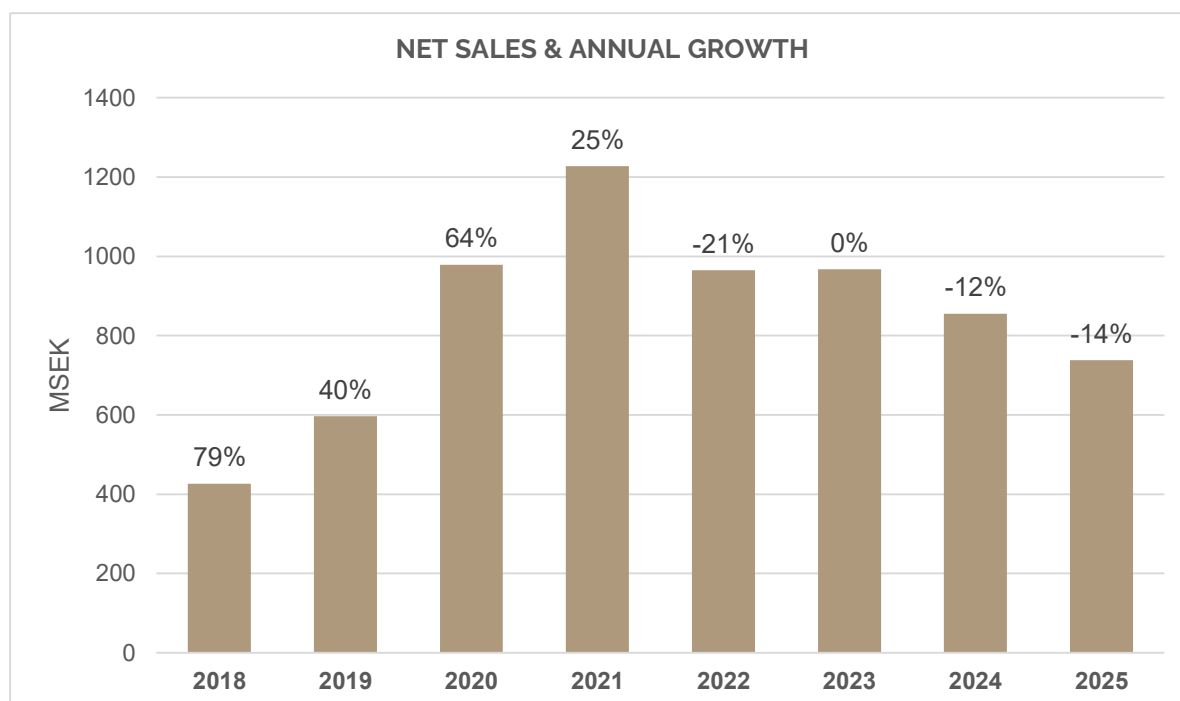
Dividend (SEK 0 per share)	-
Carried forward	275 813 403
Total	275 813 403

For more detailed information on earnings and position in general, please refer to the following financial statements with accompanying notes.

KEY PERFORMANCE INDICATORS 4 YEARS

	2025	2024	2023	2022
Net sales	738.2	854.7	967.2	964.9
Gross profit	626.9	727.3	812.1	810.5
Gross profit margin, %	84.9%	85.1%	84.0%	84.0%
Operating profit (EBIT)	-215.3	94.7	-175.0	52.8
Operating margin, %	-29.2%	11.1%	-18.1%	5.5%
Adjusted operating profit	74.6	102.9	75.0	66.0
Adjusted operating margin, %	10.1%	12.0%	7.8%	6.8%
Adjusted operating profit before amortisation of intangible assets	75.8	105.4	109.7	102.0
Adjusted operating profit before amortisation of intangible assets margin, %	10.3%	12.3%	11.3%	10.6%
Earnings per share	-0.13	-0.15	-1.91	-0.15
Cash flow from operating activities	19.4	-16.9	43.6	25.3
Investments	1.2	-	2.1	17.1
Net debt	278.6	1 000.6	973.6	999.0
Number of orders '000	1 232	1 482	1 788	1 891
Average order value, SEK	624	580	565	526
Number of active customers, '000	2 087	2 460	2 768	3 312

Adjustments relating to a number of items were made after the 2024 Annual Report was published, meaning that cumulative figures and key performance indicators have been updated; see Note 33.

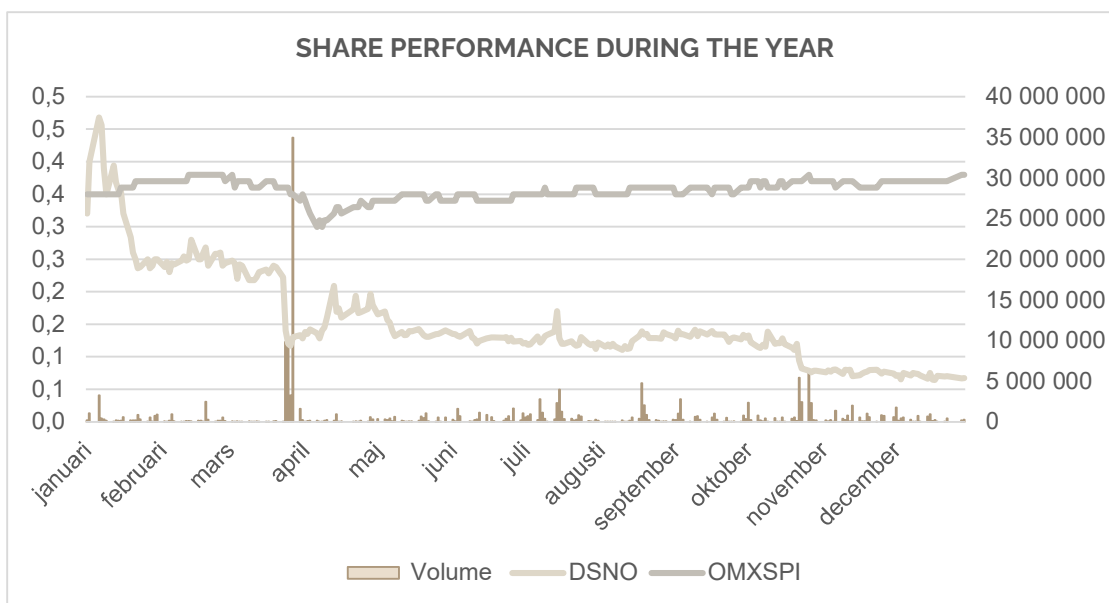


SHARES

Desenio Group AB (publ) has been listed on First North Growth Market since 25 February 2021 under the symbol DSNO, and has the ISIN code SE0015657853. As at 31 December 2025, Desenio Group had 2,488 shareholders, the largest of whom were Robus Capital Management Limited (16.31%), Oberon Family Office AB (12.1%) and the Refectio Foundation (11.01%).

SHARE PRICE PERFORMANCE AND TRADING

On the last trading day of the year, the share price was SEK 0.067. The highest closing price, SEK 0.52, was recorded in January, and the lowest closing price, SEK 0.06 was recorded in December. 289,646,954 shares were traded during the year.



THE COMPANY'S LARGEST SHAREHOLDERS 31 DECEMBER 2025

Owner			
Robus Capital Management Limited	486 224 441	16.3%	16.3%
Oberon Family Office AB	360 643 118	12.1%	12.1%
Stiftelsen Refectio	328 244 487	11.0%	11.0%
Pareto Asset Management	293 819 794	9.9%	9.9%
If Skadeförsäkring AB	273 702 318	9.2%	9.2%
Nordnet Pensionsförsäkring	235 296 037	7.9%	7.9%
Sundt AS	185 741 603	6.2%	6.2%
Fondsfinans Kapitalforvaltning	162 360 932	5.4%	5.4%
Avanza Pension	114 782 016	3.8%	3.8%
Flu AS	71 506 616	2.4%	2.4%
Total 10 largest	2 512 321 362	84.3%	84.3%
Other	469 328 838	15.7%	15.7%
Total	2 981 650 200	100.0%	100.0%

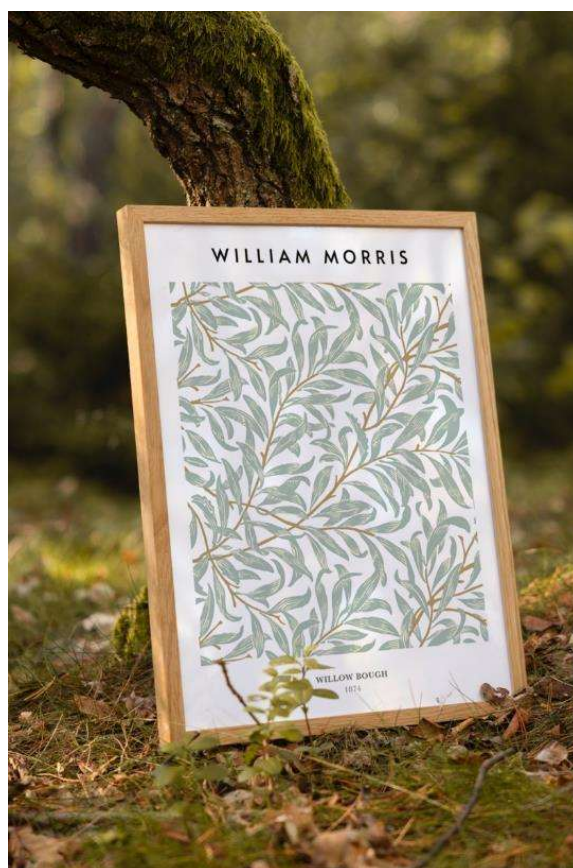
DIVIDEND

The Board proposes that no dividend be distributed for financial year 2025.

SHARES AND SHARE CAPITAL

The Company's registered share capital as at 31 December 2025 amounted to SEK 10,648,751, divided over 2,981,650,200 shares with a quota value of around SEK 0.003571. All shares have been issued in accordance with Swedish law and are fully paid-up and freely transferable. Desenio has no holding of its own shares. The shares are registered in a Central Security Deposit (CSD) register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) which is held by Euroclear Sweden AB (Box 191, 101 23 Stockholm). No share certificates have been issued for the Company's shares. The shares are traded on Nasdaq First North Growth Market Stockholm in Swedish Kronor with ISIN code SE0015657853 and under the ticker symbol DSNO.

In 2025, 19,500 warrants were forfeited, of which 6,500 were part of the long-term incentive programme 2021/2025, and 13,000 as part of the long-term incentive programme 2022/2025. 931,149 options expired, of which 379,025 were from the 2021/25 programme and 552,124 from the 2022/25 programme, meaning that there are no outstanding options.



RIGHTS ATTACHED TO THE SHARES

VOTING RIGHT

All shares in the Company entitle the holder to one (1) vote at shareholders' meetings, and every shareholder will have the right to vote for all shares which the shareholder holds in the Company.

PREFERENTIAL RIGHT TO NEW SHARES

If the Company issues new shares, warrants or convertibles in the course of a cash issue or a set-off issue, the main rule is that shareholders will have a preferential right to subscribe for such securities in proportion to their share of the Company's capital before the issue. The Company's Articles of Association do not restrict the Company's ability to take decisions on cash or set-off issues of new shares, warrants or convertibles with derogation from the shareholders' preferential right.

RIGHT TO DIVIDENDS AND BALANCE IN LIQUIDATION

All shares have an equal right to dividends and to the Company's assets and any surplus in the event of liquidation.

The Annual General Meeting resolves on dividends. The right to a dividend accrues to any party which, on the record date determined by the Annual General Meeting, was registered as a shareholder in the share register held by Euroclear. Dividends are generally paid in cash through Euroclear, but may also be paid other than in cash (distribution in kind). If a shareholder cannot be reached through Euroclear, the shareholder's receivable from the Company in respect of the amount of the dividend remains, and such receivable is subject to a ten-year limitation period. At the end of the limitation period, the amount of the dividend accrues to the Company.

THE TRANSFERABILITY OF THE SHARES

The shares are freely transferable. The Articles of Association contain no provisions which restrict the right to transfer shares freely. The shares are not subject to offers made in consequence of mandatory bids, right of squeeze-out or right of sell-out. No public takeover bid has been submitted in respect of the Company's shares since the formation of the Company.

SHAREHOLDERS' AGREEMENT

As far as the Board of Directors of the Company is aware, there are no Shareholders' Agreements or other Agreements among the Company's shareholders for the purpose of jointly influencing the Company. Nor is the Board of the Company aware of any Agreements or the equivalent which could lead to a change in the control of the Company.

DISTRIBUTION OF FINANCIAL REPORTS

Annual Reports and Interim Reports are available on the Company's website, www.deseniogroup.com.

CERTIFIED ADVISER

The Company's Certified Adviser at Nasdaq First North is FNCA Sweden AB, corporate ID number 559024-4876. Tel +46 (0)8-528 00 399, email info@fnca.se.

Source: Modular Finance, Euroclear, Morningstar, Finansinspektionen [the Swedish Financial Supervisory Authority] and Nasdaq Stockholm.

ALTERNATIVE KEY PERFORMANCE INDICATORS

In this Annual Report, Desenio reports certain financial key performance indicators, including key performance indicators which are not defined under IFRS. The Company judges that these key performance indicators are an important complement, since they enable a better evaluation of the Company's financial trends. These financial key performance indicators are not to be assessed independently nor regarded as replacing performance indicators calculated in accordance with IFRS. Furthermore, key performance indicators of this type, as Desenio has defined them, should not be compared

with other key performance indicators with similar names used by other companies. This is due to the fact that the above-mentioned key performance indicators are not always defined in the same way, and other companies may calculate them differently from Desenio.

Other definitions of alternative key performance indicators are contained in the Definitions of key performance indicators section.

MSEK	2025	2024	2023	2022
Operating profit (EBIT)	-215.3	94.7	-175.0	52.8
Items affecting comparability	289.8	8.2	250.0	13.2
Adjusted operating profit	74.5	102.9	75.0	66.0
Operating profit	-215.3	94.7	-175.0	52.8
Amortisation of intangible assets	1.3	2.5	34.9	35.9
Operating profit before amortisation (EBITA)	-214.0	97.2	-140.3	88.7
Items affecting comparability	289.8	8.2	250.0	13.2
Adjusted operating profit before amortisation of intangible assets	75.8	105.4	109.7	102.0
Operating profit	-215.3	94.7	-175.0	52.8
Amortisation of customer data	-	-	32.1	35.9
Operating profit before amortisation	-215.3	94.7	-142.9	88.7
Depreciation/amortisation	22.1	20.7	26.7	19.7
Operating profit before depreciation/amortisation (EBITDA)	-193.2	115.4	-116.2	108.4
Items affecting comparability	289.8	8.2	250.0	13.2
Adjusted operating profit before depreciation/amortisation	96.6	123.6	133.8	121.6
Non-current interest-bearing liabilities	370.3	-	-	1 083.0
Non-current lease liabilities	10.0	31.0	49.2	52.1
Current interest-bearing liabilities	-	1 065.5	1 057.0	-
Current lease liabilities	19.7	19.7	16.5	19.6
Cash and cash equivalents	-121.4	-115.6	-149.9	-155.7
Net debt (+) / Net cash (-)	278.6	1 000.6	972.8	999.0

Adjustments relating to a number of items were made after the 2024 Annual Report was published, meaning that cumulative figures and key performance indicators have been updated; see Note 33.

Adjusted operating profit excludes items affecting comparability and is regarded, accordingly, as constituting a usable indicator of the Company's underlying profits generated from operating activities. Items affecting comparability in 2025 amounted to SEK 289.8 million and relate to a goodwill impairment (SEK 250.0 million), costs associated with the refinancing (SEK 24.1 million), salaries for redundant staff (SEK 9.7 million) and the relocation of stock (SEK 6.0 million). In 2024, items affecting comparability amounted to SEK 8.2 million and relate to salaries for redundant staff and costs associated with the refinancing.

Items affecting comparability in 2023 refer to goodwill impairment of SEK 250.0 million. In 2022, they were mainly attributable to warehouse relocation costs (SEK 2.5 million) and termination costs (SEK 10.8 million). In 2021, they related to transaction costs amounting to SEK 23.2 million. The metric adjusted operating profit before amortisation of intangible assets is relevant for providing an indication of the Company's underlying profit generated by its day-to-day operations.

INFORMATION ON RISKS AND UNCERTAINTY FACTORS

Through its operations, the Desenio Group is exposed to various operating risks, market trends in general and to financial risks. The Group's overall risk management strategy aims to increase awareness of risks and to handle them in a way which minimises the negative impact on the Group's financial performance and position. The most important risks in respect of the operation, market trends and financial risks are described below.

GLOBAL ECONOMIC AND INTERNATIONAL DEVELOPMENTS

The Group has sales in 37 different countries. Developments in the economy, such as events which affect the general business climate, interest-rate changes, currency fluctuations, levels of deflation and inflation, taxes and similar costs, access to customer credits, stock market trends, the level of unemployment, other global and local economic factors and uncertainties over the economic outlook affect customers' purchasing behaviour and purchasing power in every market in which the Group operates. The risk level in the business climate varies among the Group's geographical markets.

Further escalation of geopolitical tensions in various regions could have knock-on effects on the global economy and reduce consumers' willingness to purchase the company's products.

DOWNTURN IN ONLINE SALES

The Group's principal demographic target group are women between 20 and 40 years old. A decline in demand online for furnishing/decoration within the specified target group could have a major negative impact on sales of the Group's products, given the present distribution. Factors which could lead to a decline in online sales could include scepticism concerning payment methods and inadequate IT security systems and the lack of an opportunity to physically see/feel the products before making a purchase decision, as well as perceptions concerning difficulties in returning products.

SEASONAL SALES AND CUSTOMER TRENDS

The Group is dependent on its customers' trends and tastes. Accordingly, it is essential to have sufficient dedicated resources to ensure that the Group's selection of products is in line with customers' expectations and aesthetic preferences. The Group's ability to sell a sufficient number of products at the right price depends on our ability to anticipate and respond promptly to trends and changing customer preferences. The Group operates in the market for on-trend wall art, which is sensitive to changes in customer preferences. Customers' preferences in design, quality and price tend to fluctuate, and it is difficult to predict future trends with a high level of precision. The Group strives to identify and predict these

trends correctly, but it may not always succeed in anticipating and responding to trends in time.

RISK RELATED TO THE OPERATION'S

IT SYSTEM

The Group's operation is online-based, which makes it possible for customers to order wall art which is delivered to their homes or to another address. All orders are received through the Group's web platform. With the IT system and the web platform as the basis for its operational model, the Group is largely dependent on functional IT systems and on its ability to implement essential developments in IT systems which are appropriate for its products, its customers and the Group's needs. Consequently, the Group is exposed to risks involving IT attacks, viruses and attacks on software or through malware, leaking of customer data, breakdowns in the network and other interruptions in the Group's operation.

The Group's IT strategy may prove inadequate, and this could lead to problems with the Group's IT system. This, in turn, could result in errors in transactions and downtime in the Group's operation. Such errors and downtime could have a serious negative effect on the Group's operation through, for example, a loss of confidence among customers and delivery delays, which could have a serious negative impact on the Group's results and financial position.

COMPETITION AND CHANGES IN MARKET CONDITIONS

The Group operates in a sector with competition from both national and international players. Some of the Group's foremost competitors are Drool, Juniqe, Allposters and Society6. The Group's future competitive situation depends partly on its ability to meet existing and future market needs. To remain competitive, the Group must continue to offer a competitive product offering and ensure that the products are delivered to the consumer in a satisfactory way. The Group must also increase and/or improve its offering and delivery options for products. There is a risk that the Group will not successfully provide and/or deliver new competitive products or delivery alternatives, or that expensive investment, restructuring and/or price reductions may need to be implemented to adapt the operation to the competitive situation. Certain sectors, market segments and investment objects can be attractive to a number of investors, and this can lead to a high level of competition and therefore to lower returns. The costs of following the development of products and technology can be significant, and are affected by factors which are wholly or partly outside the Group's control and which cannot be foreseen. This means that the level and timing of future operating costs and capital requirements needed to keep pace with developments in service and technology may deviate significantly from current estimates. The Group is

active in an attractive category with high profitability and with a risk of increased competition from existing and new players.

DAMAGE TO THE GROUP'S REPUTATION

The Group is a well-established business with high brand recognition in the market for on-trend wall art, thanks to its successful track record over the years.

The Group is dependent on its good name. The Group's reputation is particularly important in relation to current and new customers and suppliers. It is possible for example that an operational problem or IT problem could damage the Group's reputation, and this could lead to difficulties for the Group in acquiring new customers and retaining existing customers. The Group could also receive negative exposure in public and social media, such as Facebook and Instagram, with a limited ability to foresee or respond to this type of publicity.

INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS AND INADEQUATE PROTECTION OF INTELLECTUAL PROPERTY

The Group holds intellectual property rights in three ways for the motifs printed on posters: (i) royalty-agreements or perpetual licence agreements entered into with artists, photographers and third party rights holders; (ii) licence agreements for image banks, which give the Group the right to access, download and reproduce images and designs from third parties' databases on a subscription basis; and (iii) designs developed in-house. There have, however, been situations in the past, and there is a risk of similar situations arising in future, in which someone within the Group is accused of infringing a third party's intellectual property rights (including trademarks, company name and domain name) which may be obtained through registration, as well as rights which cannot be registered. Infringements of this type could damage the Group's reputation in the market and incur costs for dispute resolution.

Should an infringement of the Group's intellectual property rights occur, the Group may need to take legal action in relation to the infringement, which could result in costs for

the Group. The Group also risks losing such a dispute, and accordingly the right to the disputed intellectual property rights, and the Group would also need to pay damages to the counterparty.

The business in which the Group operates is strongly focused on intellectual property rights, and it is crucial to ensure that no competitor, for example by selling similar posters at a lower price, utilises either a design or other intellectual property right which the Group has spent resources developing.

Certain employees within the Group develop intellectual property, such as motifs for posters, within the framework of their employment. When the employment relationship ceases, there is a risk of the employee asserting title to unregistered intellectual property which has been developed within the framework of the employment.

CURRENCY RISK

As a consequence of its international reach, the Group is exposed to risks related to currency fluctuations. The risk is primarily in connection with the sale of the Group's products in currencies other than SEK. Approximately 90% of the Group's net sales are in foreign currencies, mainly in EUR and GBP, and increasingly in USD. The Group presents its income statement and balance sheet in SEK, and, as a result, the Group's consolidated sales are exposed to exchange rate fluctuations. The Group is not currently attempting to hedge such currency exposure.

FINANCING/LIQUIDITY RISK AND OBLIGATIONS RESULTING FROM THE BONDS ISSUED BY THE COMPANY

During the financial year, the Group's bonds were refinanced, the debt was significantly reduced and the maturity was extended. The next bond maturity is on 12 September 2027 (SEK 150 million) and the following one in March 2029 (SEK 256 million).

INTEREST-RATE RISK

Changes in interest rates have an impact on the Group's results and cash fl



CORPORATE GOVERNANCE REPORT

GENERAL

Desenio Group ("the Company") is a Swedish public joint-stock company. The Company's Articles of Association are based on Swedish law, particularly the Swedish Companies Act (2005:551), the Nasdaq First North Growth Market Rule Book and the Company's Articles of Association and internal rules (including, for example, the formal workplan of the Board of Directors and the CEO Instruction). The Company's bond has been listed on Nasdaq since 14 December 2021, and this obliges the Company to comply with the Swedish Code of Corporate Governance ("the Code").

The Code is based on the principle of "comply or explain", which means that a company which applies the Code need not comply with every rule in the Code on all occasions. If a company determines that a certain rule is not appropriate with reference to the company's specific circumstances, that company may choose to derogate from this rule, and this must then be reported by specifying the reasons for the derogation in the Corporate Governance Report.

GENERAL MEETING OF SHAREHOLDERS

GENERAL

Under the provisions of the Companies Act, the General Meeting of Shareholders is the Company's highest decision-making body, and the shareholders exercise their voting right on key issues, such as the adoption of income statements and balance sheets, the appropriation of the Company's profit or loss, discharging the Board of Directors and the Chief Executive Officer from liability, the election of members of the Board of Directors and auditors and fees for the Board and the auditors. In addition to the Annual General Meeting, Extraordinary General Meetings can also be convened. Under the Articles of Association, notification is given of General Meetings of Shareholders through advertisements in Post- och Inrikes Tidningar [the Swedish Official Gazette] and through the notification being posted on the Company's website. The fact that a notification has been issued is advertised simultaneously in the daily newspaper, Svenska Dagbladet.

RIGHT TO PARTICIPATE AT GENERAL MEETINGS OF SHAREHOLDERS

To participate in a General Meeting of Shareholders, a shareholder must be entered in the share register kept by Euroclear six (6) banking days before the General Meeting, and must notify the Company no later than on the date specified in the notification of the General Meeting. Shareholders whose shares are nominee-registered with a bank or other nominee must, to be entitled to participate at the General Meeting, over and above informing the Company, request that their shares are temporarily registered in their own name in the share register kept by Euroclear no later than four (4) banking days before the General Meeting. Shareholders should inform their nominees of this in good time before the record date. Shareholders may attend the General Meeting in person or through proxies, and may be accompanied by a maximum of two (2) assistants.

INITIATIVES FROM SHAREHOLDERS

A shareholder who wishes to have a matter considered at the General Meeting must send a written request to this effect to the Board of Directors. Such a request must normally be in the hands of the Board no later than seven (7) weeks before the General Meeting.

GENERAL MEETINGS DURING THE YEAR

On 4 March, Desenio Group's Extraordinary General Meeting passed the necessary resolutions, and on 21 March, the restructuring of Desenio's bonds and capital structure was completed.

On 23 April, Desenio Group's Extraordinary General Meeting resolved to discharge the previous Board of Directors and to appoint four new board members: Martin Weiss, Erik Flinck, Andreas Otto and Stephen Taylor-Matthews.

The Annual General Meeting on 12 June 2025 resolved to adopt the Annual Report, the Consolidated Financial Statements, to appropriate the net profit for the year in accordance with the Board of Director's proposal, to grant the members of the Board of Directors and the Chief Executive Officer discharge from liability, to approve fees to the Board of Directors and the auditors and to re-elect all members of the

Board and the auditors. The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorise the Board of Directors to decide on a new share issue.

Desenio's Annual General Meeting will be held on 9 June 2026. For further information, see the Company's website, www.deseniogroup.com.

BOARD OF DIRECTORS

The Board of Directors is the Company's second highest decision-making body after the General Meeting of Shareholders. The Board of Directors is appointed by the owners to be ultimately responsible for the organisation of the Company and the management of the Company's affairs in the best interests of the Company and its shareholders. Members of the Board are normally elected by the Annual General Meeting for the period until the close of the next Annual General Meeting. The Articles of Association state that the Board shall consist of a minimum of three (3) and a maximum of seven (7) members. As at the date of this Corporate Governance Report, the Board of Directors of the Company consists of five (5) ordinary members, who are presented in the "Board of Directors" section.

The tasks of the Board are regulated by the Companies Act and the Company's Articles of Association. The work of the Board is further regulated by the formal workplan for the Board of Directors which the Board establishes annually. The formal workplan regulates the division of tasks between the Board of Directors, the Chair of the Board of Directors and the Chief Executive Officer. The Board also approves instructions for the Board's committees, as well as an instruction for the Chief Executive Officer (including instructions relating to the CEO's financial reporting).

The Board is responsible for the Company's organisation and the administration of the Company's affairs, which includes responsibility for drawing up overall, long-term strategies and goals, the establishment of guidelines to ensure that the Company's operation generates long-term value, taking decisions on issues affecting investments and sales, capital structure and Dividend Policy. The Board is also responsible for the development and adoption of the Company's central policies, ensuring that there is a control system in place for monitoring that policies and guidelines are complied with, ensuring that a control system is in place for monitoring the operation and risks, appointing the Company's Chief Executive Officer and setting salaries and other remuneration for the Chief Executive Officer and other senior executives.

Participating board members

<u>Board member</u>	<u>Board meeting</u>
Martin Weiss	10/10
Andreas Otto	10/10
Petra von Strombeck	6/10
Stephen Taylor-Matthews	10/10
Erik Flinck	10/10

THE WORK OF THE BOARD OF DIRECTORS

During the financial year, 10 minuted meetings were held, of which 10 were ordinary meetings. Board meetings have a recurrent structure with structured main points. Key issues throughout the year have been the Company's sales performance and its future organisation and strategy. During its ordinary meetings, the Board dealt with the fixed items which arose at each Board meeting in accordance with the formal workplan of the Board of Directors, such as the business situation, financial outcomes, forecasts, liquidity, the annual financial statements and Interim Reports.

Before the Board meetings, the members of the Board received documentation concerning the matters which were intended for consideration. The Chief Executive Officer and the Chief Financial Officer attended Board meetings as rapporteurs. As required, other members of staff reported on various matters to the Board of Directors. The Chief People and Culture Officer took the minutes at the meetings.

The Company does not have an Audit Committee or a Remuneration Committee.

THE ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS

The Chair of the Board of Directors is responsible for matters including ensuring that all necessary documents are provided for Board meetings along with the information required to enable the Board to carry out its work. The Chair of the Board of Directors shall, in close collaboration with the Chief Executive Officer, monitor the Company's performance, and shall prepare and chair Board meetings. The Chair of the Board of Directors is also responsible for ensuring that the Board of Directors evaluates both its own work and that of the Chief Executive Officer on an annual basis. The Board meets in accordance with a predetermined schedule. Over and above these meetings, additional Board meetings may be called to consider issues which cannot be delayed until the next ordinary Board meeting.



THE CHIEF EXECUTIVE OFFICER AND OTHER SENIOR EXECUTIVES

The Chief Executive Officer is subordinate to the Board, and is responsible for the Company's ongoing administration and the day-to-day operation of the Company. The allocation of work between the Board and the Chief Executive Officer is set out in the formal workplan for the Board and the instruction for the Chief Executive Officer, as well as the instruction for financial reporting.

The Chief Executive Officer is responsible for leading the operation in accordance with the Board's guidelines and instructions, and for ensuring that the Board receives information and essential decision-making data. The Chief Executive Officer leads the work of the Company's Executive Management Team and takes decisions after consulting its members. Furthermore, the Chief Executive Officer acts as Rapporteur at Board meetings and shall ensure that the members of the Board are provided with the information needed to follow the financial position, results, liquidity and development of the Company and the Group.

The Chief Executive Officer and other senior executives are presented in detail in the "Executive Management Team" section.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS, THE CHIEF EXECUTIVE OFFICER AND OTHER SENIOR EXECUTIVES

REMUNERATION OF THE BOARD OF DIRECTORS

The Annual General Meeting resolved, in accordance with a proposal from major shareholders, that no remuneration shall be paid to the members of the Board for the coming term of office. However, they receive consultancy fees from Desenio AB, based on operational advice provided in addition to their board duties.

GUIDELINES FOR THE REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND OTHER SENIOR EXECUTIVES

The Company has not issued guidelines for the remuneration of the Chief Executive Officer and other senior executives since the company is not listed on a regulated market in Sweden. The Company does, however, have two bonds which are listed on a regulated market.

INTERNAL CONTROLS IN RESPECT OF FINANCIAL REPORTING

The Board's responsibility for internal controls is regulated by the Companies Act, the Swedish Annual Accounts Act (1995:1554) and the Code. Among other things, the Board must ensure that the Company has effective internal controls and formalised procedures which ensure that the established principles for reporting and internal controls are observed, and also that there are appropriate systems for monitoring and controlling the Company's operation and the risks to which the Company and its operation are exposed. The procedures for internal controls in respect of financial reporting have been formulated for the purpose of ensuring accurate overall financial internal and external reporting in accordance with IFRS, applicable laws and regulations, as well as the other requirements applicable to listed companies.

The whole operation of the Company is covered by the internal control, with the internal control of financial reporting, regulatory compliance and the Company's internal management being essential.

Internal control is based on the COSO framework, and covers primarily the following components (which are described below under the appropriate section) "Goals", "Internal control environment", "Risk assessment", "Control activities", "Evaluation of processes and key controls" and "Reporting and information flows".

GOALS

The Board of Directors sets strategies, objectives and focus areas for Desenio's operation, and the definition of goals constitutes a cornerstone for internal control and its procedures. Risk is defined as an event which, if it occurs, may have a negative effect on the Company's ability to achieve the set goals.

INTERNAL CONTROL ENVIRONMENT

At Desenio, the control environment consists, among other things, of the organisation's structure with defined areas of responsibility and reporting paths, as well as a systematic approach to quality control and governing documents in the form of policies, procedures for standardised work, work instructions and authorisation instructions. The Company's business plan, strategy and budget also constitute a part of the control environment.

The Board has overall responsibility for internal control, and the allocation of the Board's work is set out in the formal workplan of the Board of Directors. The CEO instruction set out how reports to the Board are to be drawn up. The Board has also delegated responsibility for maintaining an effective control environment to the CEO, even though the Board

continues to be ultimately responsible. Procedures have been set up to provide the Board with the necessary reports to enable the Board to assess risks and meet the requirements for adequate internal control and reporting on an ongoing basis.

Based on the assessed good control environment and the size of the Company, the Board has judged that there are no special circumstances in the operation or other circumstances which would justify the formation of an internal audit function.

RISK ASSESSMENT

Based on the set goals for the operation, a risk assessment is carried out for the purpose of identifying and evaluating the most significant risks which, if they occur, could have a negative effect on the Company's ability to achieve the set goals. The Board and the Executive Management Team ensure that specific risk assessments are carried out on a regular basis based on the set goals. The Executive Management Team is responsible for risk mapping, in which identified risks are assessed and categorised into areas such as customers, competitors, finance and IT. A risk assessment was carried out on the financial reporting using the Company's ICFR framework (Internal Control over Financial Reporting). The most important risks in respect of the operation, market trends and financial risks are described in the Administration Report in the "Information on risks and uncertainty factors" section.

CONTROL ACTIVITIES

The most significant risks are reviewed regularly and are managed through identified and documented key controls which describe how the Company is to manage and maintain control over risks. The formulation of control activities is based on the internal control environment with clear organisational structure defined reporting paths and a quality system with procedures and IT systems which are constantly improved to ensure that they are updated and comprehensive. Key controls linked to risks related to financial reporting may include, for example, procedures for authorising and approving disbursements and reports.

EVALUATION OF PROCEDURES AND KEY ROLES

The company regularly evaluates the procedures for internal control to ensure that all components are functioning and that the Board can maintain adequate oversight. The Company also specifically evaluates the identified controls linked to the more significant risks to ensure that they are correctly formulated and manage the risks in the intended way. The procedures which are evaluated based on the Company's ICFR framework and cover general controls, financial follow-up, employment, customer orders, purchases, inventories and general IT controls.

The external auditors and the Company's Finance function are in regular contact throughout the financial year with the aim of

detecting possible risks and dealing with problems which may affect financial reporting. The auditors also provide regular reports to the Board.

REPORTING AND INFORMATION FLOWS

Reporting and information flows are a very important component of the internal control procedures. The Board received continuous reports from the Company's Executive Management Team, for example as monthly reports, and can monitor the progress and status of the operation in relation to set goals and identified risks. The Group's operation, financial position, capital requirements, investments and cost base are discussed at every Board meeting. Reconciliations against the budget and outcome from previous years are made monthly, and major deviations are also reported to the Board at each Board meeting.

Internal information and communication deal with ensuring that the Company's staff are updated in respect of relevant internal control procedures, and that the latest versions of the policies, procedures for standardised work and work instructions are available to all members of staff. External information, which primarily takes place through press releases, financial statements and Interim Reports the Annual Report and the Company's website (deseniogroup.com), aims to keep the market updated on the progress of the Company's operation and ensure that Desenio lives up to the requirements for releasing accurate information to the market in accordance with the regulations of the First North Growth Market. This is also governed by the Company's adopted Information Policy. The Policy specifies what is to be communicated, by whom and in which way the information is to be released to ensure that both external and internal information are accurate and complete. The Chief Executive Officer has overall responsibility for the Company's IR operation. During the year, the Company engaged an external consultant who has handled part of the practical execution of the work.

INTERNAL AUDIT

Given the Group's size, structure and the nature of its operations, the Company has concluded that it is not appropriate to establish a separate internal audit function.

EXTERNAL AUDIT

The auditor shall audit the Company's Annual Reports, financial statements and bookkeeping, as well as the administration of the Company by the Board of Directors and the Chief Executive Officer. The audit of the Company's financial reports and financial statements, as well as the administration of the Company by the Board of Directors and the Chief Executive Officer are carried out in accordance with generally accepted audit standards in Sweden. After each financial year, the auditor shall submit an Audit Report and a Consolidated Audit Report to the Annual General Meeting. The Auditor carried out a general audit of the Company's Interim Report for the third



quarter.

KPMG AB has been the Company's auditor since 2017, and was re-elected as the Company's auditor at the Annual General Meeting 2025 for the period until the close of the Annual General Meeting 2026. The auditor in charge is Mathias Arvidsson. Mathias Arvidsson is an Authorised Public Accountant and a member of FAR (FAR – the industry organisation for accounting, auditing and consulting).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Note	2025	2024
Net sales	3, 4, 33	738.2	854.7
Cost of goods sold	33	-111.3	-127.4
Gross profit		626.9	727.3
Fulfilment costs		-182.9	-222.3
Marketing costs		-246.5	-259.2
Administration costs		-162.6	-142.2
Other operating income	5	9.1	5.6
Other operating costs	6	-259.3	-14.5
Operating profit	4, 7, 8, 9, 22, 24	-215.3	94.7
Financial income		19.1	18.7
Financial expenses		-72.3	-121.4
Net financial income/expense	10	-53.2	-102.7
Profit/loss before tax		-268.5	-8.0
Tax	12	-9.8	-14.8
Net profit/loss for the year			
Net profit for the year attributable to:			
The Parent's shareholders		-278.3	-22.9
Net profit/loss for the year		-278.3	-22.9
Earnings per share	13		
before dilution (SEK)		-0.13	-0.15
after dilution (SEK)		-0.13	-0.15

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

KSEK	Note	2025	2024
Net profit/loss for the year	29, 33	-278.3	-22.9
Translation differences transferred to net profit for the year		-	-
Other comprehensive income		-	-
Other comprehensive income for the year		-278.3	-22.9
Comprehensive income for the year		-278.3	-22.9
Net profit for the year attributable to:			
The Parent's shareholders		-278.3	-22.9
		-278.3	-22.9

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

MSEK	Note	2025-12-31	2024-12-31
Assets	26, 27		
Goodwill	14	334.3	584.3
Brands	15	429.0	429.0
Other intangible assets	16	1.0	2.3
Equipment and fixtures and fittings	17	11.0	14.6
Right-of-use assets	27	27.6	45.7
Financial assets	25	4.5	4.8
Deferred tax assets	12, 33	0.2	2.7
Total fixed assets		807.7	1 083.5
Inventories	18, 33	42.0	66.8
	12	1.2	2.6
Other receivables		8.8	15.8
Prepaid expenses and accrued income	19, 33	7.5	7.8
Cash and cash equivalents	20	121.4	115.6
Total current assets		181.0	208.6
Total assets		988.7	1 292.1
Equity	21		
Share capital		10.6	0.5
Other contributed capital		1 002.2	296.0
Retained earnings including net profit for the year		-652.9	-373.4
Equity attributable to the Parent's shareholders	33	360.0	-76.9
Total equity		360.0	-76.9
Liabilities	7, 23		
Non-current interest-bearing liabilities	22, 25	370.3	-
Non-current lease liabilities	22, 25, 27	10.0	31.0
Deferred tax liabilities	12	89.0	88.4
Total non-current liabilities		469.3	119.4
Current lease liabilities	22, 25, 27	19.7	19.7
Accounts payable		33.6	54.1
Current tax liabilities	12	4.5	-
Other liabilities	22, 25	33.2	1 107.1
Accrued expenses and deferred income	24, 33	68.4	68.7
Total current liabilities		159.4	1 249.6
Total liabilities		628.7	1 369.0
Total equity and liabilities		988.7	1 292.1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to the Parent's shareholders				Total equity
	Share capital	Other contributed capital	Translations	earnings incl result for the year	
Opening equity 2024-01-01	0.5	296.0		-342.7	-46.2
Adjustment opening balance for the period				-8.3	-8.3
Comprehensive income for the year					
Translation differences				0.5	0.5
Net profit/loss for the year				-22.9	-22.9
Comprehensive income for the year				-22.4	-22.4
Closing equity 2024-12-31	0.5	296.0	0.0	-373.4	-76.9

Adjustments relating to opening equity and profit or loss have been made since the 2024 Annual Report, which means that the cumulative figures have been updated; see Note 33.

MSEK	Equity attributable to the Parent's shareholders				Total equity
	Share capital	Other contributed capital	Translations	earnings incl result for the year	
Opening equity 2025-01-01	0.5	296.0		-373.4	-76.9
New issue	10.1				10.1
Share premium reserve		706.2			706.2
Comprehensive income for the year					
Translation differences				-1.2	-1.2
Net profit/loss for the year				-278.3	-278.3
Comprehensive income for the year				-279.5	-279.5
Closing equity 2025-12-31	10.6	1 002.2	0.0	-652.9	360.0

An adjustment has been made to opening equity since the 2024 Annual Report, which means that cumulative figures and key ratios have been updated; see Note 33.

CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Note	2025	2024
	32, 33		
Operating activities			
Profit/loss after financial items		-268.5	-7.9
Adjustments for items not included in cash flow		286.1	36.0
Income tax paid		0.2	-7.5
		17.8	20.6
Increase(-)/Decrease(+) in inventories		24.7	-15.9
Increase(-)/Decrease(+) in operating receivables		7.3	-0.4
Increase(+)/Decrease(-) in operating liabilities		-30.4	-21.2
Cash flow from operating activities		19.4	-16.9
Investing activities			
Acquisition of property, plant, and equipment		-1.2	-0.3
Acquisition of intangible assets		-	-0.3
Disposal of financial assets		0.3	2.0
Cash flow from investing activities		-0.9	1.4
Financing activities			
Repurchase of bonds		8.1	-
Amortisation of lease liability and interest		-20.8	-18.9
Cash flow from financing activities		-12.7	-18.9
Cash flow for the year		5.8	-34.4
Cash and cash equivalents at the beginning of the year		115.6	149.9
Cash and cash equivalents at year-end		121.4	115.6

INCOME STATEMENT FOR THE PARENT

MSEK	Note	2025	2024
Net sales	3	19.6	11.5
Gross profit		19.6	11.5
Administration costs		-51.5	-24.7
Other operating income		0.3	0.0
Other operating costs	6	-0.3	-0.1
Operating profit	4, 7, 8, 9	-31.9	-13.3
Write-down of shares in subsidiaries		-510.3	-
Profit/loss after financial items			
Interest income from Group companies		-	0.8
Interest income and similar profit/loss items	10	13.5	8.3
		-	-2.3
Interest expense and similar profit/loss items	10	-48.3	-115.3
Profit/loss after financial items		-577.0	-121.8
Appropriations	11	21.0	109.6
Profit/loss before tax		-556.0	-12.2
Tax	12	0.5	-13.6
Net profit/loss for the year		-555.5	-25.8

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PARENT

MSEK	Note	2025	2024
Profit/loss for the period		-555.5	-25.8
Other comprehensive income		-	-
Other comprehensive income for the year		-555.5	-25.8
Comprehensive income for the year		-555.5	-25.8

BALANCE SHEET FOR THE PARENT

MSEK	Note	2025-12-31	2024-12-31
Financial assets			
Participations in Group companies	30	652.1	1 156.8
Total non-current assets		652.1	1 156.8
Current assets			
Current receivables			
Receivables from Group companies		26.2	57.3
Other receivables		1.2	2.0
Prepaid expenses and accrued income	19	0.3	0.3
Total current receivables		27.7	59.6
Cash and cash equivalents		7.5	3.5
Total current assets		35.1	63.1
Total assets		687.2	1 219.9
Equity and liabilities			
Equity			
Restricted equity			
Share capital		10.6	0.5
Non-restricted equity			
Profit/loss brought forward		831.3	150.9
Net profit/loss for the year		-555.5	-25.8
Total equity		286.5	125.6
Non-current liabilities			
Bond loan	22, 25	232.3	-
Total non-current liabilities		232.3	-
Current liabilities			
Accounts payable		2.0	5.0
Liabilities to Group companies		145.4	18.2
Other liabilities	22, 25	1.5	1 065.1
Accrued expenses and deferred income	24	19.6	6.0
Total current liabilities		168.4	1 094.3
Total equity and liabilities		687.2	1 219.9

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT

MSEK	Restricted equity	Non-restricted equity		Total equity
	Restricted equity	Balanced result	Year's result	
Opening equity 2024-01-01	0.5	413.4	-262.6	151.3
Comprehensive income for the year				
Net profit for the year			-25.8	-25.8
Translation differences				0.0
Comprehensive income for the year			-25.8	-25.8
Appropriation of profits		-262.6	262.6	0.0
Closing equity 2024-12-31	0.5	150.8	-25.8	125.5

MSEK	Restricted equity	Non-restricted equity		Total equity
	Restricted equity	Balanced result	Year's result	
Opening equity 2025-01-01	0.5	150.8	-25.8	125.5
New issue	10.1			10.1
Share premium reserve		706.2		706.2
Comprehensive income for the year				
Net profit for the year			-555.5	-555.5
Comprehensive income for the year			-555.5	-555.5
Appropriation of profits		-25.8	25.8	0.0
Closing equity 2025-12-31	10.6	831.3	-555.5	286.5

STATEMENT OF CASH FLOWS FOR THE PARENT

MSEK	Note	2025	2024
	32		
Operating activities			
Profit/loss after financial items		-577.0	-121.8
Adjustments for items not included in cash flow		518.5	8.8
Income tax paid		0.5	-7.3
		-58.0	-120.3
Increase(-)/Decrease(+) in operating receivables		31.9	-3.2
Increase(+)/Decrease(-) in operating liabilities		14.6	7.1
Cash flow from operating activities		-11.5	-116.4
Investing activities			
Acquisition of financial assets		-5.6	-0.5
Desposals of assets		-	0.1
Cash flow from investing activities		-5.6	-0.4
Financing activities			
Group contributions		21.0	109.6
Cash flow from financing activities		21.0	109.6
Cash flow for the year		3.9	-7.2
Cash and cash equivalents at the beginning of the year		3.5	10.7
Cash and cash equivalents at year-end		7.5	3.5

Not 1. Significant accounting policies

COMPLIANCE WITH SET STANDARDS AND LAW

The Consolidated Financial Statements have been drawn up in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the EU. In addition, Rådet för financial rapportering's [the Swedish Financial Reporting Board] recommendation RFR 1 Supplementary accounting rules for groups has been applied.

The Parent applies the same accounting policies as the Group except in those cases specified below in the "the Parent's accounting policies" section.

The Annual Report and the Consolidated Financial Statements were approved for release by the Board of Directors and the Chief Executive Officer. The consolidated statement of profit or loss and other comprehensive income as well as the statement of financial position and the Parent's income statement and balance sheet will be subject to adoption at the Annual General Meeting.

VALUATION BASES APPLIED

IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Assets and liabilities are recognised at historical cost. Desenio's balance sheets currently contain no items which are recognised at fair value.

FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The Parent's functional currency is the Swedish Kronor, which is also the presentation currency for the Parent and for the Group. This means that financial reports are presented in Swedish Kronor. All amounts, unless otherwise stated, are expressed in millions of Swedish Kronor.

ESTIMATES AND JUDGEMENTS IN THE FINANCIAL STATEMENTS

Preparing the financial statements in accordance with IFRS requires that the Executive Management Team makes estimates and judgements as well as assumptions which affect the application of the accounting policies and the recognised amounts of assets, liabilities, income and expense. The actual outcomes may deviate from these estimates and judgements.

The estimates and assumptions are regularly reviewed. Changes to estimates are recognised in the period in which the changes are made if the change affects this period only, or in the period in which the changes are made and in future periods if the change affects both the current period and future periods.

SIGNIFICANT ACCOUNTING POLICIES APPLIED

The accounting policies specified below have been applied consistently to all periods that are presented in the Consolidated Financial Statements. The Group's accounting policies have, in addition, been applied consistently by Group companies.

NEW IFRS WHICH HAVE NOT YET BEEN APPLIED

New and amended IFRS due to be applied in the future are not expected to have any material effect on the Company's financial statements.

CLASSIFICATION ETC.

Non-current assets consist essentially of amounts which are expected to be recovered or paid after more than twelve months from the end of the reporting period, while current assets consist essentially of amounts which are expected to be recovered or paid within twelve months from the end of the reporting period. Non-current liabilities consist essentially of amounts to which Desenio has an unconditional right as at the end of the reporting period.

OPERATING SEGMENT REPORTING

An operating segment is a part of the Group which carries on an operation from which it can generate income and deduct costs and for which independent financial information is available. The profit or loss of an operating segment is also followed up by the company's highest executive decision maker to evaluate the profit or loss and to determine the allocation of resources to the operating segment. See Note 4 for a further explanation of the division and presentation of operating segments.

Consolidation principles and business combinations

SUBSIDIARIES

Subsidiaries are companies which are controlled by Desenio Group AB. Control exists if Desenio Group AB has influence over investment objects, is exposed to or has the right to a variable return from its engagement, and can also use its influence over investment to affect the return. In assessing whether control exists, account is taken of potential voting shares as well as whether de facto control exists.

Subsidiaries are recognised using the acquisition method. This method means that the acquisition of a subsidiary is treated as a transaction through which the Group indirectly acquires the assets of the subsidiary and assumes its liabilities. In the acquisition analysis, the fair value of acquired identifiable assets and assumed liabilities, as well as any non-controlling holdings is established as at the acquisition date. Transaction expenses, with the exception of transaction expenses which

are attributable to the issue of equity instruments or debt instruments, which arise are recognised directly in profit or loss.

In the event of business combinations in which the compensation transferred, any non-controlling holdings and the fair value of previously owned participations (in the event of stepped acquisitions) exceeds the fair value of the acquired assets and assumed liabilities which are recognised separately, the difference is recognised as goodwill. When the difference is negative, in a "bargain purchase" this is recognised directly in profit or loss.

TRANSACTIONS WHICH ARE ELIMINATED ON CONSOLIDATION

Internal group receivables and liabilities, income or expense and unrealised gains or losses which arise from intra-Group transactions among Group companies, are eliminated in their entirety in the preparation of the Consolidated Financial Statements.

Foreign currencies

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling on the transaction date. The functional currency is the currency in the primary economic environment in which the companies carry on their operations. Monetary assets and liabilities in foreign currencies are translated to the functional currency at the exchange rate ruling at the end of the reporting period. Exchange differences which arise from translations are recognised in profit or loss. Non-monetary assets and liabilities which are recognised at historical cost are translated at the exchange rate on the date of the transaction. Non-monetary assets and liabilities which are recognised at fair value are translated to the functional currency at the exchange rate ruling on the date of valuation at fair value.

FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

Assets and liabilities in foreign operations, including goodwill and other consolidated surplus values and negative surplus values, are translated from the foreign operation's functional currency to the Group's presentation currency, Swedish Kronor, at the exchange rate ruling at the end of the reporting period. Income and expense in a foreign operation translated to Swedish Kronor at an average exchange rate which constitutes an approximation of the exchange rates which existed on the respective transaction dates. Translation differences which arise during the currency translation for foreign operations are recognised in other comprehensive income and accumulated in a separate component of equity, designated the translation reserve.

When control of a foreign operation ceases, the accumulated translation differences attributable to the operation are realised, whereupon they are reclassified from the translation reserve and equity to profit or loss. In the event that disposal takes place but control remains, a proportional share of accumulated translation differences are transferred from the translation reserve to non-controlling holdings.

Income

PERFORMANCE OBLIGATIONS AND INCOME RECOGNITION PRINCIPLES

Income is valued on the basis of the compensation specified in the agreement with the customer. Desenio recognises the income when control over a good or service is transferred to the customer. The Group's income consists essentially of the sale of goods. Ownership is normally transferred when the goods reach the end customer or the designated delivery point.

The Group's contract with its customers permits the return of a good. The expected effect of returns is recognised through the income being initially reduced by the expected repayment, which is calculated on the basis of historical data, and a repayment liability is recognised. The right to recover the good is recognised as an asset equivalent to the inventory value.

STATE AID

Government assistance is recognised in the statement of financial position as accrued income when there is reasonable certainty that the assistance will be received and that the Group will fulfil the terms and conditions associated with the assistance. The assistance is accrued systematically in profit or loss in the same way and over the same periods as the costs which the assistance is intended to compensate for.

LEASES

When an agreement is entered into, the Group judges whether the agreement is, or contains, a lease. An agreement is, or contains, a lease if the agreement transfers the right for a certain period to determine the use of an identified asset in exchange for a consideration.

At the beginning of a lease or on the review of a lease which contains several lease components and non-lease components, the Group allocates the consideration under the agreement to each component on the basis of the independent price. For the lease of buildings and ground in which the Group is the lessee, the Group has, however, chosen not to separate non-lease components, and recognises lease components and non-lease components which are paid at a fixed amount as one single lease component.

LEASES IN WHICH THE GROUP IS LESSEE

The Group recognises a right-of-use asset and a lease liability on the date on which the lease commences. The right-of-use

asset is valued initially at cost, which consists of the initial value of the lease liability with the addition of lease fees which were paid on or before the commencement date plus any initial direct expenditure. The right-of-use asset is depreciated on a straight-line basis from the commencement date until the earlier of the end of the useful life of the asset and the end of the lease period, which, for the Group, is normally the end of the lease period. In the rare case where the cost of the right-of-use asset reflects the fact that the Group will exercise an option to purchase the underlying asset, the asset is depreciated to the end of its useful life.

Lease liabilities which are divided into non-current and current parts are valued initially at the present value of the remaining lease fees over the estimated lease period. The lease period consists of the non-cancellable period with the addition of further periods in the agreement if it is judged on the commencement date as reasonably certain that these will be utilised.

The lease fees are normally discounted at the Group's marginal borrowing interest rate, which, over and above the Group's company's credit risk reflects the agreement's lease period, currency and the quality of the underlying asset as intended security. In the event that the implicit interest rate in the lease can be established easily, however, this interest rate is used, which is the case for parts of the Group's leases of vehicles.

The value of the liability is raised by the interest cost for the respective period and reduced by the lease payments. The interest expense is calculated as the value of the liability multiplied by the discount rate.

For leases which have a lease period of 12 months or less, or with an underlying asset of low value, below SEK 50,000, no right-of-use asset and lease liability are recognised. Lease fees for these leases are recognised as a cost on a straight-line basis over the lease period.

FINANCIAL INCOME AND EXPENSE

Interest income or interest expense are recognised in accordance with the effective interest-rate method. Dividends are recognised in profit or loss as at the date on which the Group's right to payment is established. The effective interest rate is the interest rate which exactly discounts the estimated future payments received and disbursed during the expected term of the financial instrument at:

- The recognised gross value of the financial asset, or the accrued cost of the financial liability.

TAX

Income tax comprises current tax and deferred tax. Income tax is recognised in profit or loss apart from when the underlying transaction is recognised in other comprehensive income or in

equity, whereupon the associated tax effect is recognised in other comprehensive income or in equity.

Current tax is the tax which is to be paid or received in the current year, using the tax rates which are in effect or in practice in effect at the end of the reporting period. The current tax also includes adjustment of current tax attributable to earlier periods.

Deferred tax is calculated in accordance with the balance sheet method with the starting point in temporary differences between the carrying amounts and tax values of assets and liabilities. Temporary differences are not taken into account in Group goodwill nor is any difference which arose on first recognition of assets and liabilities that are not business combinations which, on the date of the transaction do not affect either the recognised or taxable profit or loss. In addition, temporary differences attributable to participations in subsidiaries and associates which are not expected to be reversed in the foreseeable future are not taken into account. The valuation of deferred tax is based on how the underlying assets and liabilities are expected to be realised or settled. Deferred tax is calculated using the tax rates and tax regulations which are in effect or in practice in effect at the end of the reporting period.

Deferred tax assets in respect of deductible temporary differences and loss carry forwards are recognised only to the extent that it is likely that these will be utilised. The value of deferred tax assets is reduced when it is no longer considered likely that they can be utilised.

Financial instruments

RECOGNITION AND FIRST VALUATION

Accounts receivable and issued debt instruments are recognised when they are issued. Other financial assets and financial liabilities are recognised when the Group becomes a party to the contractual terms and conditions of the instrument.

CLASSIFICATION AND SUBSEQUENT VALUATION

FINANCIAL ASSETS

On first recognition, a financial asset is classified as valued at: amortised cost; fair value via other comprehensive income – debt instrument investment; fair value via other comprehensive income – equity investment; or fair value via profit or loss. The group holds only financial assets valued at amortised cost.

FINANCIAL LIABILITIES – CLASSIFICATION, SUBSEQUENT VALUATION AND GAINS AND LOSSES

Financial liabilities are classified as valued at amortised cost or fair value via profit or loss. The Group only has financial

liabilities valued at amortised cost. Interest expense and exchange rate gains and losses are recognised in profit or loss. Gains or losses on derecognition are also recognised in profit or loss.

FINANCIAL ASSETS

The Group deletes a financial asset from the statement of financial position when the contractual rights to the cash flows from the financial assets cease or if it transfers the right to receive the contractual cash flows through a transaction in which in essence all risks and benefits associated with ownership have been transferred or in which the Group does not transfer or retains essentially all the risks and benefits of ownership and does not retain control of the financial asset.

FINANCIAL LIABILITIES

The Group derecognises a financial liability from the statement of financial position when the obligations specified in the agreement are fulfilled, are cancelled or cease. The Group also derecognises a financial liability when the contractual terms and conditions are modified and the cash flows from the modified liability are materially different. In that case a new financial liability is recognised at fair value based on the modified terms and conditions.

SET-OFF

Financial assets and financial liabilities shall be set-off and recognised at a net amount in the statement of financial position only when the Group has a legal right to set-off the carrying amount and has the intention of settling the items at a net amount or simultaneously realising the asset and settling the liability.

PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment are recognised in the Group at cost after the deduction of accumulated depreciation and any impairments. Cost includes the purchase price as well as expenditure directly attributable to the asset to bring it on-site and into a condition to be utilised in accordance with the purpose of the acquisition.

AMORTISATION POLICY

Depreciation takes place on a straight-line basis over the estimated useful life of the asset. Land is not depreciated. Leased assets are also depreciated over their estimated useful life, or if this is shorter, over the agreed lease period. The Group applies component depreciation, which means that the estimated useful life of the components is used as the basis for depreciation.

The depreciation methods used, the residual values and useful lives are reviewed at the end of each year.

Intangible assets

GOODWILL AND BRANDS

Goodwill and brands are valued at cost minus any accumulated impairment. Goodwill and brands are allocated to cash-generating units and are tested at least annually for impairment.

DEVELOPMENT EXPENDITURE

Expenditure on development, in which knowledge is applied to achieve new and improved products or processes, is recognised as an asset in the statement of financial position, if the product or process is technically and commercially usable, and the Company has sufficient resources to complete the development and subsequently use or sell the intangible asset. The carrying amount includes all directly attributable expenditure; e.g. for materials and services, remuneration of employees, registration of a legal right, amortisation of patents and licences and borrowing expenses in accordance with IAS 23. Other expenditure for development is recognised in profit or loss as an expense when it arises. In the statement of financial position, recognised development expenditure is included at cost minus accumulated amortisation and any impairment.

OTHER INTANGIBLE ASSETS

Other intangible assets which have been acquired by the Group consist primarily of customer relationships, and are recognised at cost minus accumulated amortisation and any impairment.

AMORTISATION POLICY

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the intangible asset, unless the useful life is infinite. The useful life periods are reviewed at least annually. Goodwill and other intangible assets with an infinite useful life or which are not ready for use are tested for impairment annually and, in addition, as soon as there are indications that the asset in question has fallen in value. Intangible assets with a finite useful life are amortised from the date on which they are available for use.

- The estimated useful lives are: capitalised development expenditure 5 years
- customer relationships 3 years

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

If there are indications of an impairment need, the recoverable amount of the asset is calculated (see below). For goodwill, other intangible assets with indefinite useful lives and intangible assets which are not yet ready for use, the recoverable amount is also calculated annually. If it is not possible to determine significant independent cash flows for an individual asset, and its fair value minus selling expenses

cannot be used, the assets are grouped on testing for impairment at the lowest level at which it is possible to identify significant independent cash flows – a cash-generating unit.

An impairment is recognised when the carrying amount of an asset or cash-generating unit (group of units) exceeds the recoverable amount. An impairment is recognised as a cost in profit or loss. When an impairment need is identified for a cash-generating unit (group of units) the impairment amount is initially allocated to goodwill. Thereafter, a proportional impairment of other assets included in the unit (group of units) is made.

The recoverable amount is the higher of its fair value less selling costs, and its value in use. In calculating the value in use, future cash flows are discounted using a discount factor which takes account of risk-free interest and the risk associated with the specific asset.

REVERSAL OF IMPAIRMENT

An impairment is reversed if there are indications that the impairment need no longer exists and changes taking place in the assumptions which lay behind the calculation of the recoverable amount. Impairment of goodwill however, is never reversed. Reversal is made only to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount which would have been recognised, with the deduction of amortisation where that is involved, if no impairment had been made.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is calculated through the application of the first in, first out method (FIFO) and include expenditure which arose on the acquisition of the inventory assets and transporting them to their present location and condition.

EARNINGS PER SHARE

The calculation of earnings per share before dilution is based on the consolidated net profit for the year attributable to the Parent's owners and on the weighted average number of shares outstanding during the year. In calculating earnings per share after dilution, the profit and the average number of shares are adjusted to take account of the effects of diluting potential ordinary shares, which, during the reported periods derived from options issued to employees. The dilution from the options is based on an estimate of how many shares hypothetically could have been purchased during the period at the exercise price and the value of remaining services in accordance with IFRS 2 Share-related payment. The shares which it had not been possible to buy lead to dilution. Also included are the number of options, and therefore shares, which would have been vested if the degree of fulfilment of the

vesting conditions at the end of the current period would also exist at the end of the vesting period. Potential ordinary shares are seen as diluting only during periods in which it leads to lower earnings or greater loss per share.

PENSION PLANS

All of Desenio's pension obligations are defined-contribution plans. Pension plans are classified as defined-contribution if the Company's obligation is limited to the contributions that the Company has undertaken to pay. In such cases the amount of the employee's pension depends on the contributions which the Company paid into the plan or to an insurance company, and the return on capital which the contributions generate. Consequently, it is the employee who bears the actual risk (that the remuneration will be lower than expected) and the investment risk (that the invested assets will be insufficient to provide the expected remuneration). The Company's obligations in respect of contributions to defined-contribution plans are recognised as an expense in profit or loss at the rate at which they are earned by the employee carrying out services for the Company during a period.

SHARE-RELATED PAYMENT

An options programme enables employees to acquire shares in the Company. The employees' have, however, paid the market value for the options received, and, accordingly, there will be no effect on profit or loss or in the statement of financial position.

THE PARENT'S ACCOUNTING POLICIES

The Parent has drawn up its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. The Swedish Financial Reporting Board's issued declarations applicable to listed companies is applied. RFR 2 means that the Parent, in the Annual Report for the legal entity, shall apply all EU-approved IFRS and declarations as far as this is possible within the framework of the Annual Accounts Act, the Pensions Obligations Vesting Act (1967:531) and taking account of the connection between accounting and taxation. The recommendation specifies which exceptions from and additions to IFRS are to be made.

DIFFERENCES BETWEEN THE ACCOUNTING POLICIES OF THE GROUP AND THE PARENT

The differences between the accounting policies of the Group and the Parent are set out below. The accounting policies for the Parent specified below have been applied consistently to all periods presented in the Parent's financial statements.

CLASSIFICATION AND LAYOUTS

The terms used for the Parent are balance sheet and analysis of cash flows for the statements which in the Group are entitled statement of financial position and statement of cash

flows respectively. The Parent's income statement and balance sheet are laid out in accordance with the schedule in the Annual Accounts Act, while the statement of profit or loss and other comprehensive income, the statement of changes in equity and the analysis of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows respectively. The differences from the Group's statements which come into play in the Parent's income statements and balance sheets consist primarily of the presentation of equity.

SUBSIDIARIES

Participations in subsidiaries are recognised in the Parent using the cost method. This means that transaction expenses are included in the carrying amount. In the Consolidated Financial Statements, transaction expenses attributable to subsidiaries are recognised directly in profit or loss as they arise.

OPERATING SEGMENT REPORTING

The Parent does not recognise segments in accordance with the same division or with the same scope as the Group, but states the allocation of net sales in the Parent's operational areas.

LEASED ASSETS

The Parent does not apply IFRS 16, in accordance with the exception provided for in RFR 2. As the lessee, lease fees are recognised as an expense on a straight-line basis over the lease period, and, accordingly, right-of-use and lease liabilities are not recognised in the balance sheet. In the same way as in the Consolidated Financial Statements, no differentiation is made between lease components and non-lease components for land and buildings. Lease components and non-lease components are instead recognised as a single lease component for these types of underlying assets. Those agreements in which the Parent constitutes the lessor are recognised as operating leases.

GROUP CONTRIBUTION

Group contribution is recognised as an appropriation.

Not 2. Going concern assumption

On 24 December 2024 a term sheet was signed outlining the restructuring of the bonds. The agreement includes a debt conversion which implies a 75% write-down of the bonds and a 95% dilution of existing shareholders. This agreement was approved by the bondholders in February 2025 and ratified at an Extraordinary General Meeting of shareholders on 4 March 2025.

The former bond was exchanged for two new bonds in March 2025. Desenio Group AB has a 4-year bond with a nominal amount of SEK 251.3 million and an interest rate of 12.5% (8.75% is cash interest and 3.75% is payment-in-kind interest).

Desenio MidCo AB has a 2.5-year bond with a nominal value of SEK 150 million and 7.75% cash interest.

As a result of this refinancing, the debt level and the maturity structure of the Company's financing have both improved significantly and therefore no financing risk is expected to materialise in the next 12 months.

Not 3. Income

CONTRACT BALANCES

Information on receivables, contract assets and contract liabilities from contracts with customers are summarised below.

THE GROUP		
MSEK	2025-12-31	2024-12-31
Other receivables	8.8	15.8

THE PARENT		
MSEK	2025-12-31	2024-12-31
Other receivables	5.2	6.0

The Group's income consists essentially of sales of goods, such as posters and frames. The Group has previously recognised revenue when control of goods is transferred to the customer, based on the point at which goods are handed over to an independent carrier. Consequently, income was recognised at the time of transfer to an independent carrier. From 2025 onwards, the Group will apply the principle that revenue is recognised when control of the goods has been transferred to the end customer, either upon receipt of the goods or when they arrive at the chosen delivery point, which is the point at which the performance obligation is satisfied. Corrections relating to previous periods have been applied consistently in the following Financial Statements. The Parent's income includes allocation of common costs

Not 4. Operating segments

The Group's operation is divided into operating segments based on the particular parts of the operation that the Company's highest executive decision maker follows up. This system is called the "management approach".

The Group's operation is followed up on a geographical basis. The follow-up covers income, the cost of goods sold and operating costs. The division into operating segments is based on the markets in which Desenio's products are sold.

The following operating segments have been identified:

- Nordics
- Core Europe, which consists of Germany, France, the Netherlands and Great Britain
- Rest of Europe
- Rest of World

INCOME PER GEOGRAPHICAL AREA

THE GROUP		
MSEK	2025	2024
External revenues		
Sweden	95.6	101.3
Germany	185.3	217.6
France	54.9	68.9
The Netherlands	36.7	43.9
Great Britain	69.6	84.3
Rest of Europe	237.0	266.9
USA	39.8	47.0
Rest of World	19.3	24.7
	738.2	854.7
Investments in fixed assets		
Sweden	0.5	-
The Czech Republic	0.4	0.3
USA	-	-
	0.9	0.3

Adjustments have been made since the 2024 annual report, which means that the cumulative revenue figures have been updated; see Note 33

THE GROUP'S OPERATING SEGMENTS

MSEK	Nordics		Core Europe		Rest of Europe		Rest of world		Reconciling items		Total consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net sales	201.6	216.1	346.5	414.5	131.2	152.3	59.0	71.8			738.2	854.7
Cost of goods sold	-28.4	-33.0	-47.1	-60.1	-24.0	-20.6	-11.7	-13.7			-111.3	-127.4
Gross profit	173.2	183.1	299.4	354.4	107.2	131.8	47.2	58.1			626.9	727.3
Operating costs	-109.4	-115.9	-194.2	-224.4	-67.9	-72.1	-56.5	-67.4	-414.2	-152.8	-842.2	-632.6
Operating profit	61.2	67.5	100.7	130.6	37.8	59.9	-10.1	-9.2	-404.8	-154.1	-215.2	94.7
Net financial income/ e)									-53.2	-102.7	-53.2	-102.7
Profit/loss before tax	61.2	67.5	100.7	130.6	37.8	59.9	-10.1	-9.2	-458.0	-256.8	-268.5	-8.0

Adjustments have been made since the 2024 Annual Report, which means that the cumulative figures for net sales and cost of goods sold have been updated; see Note 33

Not 5. Other operating income

THE GROUP		
MSEK	2025	2024
Exchange rate gains on operating receivables/liabilities	4.7	4.7
Other	4.3	0.9
	9.1	5.6

THE PARENT		
MSEK	2025	2024
Exchange rate gains on operating receivables/liabilities	0.3	0.0
	0.3	0.0

Not 6. Other operating costs

THE GROUP		
MSEK	2025	2024
Exchange rate losses on receivables/liabilities of an operating character	-9.3	-14.5
Write-down of goodwill	-250.0	-
	-259.3	-14.5

THE PARENT		
MSEK	2025	2024
Exchange rate losses on receivables/liabilities of an operating character	-0.3	-0.1
	-0.3	-0.1

Not 7. Employees, personnel costs and remuneration of senior executives

THE GROUP				
MSEK	2025		2024	
Salaries and remuneration etc.	60.3		61.1	
Pension costs, defined-contribution plans	4.4		4.5	
Social security contributions	18.9		20.2	
	83.6		85.7	
MSEK	2025	Of whom men	2024	Of whom men
The parent				
Sweden	3	91%	3	65%
Total parent	3	91%	3	65%
Subsidiaries				
Sweden	73	25%	85	23%
The Czech Republic	49	27%	28	27%
USA	2	100%	1	100%
Total in subsidiaries	124	27%	114	25%
Group total	127	28%	117	26%

GENDER DISTRIBUTION IN THE EXECUTIVE MANAGEMENT TEAM

MSEK	2025-12-31	2024-12-31
	Percentage women	Percentage women
The parent		
Board of directors	20%	40%
Other senior executives	38%	50%
The group		
Board of directors	20%	40%
Other senior executives	38%	50%

SALARIES AND OTHER BENEFITS DIVIDED BETWEEN SENIOR EXECUTIVES AND OTHER EMPLOYEES, AS WELL AS SOCIAL SECURITY CONTRIBUTIONS IN THE PARENT.

THE PARENT		2025		
MSEK	Senior executives	Other employees	Total	
Wages, salaries and other benefits	12.5	0.0	12.5	
(of which bonuses, etc.)	1.0	0.0	1.0	
Social security expenses	4.5	0.0	4.5	
(of which pension expenses)	1.6	0.0	1.6	

THE PARENT		2024		
MSEK	Senior executives	Other employees	Total	
Wages, salaries and other benefits	7.3	0.0	7.3	
(of which bonuses, etc.)	1.3	0.0	1.3	
Social security expenses	5.5	0.0	5.5	
(of which pension expenses)	2.0	0.0	2.0	

SALARIES AND OTHER BENEFITS, PENSION COSTS AND PENSION OBLIGATIONS FOR SENIOR EXECUTIVES IN THE GROUP

THE GROUP		2025	2024
MSEK		Senior executives (8 persons)	Senior executives (6 persons)
Wages, salaries and other benefits		19.8	12.6
(of which bonuses, etc.)		1.8	2.2
Pension costs		2.0	2.0
Pension obligations		-	-

SALARIES AND OTHER BENEFITS FOR SENIOR EXECUTIVES

2025 MSEK	Basic salary	Variable remuneration	Pension cost	Other benefits	Total
PREVIOUS BOARD (until may 2025)					
Alexander Hars - Chair of the Board fo Directors Remuneration from the Parent	0.2				0.2
Jakob Tolleryd - Member of the Board Remuneration from the Parent	0.0				0.0
Max Carlsén - Member of the Board Remuneration from the Parent	0.0				0.0
Martin Blomqvist - Member of the Board Remuneration from the Parent	0.0				0.0
Nathalie Du Preez - Member of the Board Remuneration from the Parent	0.1				0.1
Sarah Kauss - Member of the Board Remuneration from the Parent	0.1				0.1
Cecilia Marlow - Member of the Board Remuneration from the Parent	0.0				0.0
Fredrik Palm - Chief Executive Officer Remuneration from the Parent	2.5	1.2	0.7	0.0	4.3
CURRENT BOARD (from May 2025)					
Martin Weiss - Chair of the Board fo Directors Remuneration from the Parent	0.0			0.0	0.0
Remuneration from the subsidiaries	0.0			1.3	1.3
Andreas Otto - Member of the Board Remuneration from the Parent	0.0			0.0	0.0
Remuneration from the subsidiaries	0.0			0.6	0.6
Petra von Strombeck - Member of the Board Remuneration from the Parent	0.0			0.0	0.0
Remuneration from the subsidiaries	0.0			0.3	0.3
Stephen Taylor-Matthews - Member of the Board Remuneration from the Parent	0.0			0.0	0.0
Remuneration from the subsidiaries	0.0			0.7	0.7
Erik Flinck - Chief Executive Officer Remuneration from the Parent	2.9	0.0	0.2	0.0	3.1
Remuneration from the subsidiaries	0.0			0.1	0.1
Other senior managers					
Remuneration from the Parent	1.9	0.0	0.4	0.7	2.9
Remuneration from the subsidiaries	3.9	0.8	0.6	2.0	7.3

SALARIES AND OTHER BENEFITS FOR SENIOR EXECUTIVES

THE PARENT					
2024	Basic salary	Variable remuneration	Pension cost	Other benefits	Total
MSEK					
Alexander Hars - Chair of the Board fo Directors					
Remuneration from the Parent	0.5				0.5
Jakob Tolleryd - Member of the Board					
Remuneration from the Parent	0.0				0.0
Max Carlsén - Member of the Board					
Remuneration from the Parent	0.0				0.0
Martin Blomqvist - Member of the Board					
Remuneration from the Parent	0.0				0.0
Nathalie Du Preez - Member of the Board					
Remuneration from the Parent	0.2				0.2
Sarah Kauss - Member of the Board					
Remuneration from the Parent	0.2				0.2
Cecilia Marlow - Member of the Board					
Remuneration from the Parent	0.0				0.0
Fredrik Palm - Chief Executive Officer					
Remuneration from the Parent	2.5	1.2	0.7	0.0	4.3
Other senior managers					
Remuneration from the Parent	3.2	0.1	0.6	0.0	3.9
Remuneration from the subsidiaries	4.3	1.0	0.7	0.0	6.0
Total	11.0	2.2	2.0	0.0	15.2
Remuneration from the Parent	6.7	1.3	1.3	0.0	9.2
Remuneration from the subsidiaries	4.3	1.0	0.7	0.0	6.0

SHARE-RELATED PAYMENT

No share-based remuneration arrangements are in place.

Not 8. Fees and reimbursement of the auditor's expenses

THE GROUP		
MSEK	2025	2024
KPMG AB		
Audit services	1.6	1.5
Audit operations over and above the audit assignment	0.3	0.2
Tax advice	0.0	0.0
Other assignments	-	0.1

THE PARENT		
MSEK	2025	2024
KPMG AB		
Audit services	0.7	0.4
Audit operations over and above the audit assignment	0.3	0.2
Tax advice	0.0	0.0
Other assignments	-	0.1

The term "audit services" refers to the statutory audit of the Annual Report and accounting and of the administration of the Company by the Board of Directors and the CEO, as well as audits and other reviews carried out under agreements or contracts. This includes other tasks incumbent upon the Company's auditors and advisory services or other assistance

resulting from observations made during such audits or the performance of other such tasks.

Not 9. The operation's costs allocated by cost type

THE GROUP		
MSEK	2025	2024
Goods for resale	111.3	127.4
Change inventory	-	-
Other external expenses	503.5	532.0
Personnel expenses	83.5	85.2
Other operating costs	9.2	14.2
Depreciation/amortisation of property, plant and equipment and intangible assets.	5.2	6.9
Write-down of goodwill	250.0	-
Total	962.7	765.6

THE PARENT		
MSEK	2025	2024
Personnel expenses	16.8	10.4
Other operating costs	34.6	14.2
Total	51.4	24.6

Adjustments relating to trading goods have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

Not 10. Net financial income/expense

THE GROUP		
MSEK	2025	2024
Exchange gains	4.7	16.6
Other assets at amortised cost – interest income	1.3	5.4
Capital gains on investments	12.8	-
Other financial income	0.2	-
Financial income	19.1	22.0
Liabilities valued at amortised cost – interest expense	-57.6	-102.9
Exchange losses	-11.4	-12.0
Costs of bond loan	-2.5	-8.8
Other financial expense	-0.9	-1.0
Financial expense	-72.3	-124.7
Net financial income/expense recognised in profit or loss	-53.2	-102.7

THE PARENT		
MSEK	2025	2024
Interest income	0.1	0.2
Exchange gains	0.1	8.1
Capital gains on investments	12.8	-
Other financial income	0.5	-
Total	13.5	8.3
Interest expense bond loan	-45.1	-99.6
Costs of bond loan	-0.9	-8.8
Exchange losses	-2.3	-
Other	-	-6.9
Total	-48.3	-115.3

Not 11. Appropriations

THE PARENT		
MSEK	2025	2024
Group contributions received	21.0	109.6
Total	21.0	109.6

Not 12. Tax

RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME/STATEMENT OF PROFIT OR LOSS

THE GROUP			
MSEK	2025		2024
Current tax expense (-)/tax income (+)			
Tax expense for the year	-6.7		-14.9
	-6.7		-14.9
Deferred tax expense (-) /tax income (+)			
Deferred tax in respect of temporary differences	-3.0		0.1
	-3.0		0.1
Total recognised tax expense in the Group	-9.8		-14.8

Adjustments relating to deferred tax have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

THE PARENT			
MSEK	2025		2024
Current tax expense (-)/tax income (+)	-		-14.1
Tax expense for the year	0.5		0.5
Tax expense for the year	0.5		-13.6

RECONCILIATION OF EFFECTIVE TAX

THE GROUP				
MSEK	2025		2024	
Profit/loss before tax		-268.5		-8.0
Tax in accordance with current tax rates for the Parent	20.6%	55.3	20.6%	1.7
Non-deductible expenses	-24.5%	-65.9	-206.8%	-16.6
Ej avdragsgilla intäkter	0.1%	0.3	0.0%	-
Tax expense for the year	0.2%	0.5	0.0%	-
Recognised effective tax	-3.6%	-9.8	-186.2%	-14.9

Adjustments relating to profit before tax and deferred tax have been made since the 2024 Annual Report, meaning that the cumulative figures have been updated; see Note 33

THE PARENT				
MSEK	2025		2024	
Profit/loss before tax		-556.0		-12.2
Tax in accordance with current tax rates for the Parent	20.6%	114.5	20.6%	2.5
Non-deductible expenses	-20.6%	-114.5	-135.6%	-16.6
Tax previous years	0.1%	0.5	4.1%	0.5
Recognised effective tax	0.0%	0.5	-115.0%	-13.6

CHANGE IN DEFERRED TAX AND TEMPORARY DIFFERENCES AND LOSS CARRY-FORWARD

THE GROUP						
MSEK	Balance as at 1 Jan 2025	Recognised in profit or loss	other comprehensiv e income	Recognised in equity	Acquisition/ Disposal of businesses	Balance as at 31 Dec 2025
Change in deferred tax and temporary differences and loss carry-forward	85.7	3.0				88.8
	85.7	3.0	0.0	0.0	0.0	88.8

THE GROUP						
MSEK	Balance as at 1 Jan 2024	Recognised in profit or loss	other comprehensiv e income	Recognised in equity	Acquisition/ Disposal of businesses	Balance as at 31 Dec 2024
Change in deferred tax and temporary differences and loss carry-forward	85.8	-0.1				85.7

The nominal tax rate for Swedish limited liability companies is 20.6% for the years 2024 and 2025.

Adjustments relating to deferred tax have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

Not 13. Earnings per share

EARNINGS PER SHARE FOR TOTAL AND REMAINING OPERATION

Before dilution			After dilution		
kr	2025	2024	kr	2025	2024
Earnings per share	-0.13	-0.15	Earnings per share	-0.13	-0.15
MSEK				2025	2024
Net profit for the year attributable to the Parent's shareholders, before dilution				-278.3	-22.9
MSEK				2025	2024
Net profit for the year attributable to the Parent's shareholders, after dilution				-278.3	-22.9

Adjustments relating to profit have been made since the 2024 Annual Report, which means that earnings per share have been updated; see Note 33

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES, AFTER DILUTION

In thousands of shares	2025	2024
Weighted average number of ordinary shares during the year, before dilution	2 333 983	149 082
Effect of options	-	-
Weighted average number of ordinary shares during the year, after dilution	2 333 983	149 082

INSTRUMENTS WHICH MAY HAVE A FUTURE DILUTING EFFECT AND CHANGES AFTER THE END OF THE REPORTING PERIOD

As at 31 December 2025, the company had no outstanding warrant programmes, meaning that there is no dilution effect whatsoever.

Not 14. Goodwill

THE GROUP		
MSEK	2025	2024
Akkumulatet kost		
Öppningsbalans	584.3	584.3
Skrivning	-250.0	-
Slutbalans	334.3	584.3

IMPAIRMENT TESTS FOR CASH-GENERATING UNITS CONTAINING GOODWILL

The following cash-generating units have significant recognised goodwill values in relation to the Group's total recognised goodwill values:

MSEK	2025	2024
Desenio / Poster Store	334.3	584.3
Total	334.3	584.3

GOODWILL IN THE DESENIÓ AND POSTER STORE OPERATION

Consolidated goodwill arose through two acquisitions. The first was the previous acquisition of the Desenio operation and the second the acquisition of the Poster Store operation at the end of 2020. The Group consolidated the two businesses in 2021 and thus has one cash-generating unit. Impairment tests of the operations are based on their values in use. This value is based on cash flow calculations based on the business plan approved by the Board of Directors. The cash flows calculated for the period beyond the first five years are based on an annual growth rate of 2% (2%), which is considered conservative given the expected market trends (see below). The estimated cash flows have been discounted to present value using a discount rate of 15.2% (15.4%) after tax. Assumptions which are important in the five-year business forecast are described in the list below.

The impairment test as at 31 December 2025 was based on estimating the value in use. This value is based on cash flow calculations based on the business plan approved by the Board

of Directors. The estimated cash flows have been discounted to present value using a current discount rate of 15.2% (15.4%) after tax.

The impairment test as at 31 December 2025 showed that there was no need for impairment.

SENSITIVITY ANALYSIS

In assessing the need for impairment, an average growth rate of 5% has been assumed for the years 2027–2030. However, if 0% growth had been assumed for the same period, there would have been no need for impairment.

A weighted average cost of capital (WACC) of 15.2% has been used in assessing the need for impairment. Even if the interest rate was 2 percentage points higher, there would be no need for impairment.

The important assumptions in the five-year forecasts and the methods used to estimate values are as follows for the current and the preceding year:

Important variables	Methods for estimating values
Market growth	<p>The market for posters and ‘affordable wall art’ (including canvas prints) is expected to grow steadily between 2026 and 2035, roughly in line with – or slightly faster than – the broader global wall art market. The global wall art market is estimated to be worth around USD 65–71 billion by 2026 and to grow to approximately USD 99–145 billion by 2033–2034, representing an annual growth rate of around 6–9%. Posters, frames and similar wall decorations (including canvas prints) are projected to be worth between 10 and 15 billion USD by the end of the 2020s, with forecasts of 5–10% annual growth between 2026 and 2033. Global annual growth for the Desenio Group’s market can therefore be estimated at around 7.5% per year, implying that it will double in size over a ten-year period.</p> <p>Urbanisation, a growing middle class and higher disposable incomes worldwide are driving demand for home furnishings and wall art. Digital printing, print-on-demand and e-commerce make affordable wall art easily accessible worldwide, whilst social media and interior design trends (Instagram, Pinterest, TikTok) are driving interest in frequently updated, on-trend and seasonal wall decorations, which particularly benefits posters and affordable canvas prints. With more people working from home, there is a growing desire to upgrade the design of home offices and living rooms.</p> <p>North America and Europe are currently the largest markets for wall art, with well-established e-commerce and high purchasing power. The European wall art sector is expected to continue growing by around 5–7% per year, with affordable posters and canvases benefiting particularly from strong online penetration and trend-conscious consumers. The Asia-Pacific region is growing at a faster rate (often 7–9%), making it increasingly important.</p>
Discount rate	<p>The discount rate is formulated through a weighted average cost of capital for the sector in which the Group operates and reflects current market assessments of the time value of money and the risks which particularly relate to the asset for which the future cash flows have not been adjusted. The calculated recoverable amount is higher than the current market value of the Group, which justifies a specific risk premium. A company-specific risk premium of 4.5% has been added to account for the higher risk in the growth forecasts, geographical expansion, realisation of cost savings and forecast accuracy. With the company-specific risk premium, the discount rate is 15.2% after tax.</p>

Not 15. Brands

THE GROUP		
MSEK	2025	2024
Accumulated cost		
Opening balance	429.0	429.0
Closing balance	429.0	429.0

In the impairment testing of trademarks, no impairment need has been identified. In this test, the estimated recoverable

amount has been shown to be higher than the carrying amount as at 31 December 2025.

Not 16. Other intangible assets

THE GROUP	2025-12-31		2024-12-31	
	Capitalised development expenditure	Customer relationships	Capitalised development expenditure	Customer relationships
MSEK				
Accumulated cost				
Opening balance	13.0	134.0	12.6	134.0
Other investments	-		0.3	
Sales/retirements				
Closing balance	13.0	134.0	13.0	134.0
Total closing balance		147.0		147.0
Accumulated depreciation/amortisation				
Opening balance	-10.7	-134.0	-8.2	-134.0
Depreciation/amortisation for the year	-1.3		-2.5	
Sales/retirements				
Closing balance	-12.0	-134.0	-10.7	-134.0
Total closing balance		-146.0		-144.7
Carrying amount	1.0	-	2.3	-
Total carrying amount	-	1.0	-	2.3

Depreciation/amortisation for the year is included in the following lines in the statement of profit and loss and other comprehensive income

	2025		2024	
	Capitalised development expenditure	Customer relationships	Capitalised development expenditure	Customer relationships
Marketing costs				
Administration costs	-1.3		-2.5	
Other operating costs				
Total depreciation/amortisation	-1.3	-	-2.5	-

Not 17. Equipment and fixtures and fittings

THE GROUP		
MSEK	2025-12-31	2024-12-31
Accumulated cost		
Opening balance	31.9	31.2
Purchases	1.2	0.3
Sales/retirements	-0.4	-0.1
Exchange rate differences for the year	-1.3	0.4
Closing balance	31.4	31.9
Accumulated depreciation/amortisation		
Opening balance	-17.3	-12.7
Depreciation/amortisation for the year	-4.0	-4.6
Sales/retirements	0.3	0.0
Exchange rate differences for the year	0.5	-0.0
Closing balance	-20.4	-17.3
Sum closing balances	11.0	14.6

Depreciation/amortisation for the year is included in the following lines in the statement of profit and loss and other comprehensive income

MSEK	2025	2024
Fulfilment costs	-3.7	-3.9
Administration costs	-0.3	-0.7
Total depreciation/amortisation	-4.0	-4.6

Not 18. Inventories

THE GROUP		
MSEK	2025-12-31	2024-12-31
Finished products & goods for resale	42.0	66.8
	42.0	66.8

Adjustments relating to posters have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

Not 19. Prepaid expenses and accrued income

THE GROUP		
MSEK	2025-12-31	2024-12-31
Accrued income	1.5	1.8
Rent	5.3	5.4
Other prepaid expenses	0.7	0.5
	7.5	7.8

THE PARENT		
MSEK	2025-12-31	2024-12-31
Rent	-	0.0
Other prepaid expenses	0.3	0.2
	0.3	0.3

Adjustments relating to other prepaid expenses have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

Not 20. Cash and cash equivalents

THE GROUP		
MSEK	2025-12-31	2024-12-31
Cash and cash equivalents consist of the following subcomponents:		
Cash and bank balances	121.4	115.6
Total in accordance with the statement of financial position	121.4	115.6

Not 21. Equity

THE GROUP		
	2025	2024
Ordinary shares		
Issued 1 January	149 082 510	149 082 510
New issue	2 832 567 690	-
Issued 31 December – paid	2 981 650 200	149 082 510
Share capital (SEK)	10 648 751	532 438
Share quota value (SEK)	0.003571	0.003571

Holders of ordinary shares are entitled to dividends which are determined subsequently, and the shareholding qualifies for a voting right at the General Meeting of Shareholders of one vote per share. All ordinary shares have the same right to Desenio's remaining net assets.

DIVIDEND

As the terms of the bonds do not permit the distribution of profits, the Board of Directors has, following the balance sheet date, proposed that no dividend be paid. The proposal will be subject to adoption at the Annual General Meeting.

TOTAL EQUITY

TRANSLATION RESERVE

The translation reserve contains all exchange differences which arise in the translation of financial reports from foreign operations which have prepared their financial statements in a currency other than the currency in which the Consolidated Financial Statements are presented. The Parent and the Group present their financial statements in Swedish Kronor.

THE PARENT'S TOTAL EQUITY

RESTRICTED EQUITY

It is not permitted to reduce restricted equity through appropriations.

NON-RESTRICTED EQUITY

Non-restricted equity is not available for distribution to shareholders, as the terms of the bonds do not permit dividends.

Not 22. Interest-bearing liabilities

Information on the Company's contractual terms and conditions in respect of interest-bearing liabilities is given below. For more information on the Company's exposure to interest-rate risk and the risk of exchange rate fluctuations, please refer to Note 26.

THE GROUP		
MSEK	2025	2024
Non-current liabilities		
Bond loan	370.3	-
Lease liabilities	10.0	31.0
	380.3	31.0
Current liabilities		
Bond loan	-	1 065.5
Current portion of lease liabilities	19.7	19.7
	19.7	1 085.2

THE PARENT		
MSEK	2025	2024
Non-current liabilities		
Bond loan	232.3	-
	232.3	-
Current liabilities		
Bond loan	-	1 065.5
	-	1 065.5

TERMS AND CONDITIONS AND REPAYMENT PERIODS

The Company issued a senior covered bond loan on 10 December 2020 of SEK 1,100 million within a framework of SEK 1,800 million.

The bond had an original maturity date of 16 December 2024 and a variable interest rate of Stibor 3 months plus 5.5%. The bond maturity date was later extended to March 2025 and has been replaced by newly issued shares and two new bonds as previously indicated. The two new bonds mature on 12 September 2027 and 20 March 2029 respectively.

Not 23. Pensions

THE GROUP AND THE PARENT

DEFINED-CONTRIBUTION PENSION PLANS

Desenio has defined-contribution pension plans only, and these are paid by the companies in the Group

THE GROUP		
MSEK	2025	2024
Costs of defined contribution plans	4.4	4.4

THE PARENT		
MSEK	2025	2024
Costs of defined contribution plans	1.3	1.3

Not 24. Accrued expenses and deferred income

THE GROUP		
MSEK	2025-12-31	2024-12-31
Holiday pay	9.4	7.5
Accrued interest expense	17.2	3.7
Accrued costs	41.8	57.4
	68.4	68.7

THE PARENT		
MSEK	2025-12-31	2024-12-31
Holiday pay	1.7	1.1
Accrued interest expense	13.7	3.7
Accrued costs	4.3	1.2
	19.6	6.0

Adjustments relating to accrued expenses have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

Not 25. Valuation of financial assets and liabilities

CLASSIFICATION AND FAIR VALUE

All financial assets and liabilities in the Group are valued at amortised cost. Carrying amounts represent an approximation of fair value.

Not 26. Financial risks and risk management

Through its operation, the Group is exposed to financial risks of various types.

- Credit risk
- Liquidity risk
- Market risk

FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group's finance policy for handling financial risks was formulated by the Board of Directors and forms a framework of guidelines and rules in the form of risk mandates and limits for finance operations. The responsibility for the Group's financial transactions and risks is handled centrally by the Group Finance Department which is located within the Parent.

The overall objective of the Finance Department is to provide cost-effective financing and to minimise the negative effects on the Group's profit or loss stemming from market risks.

LIQUIDITY RISK

Liquidity risk is the risk that the Group may encounter problems in fulfilling its obligations which are associated with financial liabilities. The Group operates rolling liquidity planning which covers every unit in the Group. The planning is updated every third month. Liquidity planning is used to manage liquidity risk and the costs of financing of the Group. The objective is that the Group must be able to meet its financial obligations in upswing's and in downturns without significant unforeseeable expense and without risk to the Group's reputation. The Group's goal is to optimise cash flows and concentrate surplus liquidity in the Parent. Liquidity risks

are managed centrally for the whole Group by the Central Finance Department.

CREDIT FACILITIES

Credit facilities	Nominal	Utilised	Available
Corporate bond	501.3	401.3	100.0
Total	501.3	401.3	100.0
Available cash and cash equivalents	121.4	121.4	121.4
Liquidity reserve	622.8	522.8	221.4

MATURITY STRUCTURE OF FINANCIAL LIABILITIES – UNDISCOUNTED CASH FLOWS

The Company's financial liabilities at the end of the year amounted to SEK 0.4 billion, and the maturity structure of loan debt is shown in the table below.

THE GROUP									
2025		Amount in							
MSEK	Currency	original currency	Total	< 1 month	1-3 months	4ths	-1 year	1-5 years	> 5 years
Bond loan	SEK	401.3	401.3	-	-	-	-	401.3	-
Accounts payable		33.6	33.6	-	33.6	-	-	-	-
Lease liabilities		29.8	29.8	-	-	19.7	10.0	-	-
Total		464.7	464.7	-	-	-	-	-	-

THE GROUP									
2024		Amount in							
MSEK	Currency	original currency	Total	< 1 month	1-3 months	4ths	-1 year	1-5 years	> 5 years
Bond loan	SEK	1 065.0	1 065.0	-	1 065.0	-	-	-	-
Accounts payable		54.1	54.1	-	54.1	-	-	-	-
Lease liabilities		50.7	50.7	-	-	19.7	31.0	-	-
Total		1 169.8	1 169.8	-	1 119.1	19.7	31.0	-	-

MARKET RISK

Market risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market prices. Market risks are divided by IFRS into three types, currency risk, interest-rate risk and other price risks. The market risks which primarily affect the Group consist of interest-rate risks and currency risks.

The Group's objective is to manage and control market risks within established parameters, and, at the same time, optimise the results of risk-taking within given frameworks. The parameters are set with the aim that in the short-term (6–12 months) market risks shall have only a marginal impact on the Group's profit or loss and position. In the longer term, however, permanent changes in exchange rates, interest rates and electricity prices will have an effect on consolidated profit or loss.

INTEREST-RATE RISK

Interest-rate risk is the risk that the value of financial instruments may vary due to changes in market interest rates. Interest-rate risk may lead to changes in fair values and in cash flows. A significant factor affecting interest-rate risk is the fixed-interest period.

The Group's interest-rate risk arises primarily through long-term borrowing, and is managed by the Central Finance Department. In accordance with the Finance Policy, the strategy for managing interest-rate risk is, as a general rule, to arrange financing at variable interest rates. This is because short-term interest rates over time are cheaper than fixed interest rates, and because Desenio has no long-term fixed price contracts with customers.

As at the end of the reporting period, the Group had the following fixed-interest periods for its financial instruments, excluding the effects of derivatives

THE GROUP					
2025-12-31	2025	2026	2027	2028	2029
Liability					
Bond loan			150.0		251.3
2024-12-31	2024	2025	2026	2027	2028
Liability					
Bond loan		1 100.0			

SENSITIVITY ANALYSIS – INTEREST-RATE RISK

The new bonds replacing the old financing have fixed interest rates, so the company is not exposed to any significant interest rate risk in terms of debt.

CURRENCY RISK

Desenio is exposed to risk related to currency fluctuations primarily in connection with the sale of the Group's products in foreign currencies. The Group's presentation currency is SEK, while around 85 % of net sales take place in other currencies, particularly EUR, GBP and USD. Accordingly, the Group's consolidated income and income-related balance sheet items are exposed to currency fluctuations. Desenio is not currently attempting to hedge this currency exposure.

TRANSACTION EXPOSURE

The Group's recognised net sales in invoiced currency, as well as the cost of goods per purchase currency, are distributed as follows:

THE GROUP		
Net sales MSEK	2025	2024
DKK	41.8	50.1
EUR	365.4	436.3
GBP	69.6	84.4
NOK	48.4	46.3
SEK	95.6	101.5
USD	39.8	47.1
Other	77.6	89.0
Total	738.2	854.7

Adjustments to net sales have been made since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

NET DEBT/EQUITY RATIO

MSEK	2025	2024
Financial liabilities	400.1	1 116.2
Minus cash & cash equivalents and short-term assets	-121.5	-115.6
Net debt (+) / Net cash (-)	278.6	1 000.6
Indebtedness in relation to profit or loss (number of times)	2.87	7.55

SENSITIVITY ANALYSIS - EXCHANGE RATE RISK

If the Swedish Krona had been 10% stronger against the respective currencies in the tables above calculated on the average annual exchange rate, net sales would have been changed by SEK -64 million (SEK -75 million).

CREDIT RISK

The Group's customers who wish to purchase on credit do this through a third party solution through a financial institution with the Group assuming no credit risk. The Group's credit risk relating to financial receivables is therefore immaterial.

CAPITAL MANAGEMENT

Under the policy of the Board of Directors, the Group's financial objective is to have a sound financial position which contributes to maintaining the confidence of investors, creditors and the market, as well as constituting a base for continued development of the commercial operation; at the same time as the long-term return generated for the shareholders is satisfactory. All financial activities shall contribute to achieving the long-term goals, and ensure that the Company has a balanced risk level. Capital management shall be structured effectively with reference to financing, currency and tax regulations in the various jurisdictions.

PROFIT OR LOSS AND INDEBTEDNESS

MSEK	2025	2024
Adjusted operating profit before amortisation of int. assets (Adjusted EBITA)	75.8	105.4

Adjustments have been made to this item since the 2024 annual report, which means that the cumulative figures have been updated; see Note 33

There was no change in the Group's capital management during the year. Neither the Parent nor any of the subsidiaries is under external capital requirements.

Not 27. Leases

LEASES IN WHICH THE COMPANY IS LESSEE

RIGHT-OF-USE ASSETS

THE GROUP			
MSEK	Premises	Equipment	Total
Depreciation/amortisation during the year	18.1	0.0	18.1
Closing balance 31 December 2025	27.6	-	27.6
Depreciation/amortisation during the year	16.1	0.0	16.1
Closing balance 31 December 2024	45.7	-	45.7

Additions to right-of-use assets during 2025 amounted to SEK - 0.8 million. This amount includes the cost of acquiring new rights of use during the year as well as additional amounts on the review of lease liabilities on the grounds of changes in

payments resulting from changes in the lease period. In addition to this, there is the total amount of translation differences relating to acquisitions and depreciation

LEASE LIABILITIES

THE GROUP		
MSEK	2025	2024
Current lease liabilities	19.7	19.7
Non-current lease liabilities	10.0	31.0
Lease liabilities included in the statement of financial position	29.8	50.7

AMOUNTS RECOGNISED IN PROFIT OR LOSS

THE GROUP		
MSEK	2025	2024
Amortisation of right-of-use assets	18.1	16.1
Interest on lease liabilities	0.8	1.1

NON-CANCELLABLE LEASE PAYMENTS AMOUNTED TO

THE PARENT		
MSEK	2025	2024
Within one year	-	-
Between one and five years	-	-
Longer than five years	-	-
Total	-	-

EXPENSED FEES AMOUNTED TO:

THE PARENT		
MSEK	2025	2024
Minimum lease fees	-	-
Variable fees	-	-
Lease costs	-	2.0
Total	-	2.0

AMOUNTS RECOGNISED IN THE STATEMENT OF CASH FLOWS

THE GROUP		
MSEK	2025	2024
Total cash flows related to leases	19.6	21.1

PROPERTY LEASES – PREMISES

Desenio leases buildings for its office premises. Leases for office premises normally have a term of 5 years. Certain leases include an option for, at the end of the lease period, renewing the lease by a further period of the same term.

Some leases contain lease fees that are based on changes in local price indices. Certain leases require that the Group pay fees which relate to property taxes which are levied on the lessor. These amounts are set annually.

EXTENSION AND TERMINATION OPTIONS

Desenio's leases for office premises consist primarily of non-cancellable periods of five to six years, which are extended by further periods of 3 years if Desenio has not given 9–12 months' notice of termination of the contract. For premises, in the majority of cases Desenio judges that it is not reasonably certain that the contract will be extended beyond the first

period – i.e. the lease period is usually judged to be one period. Recognised lease liabilities for these leases amounted to SEK 29.8 million.

OTHER LEASES

Desenio leases equipment with lease periods of 2 to 5 years. In certain cases, the Group has an option to purchase the asset at the end of the lease period. In other cases, the Group guarantees the residual value of the leased asset at the end of the lease period. Extension options occur only to an insignificant extent.

The Group also leases machinery and IT equipment with lease periods of 1 to 3 years. These leases are short-term leases and/or leases of low value. The Group has decided not to recognise right-of-use assets and lease liabilities for these leases.

Not 28. Pledged assets, contingent liabilities and contingent assets

THE GROUP		
MSEK	2025-12-31	2024-12-31
Pledged assets		
Net assets	1 235.6	821.8
Total pledged assets	1 235.6	821.8
	-	-
Contingent liabilities	Inga	Inga

THE PARENT		
MSEK	2025-12-31	2024-12-31
Pledged assets	-	-
Pledged assets for own liabilities and provisions	-	-
Bond loan	-	-
Pledged shares in Desenio AB	-	1 146.8
Pledged shares in Poster Store Sverige AB	-	9.4
Pledged shares in Desenio MidCo AB	652.1	-
	655.0	1 156.2
Contingent liabilities /Indemnities	Inga	Inga

Not 29. Proposed appropriation of the Company's profit or loss

PROPOSED APPROPRIATION OF THE COMPANY'S PROFIT OR LOSS

MSEK	2025-12-31
Dividend (SEK 0 per share)	-
Carried forward	275.8
Total	275.8

Not 30. Related parties

RELATED PARTY RELATIONSHIPS

The Parent has a related party relationship with its subsidiaries, see Note 31. In addition, Desenio AB has agreements with the chair and members of the Parent Company's Board of Directors, who receive consultancy fees from Desenio AB based on operational advice provided in addition to their board duties. These consultancy costs amounted to SEK 3.0 million in 2025.

STATEMENT OF RELATED PARTY TRANSACTIONS

THE GROUP					
MSEK		Sale of goods/services to related parties	goods/ services from related parties	Other (e.g. interest rate, dividend)	from related parties as at 31 December
Related party relations:					
Other related parties	2025	-	3.0	-	-
Other related parties	2024	-	-	-	-
THE PARENT					
MSEK		Sale of goods/services to related parties	goods/ services from related parties	Other (e.g. interest rate, dividend)	from related parties as at 31 December
Related party relations:					
Subsidiaries	2025	19.6	-	-	26.2
Subsidiaries	2024	11.5	-	-	57.3
					-
Other related parties	2025	-	-	-	-
Other related parties	2024	-	-	-	-

Not 31. Group companies

HOLDINGS IN SUBSIDIARIES

THE GROUP			Ownership in %	
	Subsidiary's registered office	Country	2025-12-31	2024-12-31
Desenio AB	Stockholm	Sweden	100%	100%
Poster Store Sverige AB	Stockholm	Sweden		100%
Desenio MidCo AB	Stockholm	Sweden	100%	
DGFC s.r.o.	Prag	Czech Republic	100%	100%
Desenio Group Inc.	Delaware	USA	100%	100%

Poster Store Sverige AB merged with Desenio AB in 2025

THE PARENT			
MSEK		2025	2024
Accumulated costs			
At beginning of year		1 156.8	1 156.3
Purchases		-	0.5
Shareholder contribution		5.6	-
Write-downs of shares in subsidiaries		-510.3	-
Carrying amount 31 December		652.1	1 156.8

SPECIFICATION OF THE PARENT'S DIRECT HOLDING OF PARTICIPATIONS IN SUBSIDIARIES

Subsidiary / Corporate ID number / Registered office	# of shares	Ownership in %	Carrying amount	
			2025-12-31	2024-12-31
Desenio AB, 556763-0693, Stockholm	-	-	-	1 146.8
Poster Store Sverige AB, 559047-8151, Stockholm	-	-	-	9.4
Desenio MidCo AB, 559512-4446, Stockholm	100	100	652.1	0.5
DGFC s.r.o., 10838325, Prag	-	-	-	-
Desenio Group Inc., 86-3387044, Delaware	-	-	-	0.1

Not 32. Specifications for the statement of cash flows

CASH AND CASH EQUIVALENTS

MSEK	2025	2024
THE GROUP		
Cash and cash equivalents consist of the following subcomponents:		
Cash and bank balances	121.4	115.6
Total in accordance with the statement of financial position	121.4	115.6

THE PARENT		
Cash and cash equivalents consist of the following subcomponents:		
Cash and bank balances	7.5	3.5
Total in accordance with the statement of financial position	7.5	3.5

SHORT-TERM INVESTMENTS HAVE BEEN CLASSIFIED AS CASH AND CASH EQUIVALENTS ON THE FOLLOWING BASIS

- They have an insignificant risk of fluctuations in value.
- They can easily be converted into cash.
- They have a term of up to 3 months from the date of acquisition.

INTEREST PAID AND DIVIDEND RECEIVED

MSEK	2025	2024
THE GROUP		
Dividend received	-	-
Interest received	1.3	5.4
Interest paid	57.6	102.9
THE PARENT		
Dividend received	-	-
Interest received	-	-
Interest paid	45.1	99.6

TRANSACTIONS WHICH DO NOT LEAD TO PAYMENTS

MSEK	2025	2024
THE GROUP		
Acquisition of asset through lease	1.7	0.1

CHANGE IN LIABILITIES WITHIN FINANCING ACTIVITIES – THE GROUP

THE GROUP				
MSEK	Bond loan	Lease liabilities	Other interest-bearing liabilities	Total liabilities arising from financing activities
Opening balance 2025	1 065.5	50.6	-	1 116.1
Cash flows within financing activities	8.1			
Amortisation of lease liabilities		-18.5		-18.5
Additional lease liabilities		-1.6		-1.6
Conversion new issue	-10.1			-10.1
Share premium reserve	-706.2			-706.2
Change in capitalised loan expenses	2.3			2.3
Change in capitalized interest bond loan	23.5			23.5
Gain buying back bonds	-12.8			-12.8
Interest expense		-0.8		-0.8
Closing balance 2025	370.3	29.8	-	391.8
Opening balance 2024	1 056.8	65.7	-	1 122.5
Amortisation of lease liabilities		-15.6		-15.6
Additional lease liabilities		1.6		1.6
Change in capitalised loan expenses	8.8			8.8
Interest expense		-1.1		-1.1
Closing balance 2024	1 065.5	50.6	-	1 116.2

CHANGE IN LIABILITIES WITHIN FINANCING ACTIVITIES – THE PARENT

THE PARENT				
MSEK	Bond loan	Lease liabilities	Other interest-bearing liabilities	Total liabilities arising from financing activities
Opening balance 2025	1 065.5	-	-	1 065.5
Other changes	-833.9			-833.9
Change in capitalised loan expenses	0.7			0.7
Closing balance 2025	232.3	-	-	232.3
Opening balance 2024	1 056.8	-	-	1 083.0
Change in capitalised loan expenses	8.8			8.8
Closing balance 2024	1 065.5	-	-	1 065.5

ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW – THE GROUP

THE GROUP	2025
MSEK	
Depreciations	5.4
Depreciation leasing	17.2
Write-down Goodwill	250.0
Costs of bond loan	2.3
Interest expense bond loan, non cash item	23.5
Interest cost leasing	0.8
Gain buying back bonds	-12.8
Translation differences	-0.3
	286.1

ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW – THE PARENT COMPANY

THE PARENT	2025
MSEK	
Write down of shares in subsidiaries	510.3
Costs of bond loan	0.7
Interest expense bond loan, non cash item	20.3
Gain buying back bonds	-12.8
	518.5

Not 33. Correction of errors

During 2025, the Group adjusted its revenue recognition relating to previous periods after it was discovered that certain items had historically been recognised in the wrong period. An adjustment was made to ensure that the revenue was recognised in the correct period in accordance with the specified delivery terms. The adjustments affected net turnover and deferred tax, which also led to adjustments to the opening and closing balances of equity for 2024.

CONSOLIDATED INCOME STATEMENT

MSEK	Note	Tidigare rapporterat 2024	Justering	Justerat rapporterat 2024
Net sales	3, 4	856.2	-1.5	854.7
Cost of goods sold		-127.6	0.2	-127.4
Gross profit		728.6	-1.3	727.3
Operating profit	4, 7, 8, 9, 22, 24	95.9	-1.3	94.7
Profit/loss before tax		-6.8	-1.3	-8.0
Tax	12	-15.1	0.3	-14.8
Net profit/loss for the year				
Net profit for the year attributable to:				
The Parent's shareholders		-21.9	-1.0	-22.9
Net profit/loss for the year		-21.9	-1.0	-22.9
Earnings per share	13			
before dilution (SEK)		-0.15	-0.01	-0.15
after dilution (SEK)		-0.15	-0.01	-0.15

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

MSEK	Note	Tidigare rapporterat 2024	Justering	Justerat rapporterat 2024
Assets	26, 27			
Deferred tax assets	12	0.3	2.4	2.7
Total fixed assets		1 081.1	2.4	1 083.5
Inventories	18	65.4	1.4	66.8
Prepaid expenses and accrued income	19	7.5	0.3	7.8
Total current assets		206.9	1.7	208.6
Total assets		1 288.0	4.1	1 292.1
Equity	21			
Equity attributable to the Parent's shareholders		-67.6	-9.3	-76.9
Total equity		-67.6	-9.3	-76.9
Liabilities	7, 23			
Accrued expenses and deferred income	24	54.3	13.4	68.7
Total current liabilities		1 236.2	13.4	1 249.6
Total liabilities		1 355.6	13.4	1 369.0
Total equity and liabilities		1 288.0	4.1	1 292.1

These errors do not have a material impact on the Group's earnings per share, either before or after dilution. The impact on cash flow is based on the profit, followed by adjustments to certain working capital items, where items primarily linked to day-to-day operations have been affected. More specifically, this relates to an increase in inventories as at 31 December 2024 of SEK 1.4 million, an increase in trade receivables of SEK 0.3 million, and an increase in trade payables of SEK 13.4 million. Finally, adjustments to prior years' results have had an impact on deferred tax items totalling SEK 2.4 million as at 31 December 2024.

For 2024, the adjustment had a negative impact on revenue (SEK -1.5 million) and a positive impact on cost of goods sold (SEK +0.2 million), together with a tax adjustment of SEK 0.3 million. The consolidated balance sheet shows an adjustment to the closing balance following the application of a similar correction from previous years, which has also led to an adjustment to the opening balance of equity in 2024 (SEK -8.3 million). Other items in the balance sheet that affected the opening balance for 2024 include an increase in accrued expenses (+SEK 11.9 million), an increase in inventories (+SEK 1.2 million), an increase in prepaid expenses (+SEK 0.2 million) and an increase in deferred tax assets (+SEK 2.1 million).

Not 34. Events after the end of the reporting period

During the first quarter of 2026, the share's liquidity fell below the minimum level stipulated by Nasdaq (a spread of more than 7% for two consecutive quarters), resulting in the engagement of a liquidity provider.

Not 35. Important estimates and judgements

Preparing the financial statements in accordance with IFRS requires that the Executive Management Team makes estimates and judgements as well as assumptions which affect

the application of the accounting policies and the recognised amounts of assets, liabilities, income and expense. The actual outcomes may deviate from these estimates and judgements. Beyond what is described below, the critical judgements and sources of uncertainty in estimates are the same as those used in the most recent Annual Report.

IMPORTANT JUDGEMENTS IN THE APPLICATION OF THE GROUP'S ACCOUNTING POLICIES

Certain important accounting judgements which have been made in the application of the Group's accounting policies are described below.

BUSINESS COMBINATIONS

The Group implemented one business combination before the transition. The acquisition analysis has not been calculated retroactively in respect of this business combination. The amount for brands, however, which was not separately recognised under the previously applied accounting policies, has been identified in the goodwill total as at the transition date. This amount has been separately recognised in the transition balance with the corresponding reduction in the previously recognised amount for goodwill as at the same date.

TESTING FOR IMPAIRMENT OF GOODWILL AND OTHER INTANGIBLE ASSETS

Consolidated Goodwill and brands arose through two acquisitions. The first was the previous acquisition of the Desenio operation and the second the acquisition of the Poster Store operation at the end of 2020. The Group consolidated the two businesses in 2021 and thus has one cash-generating unit. Impairment tests of the operations are based on their values in use. This value is based on cash flow calculations based on the business plan approved by the Board of Directors. The estimated cash flows have been discounted to present value using a discount rate of 15.2% (15.4%) after tax.

The impairment test as at 31 December 2025 was based on estimating the value in use. This value is based on cash flow calculations based on the business plan approved by the Board of Directors. The estimated cash flows have been discounted to present value using a current discount rate of 15.2 % after tax. The impairment test as at 31 December 2025 showed that there was no need for impairment.

CAPITALISED DEVELOPMENT EXPENDITURE

The Group has capitalised expenditure for the development of various IT systems as intangible assets. After the first recognition, impairment testing is carried out as soon as there are indications that the recoverable amount of the assets may be lower than the carrying amount. The useful life is estimated and established in connection with initial recognition and is tested for any necessary adjustments annually. Currently, the useful life is estimated at 5 years for the existing assets.

LEASES

Some lease agreements include extension options and termination options which the Group may

exercise or choose not to exercise up to one year before the end of the non-cancellable lease term. When possible, the Group includes these options in new leases, since they provide operational flexibility. An assessment as to whether it is reasonably certain that an extension option will be exercised is made on the commencement date of the lease. The Group reviews the lease period on the occurrence of an important event or significant changes in circumstances which are within the Group's control, and which affect whether there is reasonable certainty that the Group will exercise (or not exercise) an option included in the original contract.

IMPORTANT SOURCES OF UNCERTAINTIES IN ESTIMATES

The sources of uncertainty in estimates listed below refer to those which involve a significant risk that the value of assets and liabilities will need to be adjusted to a significant degree during the next financial year.

IMPAIRMENT TEST OF GOODWILL

In estimating the recoverable amount of a cash-generating unit for assessing a possible impairment need for goodwill, a number of assumptions on future circumstances and estimates of parameters were made. An account of these is given in Note 14.

Not 36. Information on the Parent

Desenio Group AB (corporate ID number 559107-2839) is a Swedish registered joint-stock company with its registered office in Stockholm. The Parent's shares are registered on the Nasdaq First North Growth Market in Stockholm. The visiting address for the head office is Maria Bangata 4a, 118 63 Stockholm, Sweden and the postal address is Box 11025, 100 61 Stockholm, Sweden.

The Consolidated Financial Statements for 2025 include the Parent and its subsidiaries, together designated the Group.

APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors and the Chief Executive Officer declare that the Annual Report has been drawn up in accordance with generally accepted audit standards in Sweden, and the Consolidated Financial Statements have been prepared in accordance with international financial reporting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The Annual Report and the Consolidated Financial Statements provide a fair view of the position and results of the Parent and the Group. The Administration Report for the Group and the Parent provides a fair view of the development of the Group's and the Parent's

operations, financial position and results of operations, and describes material risks and uncertainties facing the Parent and the companies included in the Group.

As stated above, the Annual Report and the Consolidated Financial Statements were approved for release by the Board of Directors and the Chief Executive Officer on 06 May 2026. The consolidated statement of profit or loss and other comprehensive income and the statement of financial position and the Parent's income statement and balance sheet will be subject to adoption at the Annual General Meeting on 09 June 2026.

The consolidated annual report was completed on 05/08/2026

On the date indicated by our electronic signature

Martin Weiss
Chairman of the Board

Andreas Otto
Member of the Board

Petra von Strombeck
Member of the Board

Erik Flinck
Chief Executive Officer/Member of the Board

Our Audit Report was submitted on 08 May 2026

KPMG AB
MATHIAS ARVIDSSON
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of Desenio Group AB (publ), corp. id 559107-2839

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Desenio Group AB (publ) for the year 2025, except for the corporate governance statement on pages 41-45 and the sustainability report on pages 15-30. The annual accounts and consolidated accounts of the company are included on pages 31-84 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 41-45 and sustainability report on pages 15-30. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition of goods sold with return right

See disclosure 3 and accounting principles in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Net sales for the Group as of 31 December 2025 amounted to SEK 738,2 (854,7) million. The Group reports revenue in accordance with the terms and conditions of sale, i.e. when the goods have been passed over to a carrier, after deductions for returns.

Revenue recognition includes estimates and assessments in the reserve for expected returns. The reserve is based on historical data and the management's experience. Accordingly, revenue recognition of goods sold with return right are assessed as a key audit matter.

Response in the audit

Our audit included the following audit procedures, but was not limited to these:

Review of processes and procedures for revenue recognition.

Substantive analytical review of recognised sales in relation to the timing of inventory transactions.

We have assessed the management's assumptions and models for provisions for returns.

Valuation of goodwill and brands as well as shares of group companies in the parent company

See disclosure 14, 15 and 35 and accounting principles in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of December 31, 2025, the group reported goodwill and trademarks of a total of SEK 763,3 (1 013,3) million, which constitutes 77% of the balance sheet total. Goodwill and trademarks must be annually subject to at least one so-called impairment test, which contains both complexity and significant elements of assessments from the management of the group. Shares in group companies are reported in the parent company. If the value of the shares exceeds equity in the respective group company, the same type of assessment is made, using the same technique and input values, as is done with regard to goodwill in the group. According to current regulations, the test must be carried out according to a technique where the company prepares future assessments of the business's internal and external conditions and plans. Examples of such assessments are which discount rate should be used to take into account that future estimated payments are associated with risk

Response in the audit

We have checked the group's impairment tests to assess whether they have been carried out in accordance with current regulations. Furthermore, we have assessed the reasonableness of the future inflows and outflows as well as the assumed discount rates and growth rate. We have involved our own valuation specialists in order to ensure the reasonableness of the discount rates used, which includes evaluation of economic and industry-specific forecasts where applicable. We have also tested that the company's calculations are mathematically correct. We have assessed the circumstances presented in the information in the annual report and whether the information is sufficiently comprehensive as a description of the assessments made in assumption and of applied methods.

and are thus worth less than cash and cash equivalents that are directly available to the group.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-31 and 90-92. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Desenio Group AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the

group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 41-45 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 15-30, and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, P.O Box 11908, SE-404 39 Göteborg, Sweden was appointed auditor of Desenio Group AB (publ) by the general meeting of the shareholders on the 12th of June 2025. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Stockholm 2026-05-08

KPMG AB

signed on the Swedish original

Mathias Arvidsson
Authorized Public Accountant

FINANCIAL CALENDAR

9 JUNE 2026

Annual General Meeting

16 JULY 2026

Interim Report January – June 2026

23 OCTOBER 2026

Interim Report January – September 2026

19 FEBRUARY 2027

Year-end Report January – December 2026

ANNUAL GENERAL MEETING 2025

Desenio's Annual General Meeting will be held on Tuesday, 09 June 2026. More information on the Annual General Report and instructions for advance voting are contained in the notification of the Annual General Meeting and on Desenio's website:

<https://deseniogroup.com/en/governance/general-meetings/>

DEFINITION OF KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS	DEFINITIONS	JUSTIFICATIONS FOR USE
Active customers	Number of customers who have placed at least one order during the preceding 24-month period.	This key performance indicator measures the Company's ability to attract and retain customers.
Percentage of administration costs and other costs, %	Administration costs and other costs constitute operational expenses minus the cost of goods for resale, handling costs and distribution costs, as well as marketing costs.	This key performance indicator gives the company an indication of external costs, per earned Krona, which are not attributable to handling and distribution costs or marketing costs, and is, accordingly, an indication of the efficiency of the Company's operation.
Proportion of marketing costs, %	The key ratio is calculated by dividing marketing costs, excluding acquisition-related amortisation, by net sales, expressed in percent.	This key performance indicator enables the Company to measure how effective its marketing activities are and, accordingly, provides an indication of how efficient the Company's operation is.
Proportion of handling and distribution costs, %	Handling and distribution costs include the costs of 3PL, carriage to customer and costs for bank and cash (primarily costs of payment providers such as Klarna and PayPal), as well as IT and systems costs.	This key performance indicator gives the Company an indication of how much of the costs of each earned Krona in net sales originate from handling and distribution, and therefore provides an indication of how efficient the Company's operation is.
Number of visitors '000	The number of visitors to a website or a group of websites during the measurement period (independent of the unit used).	This key performance indicator enables the Company to measure its reach and marketing activities.
Number of orders '000	Number of orders placed during measurement period, adjusted for cancellations and returns.	Number of orders is a key performance indicator used to measure customer commitment.
Gross profit margin, %	Gross profit (net sales minus the Cost of goods sold) divided by net sales, expressed as a percentage.	The gross profit margin gives an overview of the earnings from operating activities.
EBIT margin, %	Operating profit (EBIT) divided by net sales, expressed as a percentage.	The operating margin gives a picture of the profit generated by operating activities.
EBITA	Operating profit with the add-back of amortisation of acquisition-related intangible assets.	EBITA gives an overall picture of the earnings generated by the operation with the add-back of amortisation and impairment of acquisition-related intangible assets.
EBITA margin, %	EBITA as a percentage of net sales.	The EBITA margin is a useful measure along with net sales growth for monitoring value-generation.
EBITDA	Earnings before financial items, tax, depreciation and amortisation	EBITDA provides an overall picture of earnings generated on operating activities.

DEFINITION OF KEY PERFORMANCE INDICATORS, CONT.

KEY PERFORMANCE INDICATORS	DEFINITIONS	JUSTIFICATIONS FOR USE
Average order value (AOV)	Transaction-based net sales divided by the number of orders during the measurement period. The average order value is minus discounts, excluding VAT and after returns.	The average order value is measured as an indicator of income generation. It is regarded as constituting a key performance indicator of the attractiveness of the Company's products and websites to customers.
Investments	Acquisition of property, plant and equipment and intangible assets, excluding financial assets.	This key performance indicator gives the Company a picture of investments including capitalised leases.
Adjusted EBIT	EBIT excluding items affecting comparability. Items affecting comparability include transaction costs, relocation costs and termination costs.	Adjusted EBIT is adjusted for items affecting comparability and is regarded, therefore, as constituting a useful measure of the Company's underlying earnings generated from operating activities.
Adjusted EBIT margin, %	Adjusted EBIT divided by net sales, expressed as a percentage.	Adjusted EBIT margin is adjusted for items affecting comparability and is regarded, therefore, as constituting a useful measure of the Company's underlying earnings generated from operating activities.
Adjusted EBITA	EBITA excluding items affecting comparability. Items affecting comparability include transaction costs, relocation costs and termination costs.	The metric is relevant for giving an indication of the Company's underlying earnings generated by operating activities excluding items affecting comparability.
Adjusted EBITA margin, %	Adjusted EBITA divided by net sales, expressed as a percentage.	Adjusted EBITA margin is adjusted for items affecting comparability and is regarded, therefore, as constituting a useful measure of the Company's underlying earnings generated from operating activities before depreciation and amortisation.
Adjusted EBITDA	EBITDA excluding items affecting comparability. Items affecting comparability include transaction costs, relocation costs and termination costs.	Adjusted EBITDA margin is adjusted for items affecting comparability and is regarded, therefore, as constituting a useful measure of the Company's underlying earnings generated from operating activities before depreciation and amortisation.
Sales increase, %	Annual increase in sales, expressed as a percentage.	The key ratio shows the Company's percentage sales growth between different periods.
Net debt / net cash	Interest-bearing liabilities at the end of the period minus cash and bank balances at the end of the period. Interest-bearing liabilities include the bond loan, liabilities to credit institutions, lease liabilities and the liability in respect of supplementary consideration.	Net debt / Net cash is a key performance indicator which shows the Company's total indebtedness.



DESEÑO GROUP