Annual and Sustainability Report 2024/25

RUSTA®

Contents

About the Annual and Sustainability Report

Rusta AB (publ) reports financial and non-financial information integrated into a joint report. The report includes standard disclosures and specific disclosures based on the GRI Standards' guidelines. The scope of the statutory sustainability report is stated on page 75. The legal Annual Report comprises the Directors' Report and financial statements on pages 74–136.

The Annual and Sustainability Report is published in Swedish and English. All amounts are stated in SEK million (MSEK) unless otherwise stated. The original version of the Annual and Sustainability Report is prepared in the European Single Electronic Format (ESEF) and is published at investors.rusta.com.

Rusta – always great value for money

Rusta is a Nordic leader in the low-price market, with the long-term vision of becoming leading and most trusted low-price retailer in Europe. Rusta has stores in Sweden, Norway, Finland and Germany, and offers online sales in Sweden and Finland. All stores are managed in leased premises by the company itself.

Rusta is headquartered in Upplands Väsby, Sweden, and has been listed on Nasdaq Stockholm (RUSTA) since 2023.

What we offer

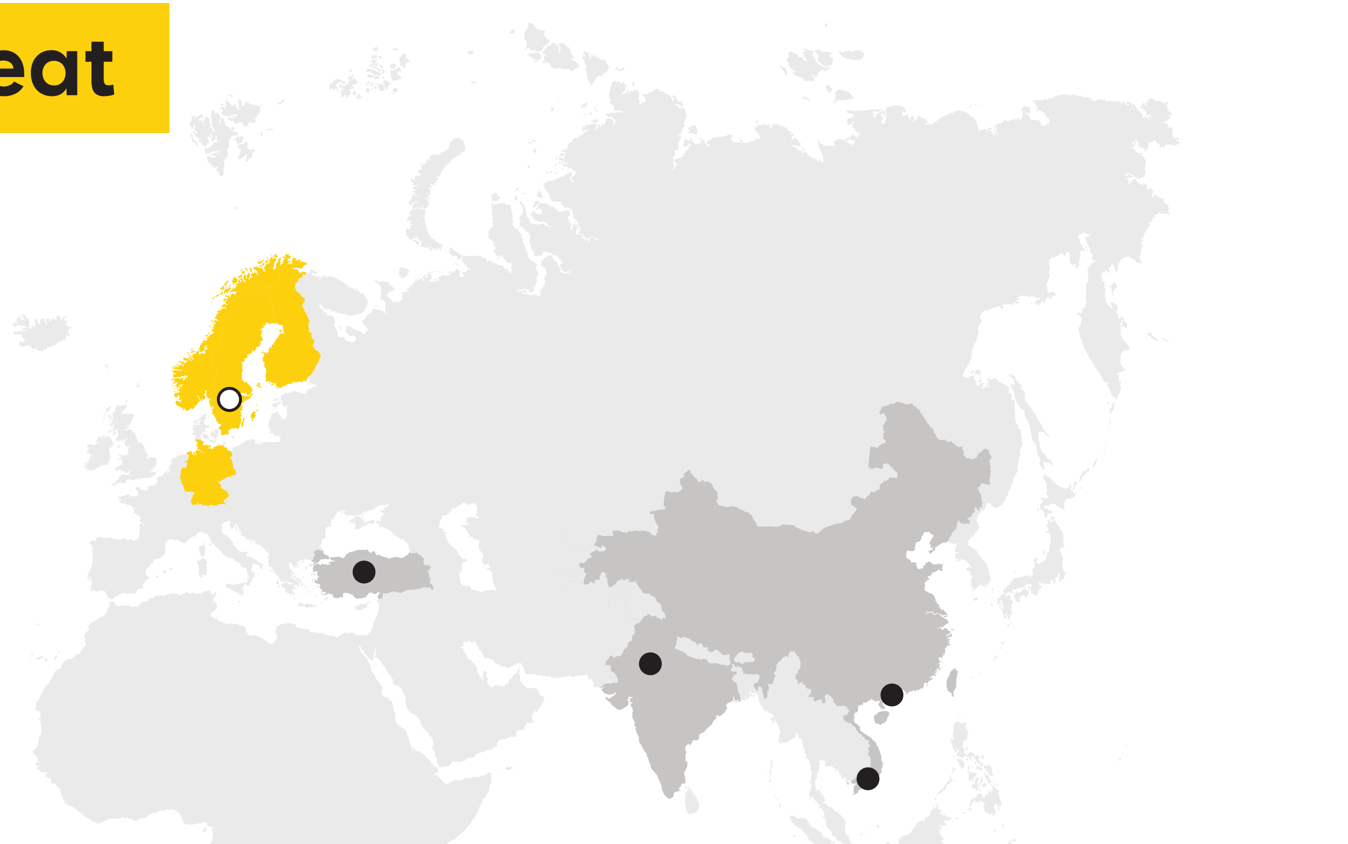
Rusta has a standardised store concept in all markets featuring a wide and carefully selected assortment of products for the home in the categories of home decoration, consumables, seasonal products, leisure and Do It Yourself (DIY). The range focuses on volume and combines products that have been developed in-house with well-known brands. Our aim is to offer most of the things that are needed in the home, always at surprisingly low prices.

How we work

Our products are sourced directly from manufacturers in Sweden or through our sourcing offices in China, India, Vietnam, Türkiye and Sweden. This means that we have a high level of control throughout the value chain and enables us to keep prices low without compromising quality.

Our responsibility

At Rusta, value-for-money means more than just low prices – it also means quality, reliability and manufacturing the products responsibly. For this reason, sustainability is integrated in our business model – from product development to logistics and customer experience.



Countries with stores

- Sweden, 120 stores
- Norway, 53 stores
- Finland, 42 stores
- Germany, 10 stores

Distribution centre

- Norrköping, Sweden

Sourcing office

- Istanbul, Türkiye
- New Delhi, India
- Ho Chi Minh City, Vietnam
- Hangzhou, China

225 stores

+13 New stores 2024/25

6.4 million Club Rusta members

Important milestones

Rusta was founded in Uppsala in 1986 by Anders Forsgren and Bengt-Olov Forssell based on an idea born in 1979 when Forsgren and Forssell were conducting research studies at Uppsala University. Forsgren and Forssell created a retail concept where customers could buy products for everyday use at the best possible prices. The first store opened in Gävle, Sweden in 1986. Today, Rusta is an expanding retailer with more than 220 stores, strong customer loyalty and a clear vision: to become Europe's leading and most trusted low-price retailer.

1986
Rusta is founded and opens its first store in Gävle

1987
First distribution centre opens in Gävle – direct sourcing is introduced

1990
Rusta reaches ten stores and 70 employees

1996
First local sourcing office opens in Hangzhou, China

2010
A common store concept is introduced

2014
First Rusta store opens in Norway

2015
Distribution centre is established in Norrköping

2016
Club Rusta loyalty programme is launched

2017
First Rusta store opens in Germany

First sustainability report is published

2018
Rusta acquires Finnish low-price chain Hong Kong

Rusta joins the UN Global Compact

2020
Launched Rusta Online

2023
10+ billion in sales and more than 200 stores

Rusta is listed on Nasdaq Stockholm

2024
Fourth sourcing office opens in Istanbul, Türkiye

2025
Climate targets validated by SBTi

The year in brief

Continued growth and record-breaking expansion

The 2024/25 financial year was a success for Rusta, featuring continued growth, strategic investments in streamlining the value chain and a high rate of establishment. Rusta opened a total of 13 new stores, bringing the total to 225 stores by year-end. We also had 47 contracts approved regarding new stores by year-end, which is a new record and means that the opening rate compared with last year will increase already in the next financial year.

→ Read more about our expansion plans on page 12.

The largest low-price retailer loyalty programme

Our Club Rusta loyalty programme continued to grow strongly with nearly 700,000 new members during the year. Club Rusta now has 6.4 million members.

Ambitious climate targets validated

In October 2024, Rusta joined the Science Based Targets initiative (SBTi) and our climate targets to reach net-zero emissions of greenhouse gases across the value chain by the 2045 financial year were validated in April 2025. This commitment reflects Rusta's overall ambition to address the climate crisis and actively drive the transition toward a more sustainable future.

An attractive employer

Rusta was named a Career Company 2024 in Sweden and ranked the fourth most attractive employer among social science students in Karriärföretagen's student survey – clear confirmation of how attractive we are to young talent.

We are also proud to have entered the Allbright Green List in 2024, after having achieved a gender balance in Group management. This is important recognition of our long-term commitment to gender equality and an inclusive corporate culture.

Streamlining the value chain

During the year, we opened a new sourcing office in Istanbul, Türkiye, to develop existing and new suppliers in the region.

Shortly after the end of the financial year, Rusta was granted permission to establish a bonded warehouse at our distribution centre in Norrköping, which will enable us to process higher volumes of goods more cost effectively.

Net sales, SEK billion	Net sales growth, %	EBITA margin, %	Earnings per share, SEK[1]
11.8	6.4	7.2	3.1

1) Earnings per share before dilution

CEO's comments on the year

We approach next year with a strong balance sheet, a record-large customer base, a competitive pricing position and stronger consumer confidence.

Göran Westerberg
CEO

I am delighted to round up yet another successful year for Rusta. We continued to accelerate growth in all segments and further consolidated our position as a Nordic leader in the low-price market.

During the year, we increased both sales and earnings, while concurrently attracting more customers than ever before to Rusta. We welcomed almost 700,000 new members to Club Rusta, and at the end of the financial year it had more than 6.4 million members and remains the largest loyalty programme in the low-price retail segment. The strong inflow of younger members is particularly gratifying, and we see this as a good foundation for continuing to grow and more effectively target relevant offerings to our customers.

Rusta is financially strong and we are opening new stores at a fast pace. 13 new stores were opened during the year and we had a total of 225 stores in all of our markets by the end of the financial year. One of them was our 50th store in Norway – a market that we entered in 2014 and that has performed very positively thereafter. The store openings this year are part of our historically large investment in expansion and during the year we also revised our forecast upwards for the next three years, from 40–60 to 50–80 new stores.

Expansion is a key element in our long-term strategy to continue investing in growth in all markets. Following a period when our focus was on margin improvement, Rusta successfully shifted its focus during the year to sales growth, and prioritised the core of our customer promise: low prices. This shift has produced tangible results.

During the year, we also took several important steps in our efforts to streamline the value chain. In May 2024, we opened a new sourcing office in Istanbul, Türkiye, to improve Rusta's ability to develop existing and new suppliers in the region. The opening is aligned with Rusta's strategy to source directly from a large number of leading suppliers in the global market, which facilitates low prices and a high degree of control throughout the value chain.

As a leader in our industry, we endeavour to serve as a role model in many different areas, particularly in sustainability. In light of this, Rusta joined the Science Based Targets initiative (SBTi) in October 2024. Our climate targets to reach net-zero greenhouse gas emissions throughout the value chain by the 2045 financial year were validated in April 2025. This commitment reflects Rusta's responsibility and ambition to contribute toward a more sustainable future.

In June 2025, after the end of the financial year, we were granted permission by Swedish Customs to establish a bonded warehouse at our distribution centre in Norrköping. This is an important step in our strategy to improve cost efficiency throughout the value chain and it is expected to generate annual cost savings of about MSEK 30. Rusta's distribution centre in Norrköping is one of the Nordic region's largest and most technologically advanced distribution centres, and serves as the hub of our industrially efficient logistics model. With the bonded warehouse in place, we can process higher volumes of goods more cost efficiently.

Overall, prospects are positive for continued profitable growth – both organically through a record-breaking number of new stores and through the many strategic investments that were completed during the year. As we enter the 2025/26 financial year, we have a strong balance sheet, a record-large customer base, a competitive pricing position and stronger consumer confidence.

Finally, I would like to express my sincere thanks to all of Rusta's employees for their fantastic work over the year. Your work is invaluable and a prerequisite for Rusta to continue its journey to become the leading and most trusted low-price retailer in Europe.

Göran Westerberg
CEO, Rusta AB (publ)

Rusta as an investment

With an effective business model and strong market position, Rusta is well-positioned for continued profitable growth in a steadily growing market. The scalable model enables both organic growth and expansion through new stores, without compromising on either profitability or the customer experience.

Rusta's market is large, resilient and structurally growing

The low-price retail sector is growing faster than the retail market as a whole and has proven resilient even in times of economic uncertainty. Attitudes toward low-price retail in general are becoming increasingly positive and the growing consumer demand for value-for-money products is creating long-term, structural opportunities for growth. This makes the low-price market an attractive investment arena that has stable demand over time.

Rusta is a Nordic low-price leader – with a focus on Europe

Rusta is a leading player in the Nordic low-price market and combines price leadership with a carefully selected assortment focusing on volume products and own-label products. The combination means that competitive prices can be offered without compromising on quality, which builds customer loyalty and drives sales. Rusta's long-term vision is to be the leading and most trusted low-price retailer in Europe.

Industrially efficient business model featuring a scalable value chain creates stable profitability

Rusta has a heavily invested platform comprised of three main components:

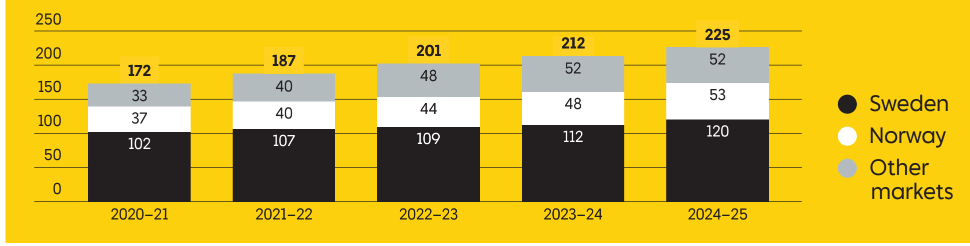
1. direct product sourcing without intermediaries, long-term supplier relationships and local presence in sourcing regions.
2. a distribution chain centred around the strategically located distribution centre in Norrköping, which is northern Europe's largest automated high-bay warehouse.
3. standardised and tried-and-tested concept for all stores. New stores achieve profitability on average within 12 months.

In combination, this creates stable profitability and enables the company to rapidly adapt to changing market conditions.

Loyal customers drive growth in all economic climates

Rusta has consistently demonstrated its ability to profitably grow both net sales and the customer base, even in challenging market conditions. The Club Rusta loyalty programme drives new customer inflows and enables data-driven and effective marketing. At the end of the financial year, Club Rusta had 6.4 million members, meaning that Rusta welcomed about 700,000 new members during the year.

Growth in No. of stores, 2021–2025



EBITA margin

7.2 %

Rusta's EBITA margin for 2024/2025 financial year.

Club Rusta

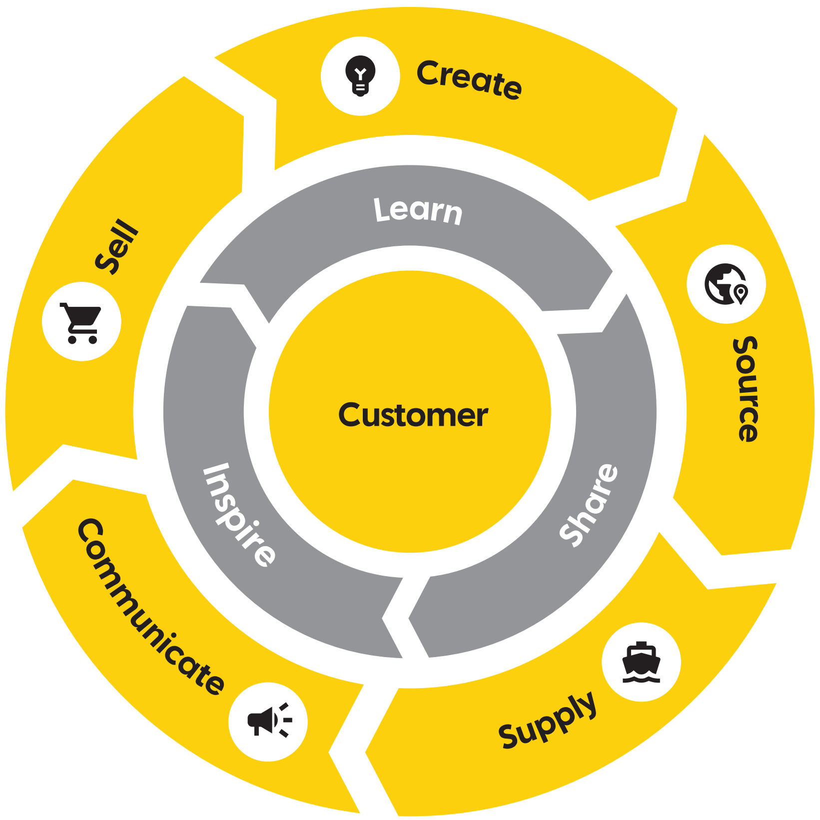
+700,000

new members in Club Rusta during 2024/25

Read more about Rusta's business model, targets and outcomes on pages 10–13.

Business model and targets

Business model



Rusta's vision is to be the leading and most trusted low-price retailer in Europe.

Our customer promise
Rusta will be a modern low-price retailer that makes it easy to renew and replenish at home at surprisingly low prices.

In order to live up to its customer promise, Rusta uses a business model based on having a high degree of control over the value chain, which in turn is made possible through centralised product development, direct product sourcing without intermediaries, large order volumes, an efficient transport and distribution infrastructure, and a marketing strategy that is integrated with the value chain.

Through Rusta's volume-based assortment and clear customer offering, we can maintain low prices – something that has been our driving force ever since Rusta's journey began in 1986.

Our business model comprises the following five elements: Create, Source, Supply, Communicate and Sell.

In parallel, we work continuously to Learn, Share and Inspire. These activities ensure our long-term development and that we create value for the customer at every step.

Create: Flexible and focused offering
Rusta offers a carefully selected assortment of about 6,000 active products divided into five categories: Home Decoration, Consumables, Seasonal Products, Leisure and DIY. The assortment includes everything from small furniture, lighting and textiles to beauty products, cleaning, snacks, Christmas decorations, fitness products, pet supplies and tools. The focus is profitable high volume products with functional breadth, both year-round and seasonally. Rusta combines A-brand products with private label products, which represent 68% of net sales. By developing products in-house, Rusta can ensure quality, maintain control and respond quickly to changing customer needs.

Source: Direct sourcing with full control
Rusta's strategy is based on direct sourcing from a wide global network of suppliers. The company's own sourcing office in Sweden, China, India, Vietnam and Türkiye set requirements for quality, flexibility and ethics throughout the value chain. More than 200 employees work with sourcing and quality control and regularly make unannounced visits to factories. This provides Rusta with a high level of transparency and the ability to monitor supplier compliance with the Code of Conduct. The sourcing strategy makes it possible for Rusta to offer low prices without compromising on quality.

Rusta offers a carefully selected assortment of about 6,000 active products in five categories:

Supply: Inventory management, logistics and distribution
Rusta's distribution centre in Norrköping has one of the largest automated high-bay systems in northern Europe and is key to the company's efficient distribution model. The centre handles incoming goods from the port as well as deliveries for stores and online sales. The location in Norrköping is strategic thanks to its proximity to the port and store network. Continuous investments in automation enable higher capacity without the need for extra work shifts, thus ensuring low costs and fast delivery even when demand increases.

Communicate: Effective marketing and a high degree of loyalty
Rusta conducts campaign-driven marketing with the aim of increasing customer traffic and loyalty. Communication takes place via weekly newsletters, TV, radio, social media, Club Rusta and Rusta Magazine. Marketing is integrated into the business model and is continuously adapted to the effectiveness of campaigns. Club Rusta serves as an important channel with its 6.4 million members. These members have access to exclusive prices, benefits and campaigns – strengthening both the brand and customer relationships.

Sell: Stores and customer experience
Rusta's standardised store concept focuses on creating the most inspiring customer experience possible. An attractive and easy-to-navigate store environment is created by having a clear layout, optimised customer flow and well-planned product displays. This enhances customer satisfaction and helps increase sales. Each store follows the same concept to ensure a consistent and recognisable experience throughout the chain.

Three questions to Jozef Khasho, Chief Sales Officer

With an upwardly revised expansion forecast and 47 approved contracts in the pipeline, Rusta is continuing to grow at a rapid pace. The company's Chief Sales Officer Jozef Khasho gives his view of the expansion plans, why more and more locations are becoming suitable for Rusta to establish its operations and why the store concept is a vital success factor in the growth strategy.

We are currently in one of the most expansive phases in Rusta's history.

What are Rusta's expansion plans for the future?
We are currently in one of the most expansive phases in Rusta's history. We opened 13 new stores in the 2024/25 financial year, demonstrating clearly the capacity for establishing operations that Rusta has built up in recent years. We now have 47 approved contracts in the pipeline and we have adjusted the forecast for new store openings over the next three years to 50–80. We are planning to open stores in all markets over the next year, including Germany, where we have plans to open one store during the 2025/26 financial year. Establishing these stores is part of Rusta's investments in expansion – the biggest in our history – and is aligned with our vision to become the leading and most trusted low-price retailer in Europe.

What determines the rate of expansion?
Our scalable model lays the foundation both for organic growth and for expansion through new stores, while concurrently ensuring robust profitability and a positive customer experience in all stores. The upwardly revised forecast for opening stores is enabled mainly by improved profitability potential in more locations in the Nordic region, thanks to increased market penetration and – from our perspective – the improvement in the rental market. Accordingly, our list of priority locations for establishing operations was revised upward from 150 to 180 sites during the financial year.

What is the key to successful stores?
Rusta has a standardised and tried-and-tested store concept that is applied to all stores in our markets. It provides many synergies and makes us extremely efficient when we scale up. Rusta's store concept was recently modernised and the new concept will start to be implemented in autumn 2025. The updated concept aims to further enhance store efficiency by allocating more space to our most profitable products and optimising the use of existing space. However, the core of the concept remains unchanged, which provides us with a strong basis for long-term profitability and enables us to adapt our operations quickly as market conditions change.

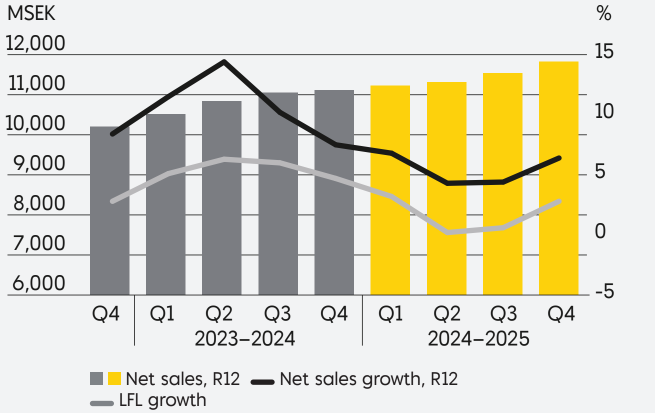
Financial targets and outcomes

Net sales growth

Target
Rusta targets an annual average organic[1] net sales growth of around 8.0% in the medium term, with an annual average LFL growth above 3.0%.

1) Excluding acquisitions.

Outcome
Sales per quarter, R12



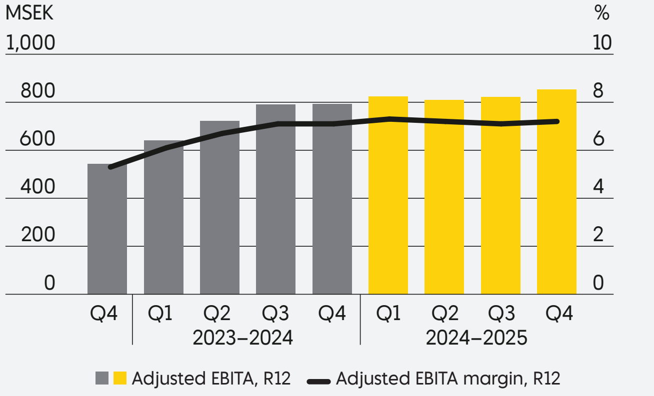
Rusta's comments:
Net sales increased 6.4%, corresponding to 7.3% excluding currency effects, and the LFL excluding currency effects increased with 3.2% which indicates that we are on course to achieve our medium-term target of around 8%.

Profitability

Target
Rusta targets an EBITA margin of around 8.0% in the medium term and earnings per share to outgrow net sales and EBITA as a result of scalability in the business model[2].

2) Scalability of the business model refers to margin increase as a result of organic sales growth and higher efficiency, which increases net sales more than costs.

Outcome
Adjusted EBITA, R12

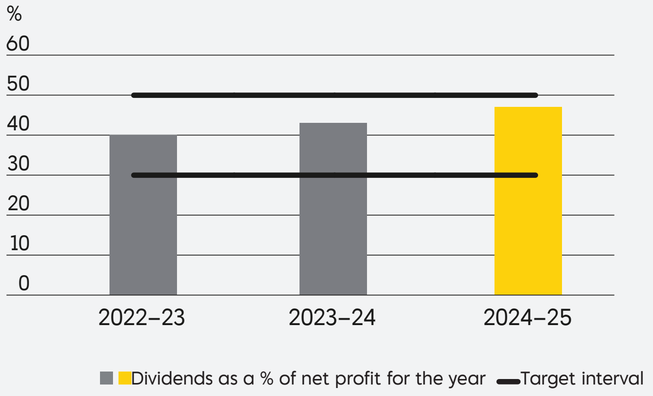


Rusta's comments:
The EBITA margin improved from 6.8% to 7.2%. This positive trend confirms that we are on course to achieve our medium-term target of around 8%.

Dividend policy

Target
Rusta aims to distribute 30–50% of net profit for each financial year as dividends, taking into account Rusta's financial position.

Outcome
Dividends



Rusta's comments:
The Board of Directors proposes a dividend of SEK 1.45 (1.15) per share for 2024/25. The proposed dividend amounts to approximately MSEK 222, which corresponds to approximately 47% of net profit for the year. The proposal is based on the Group's good earnings and cash flow.

Operations and markets

Rusta's operations are divided into three segments: Sweden, Norway and Other markets. The Sweden segment includes sales in physical stores in Sweden, the Norway segment includes sales in physical stores in Norway and the Other markets segment includes sales in physical stores in Finland and Germany as well as online sales through Rusta Online (currently available in Sweden and Finland). Rusta has 225 stores as of 30 April 2025.

Segment: Sweden

Rusta's largest segment based on net sales and number of stores is Sweden. For the 2024/25 financial year, Sweden, with its 120 stores, represented 58% of Rusta's net sales.

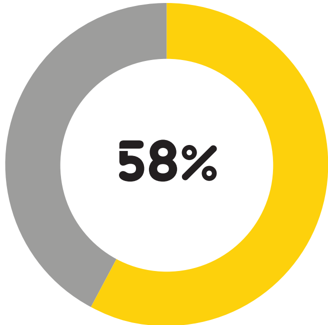
Sweden reported solid sales growth, with a stronger readiness to buy among our customers in the second half of the financial year, which, in combination with more robust commercial offerings, contributed to more customers increasingly choosing products in higher price ranges. Net sales amounted to MSEK 6,863 (6,381) with net sales growth of 7.6% (6.2).

Operating expenses in relation to net sales amounted to 24.6% (25.6), which was due to increased efficiency and cost control, primarily relating to the distribution of goods from the distribution centre.

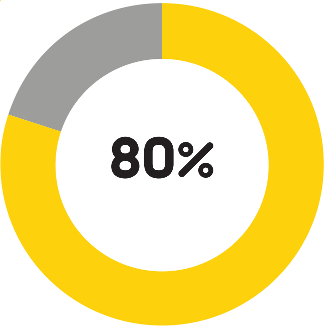
Profitability in the form of EBITA margin excl. IFRS 16 amounted to 18.0% (16.8).

8 (3) new stores opened in Sweden during the year.

Sweden's share of net sales 2024/25



Sweden's share of EBITA excl. IFRS 16 per segment 2024/25



Sweden	2024/25	2023/24
Net sales	6,863	6,381
Net sales growth, %	7.6	6.2
LFL growth, %	4.9	5.3
EBITA excl. IFRS 16	1,233	1,075
EBITA margin excl. IFRS 16, %	18.0	16.8
Number of new stores	8	3
Number of stores	120	112

Segment: Norway

For the 2024/25 financial year, Norway, with its 53 stores, represented 21.4% of Rusta's net sales.

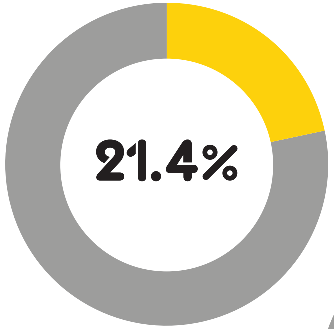
Norway continued to report solid sales growth during the year, despite strong comparative figures and challenging currency effects. Net sales amounted to MSEK 2,528 (2,349) with net sales growth of 7.6% (7.9) and net sales growth excl. currency effects of 9.7% (13.1).

Operating expenses in relation to net sales amounted to 31.9% (31.9).

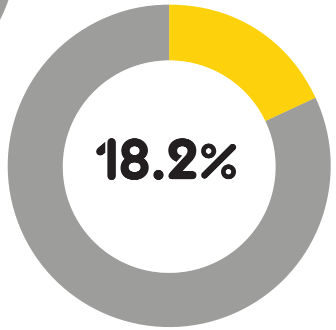
Profitability in the form of EBITA margin excl. IFRS 16 amounted to 11.1% (11.6), with the entire decline driven by negative currency effects due to the weaker NOK.

5 (4) new stores opened in Norway during the year.

Norway's share of net sales 2024/25



Norway's share of EBITA excl. IFRS 16 per segment 2024/25



Norway	2024/25	2023/24
Net sales	2,528	2,349
Net sales growth, %	7.6	7.9
Net sales growth excl. currency effects, %	9.7	13.1
LFL growth excl. currency effects, %	1.3	6.5
EBITA excl. IFRS 16	280	273
EBITA margin excl. IFRS 16, %	11.1	11.6
Number of new stores	5	4
Number of stores	53	48

Segment: Other markets

Rusta's third segment, Other markets, consists of operations in Finland, Germany and Online. In the segment Other markets, Rusta partly operates in project form as these are relatively new markets, but where profitability is expected to increase in the long term as awareness of Rusta increases. For the 2024/25 financial year, the segment Other markets, with its 52 stores and online sales, represented 20.6% of Rusta's net sales.

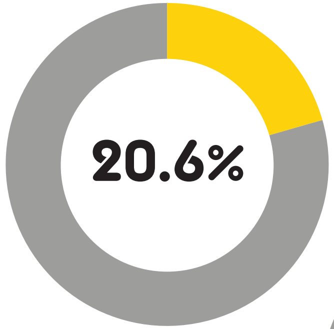
Net sales amounted to MSEK 2,438 (2,386) with net sales growth of 2.2% (18.2) and net sales growth excl. currency effects of 3.9% (16.5). This was positive sales growth despite strong comparative figures and cautious market sentiment in both Finland and Germany.

Operating expenses in relation to net sales amounted to 43.0% (43.6), which was due to increased efficiency primarily relating to the distribution of goods from the distribution centre where costs decreased compared with the previous year.

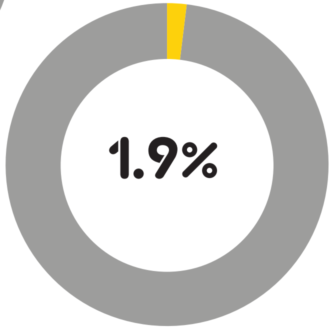
Profitability in the form of EBITA margin excl. IFRS 16 amounted to 1.2% (0.4). EBITA excl. IFRS 16 was positively affected by the positive trend in expenses.

No (1) new stores opened during the year in "Other markets."

Other markets' share of net sales 2024/25



Other markets' share of EBITA excl. IFRS 16 per segment 2024/25



Other markets	2024/25	2023/24
Net sales	2,438	2,386
Net sales growth, %	2.2	18.2
Net sales growth excl. currency effects, %	3.9	16.5
LFL growth excl. currency effects, %	0.1	–0.6
EBITA excl. IFRS 16	29	9
EBITA margin excl. IFRS 16, %	1.2	0.4
Number of new stores	–	1
Number of stores	52	52

Sustainability Report

General information

Rusta's commitment to sustainability strengthens our brand and is based on our products being more sustainable than comparable alternatives; we are committed to clearly distinguishing ourselves from our competitors and drive the development toward a more sustainable and responsible low-price market, with a strategy anchored in product, people and planet – at the intersection of our customers' needs, employee engagement and our impact on the surrounding world.

Product

A commercial, meaningful and sustainable offering

A selection of goals	Target 2025/26	2024/25	2023/24
Share of factories in Asia at the level "Good" or higher in the Supplier Quality Evaluation (SQE)[1]	80%	72%	74%
Proportion of defective customer returns to decrease 15%	0.046%	0.054%	0.050%
Save at least 10,000 pallets throughout the supply chain	10,000	12,935	12,308
UN Sustainable development Goals			

People

Together work for a better society where we do business

A selection of goals	Target 2025/26	2024/25	2023/24
Share of factories in Asia at the level "Good"[2] or higher in the social requirements of our Code of Conduct	85%	77%	81%
Increase Employee Net Promoter Score (eNPS)	>23	23	21
All staff shall undertake e-learning regarding our internal Code of Conduct	100%	100%	–
UN Sustainable development Goals			

Planet

We take responsibility for the planet

A selection of goals	Target 2025/26	2024/25	2023/24
Share of factories in Asia at the level "Good"[3] or higher to 55% in the environmental requirements of our Code of Conduct	55%	54%	52%
Reduce greenhouse gas emissions from transportation 5%	16,849 tonnes	17,736 tonnes	16,838 tonnes
Increase the share of certified wood and paper products	95%	92%	89%
UN Sustainable development Goals			

1) Supplier Quality Evaluation (SQE): Rusta's follow-up of structured quality management at factories that manufacture for Rusta. The evaluation includes policies, targets, deviation management, structured approach, customer satisfaction and process control.
2) Good: The factory pays and treats workers fairly and provides a safe and good work environment. There are still some areas for improvement, such as generally better control of overtime hours and systematic use of personal protective equipment.
3) Good: A better and more progressive environmental performance than the average level, but further work is needed on energy efficiency and clear action plans to reduce, for example, GHG emissions from production.

ESRS 2 General disclosures

Basis for preparation

BP-1: General basis for preparation of sustainability statements

For the 2024/25 financial year, Rusta AB's (publ) annual Sustainability Report was prepared with inspiration from the new EU legislation on corporate sustainability reporting (CSRD) and the European sustainability reporting standards (ESRS). To provide a true and fair view of our operations, our ambition was to implement the reporting standards as far as possible for the 2024/25 financial year. The Sustainability Report is not included in the 2024/25 Directors' Report as it was inspired by the ESRS but is not yet fully aligned with it. Rusta is preparing to fulfil the CSRD requirements for the 2025/26 financial year, when the Sustainability Report will be integrated into the Directors' Report in accordance with the legislation. Rusta's annual statutory Sustainability Report was prepared in accordance with Chapter 6, Section 10 of the Swedish Annual Accounts Act and is described on page 76 of the Directors' Report. In addition, the report was prepared with inspiration from the Global Reporting Initiative (GRI) standards. A list of GRI references is available on pages 68–71.

Rusta also reports in accordance with the Norwegian Transparency Act from 2021. This report is published annually and is available at investors.rusta.com/en.

This Sustainability Report covers Rusta's full value chain from raw material extraction and product life cycle. This includes impacts, risks and opportunities arising upstream, downstream and in own operations.

BP-2: Disclosures in relation to specific circumstances

We present disclosures in relation to specific circumstances alongside the relevant disclosures.

Time horizons

The time horizons considered in this report are consistent with those applied in the financial statements. Short-term is the reporting period in our financial statements, one year; medium-term is from the end of short-term up to five years; long-term is defined as more than five years.

Restatements

The restatements are determined based on the assessment of significance. Restatements are performed in conjunction with revised data or information.

External assurance

Refer to the auditor's statutory examination on page 73. Rusta's latest sustainability report was published on 23 August 2024. For questions about the Sustainability Report, please contact us on sustainability@rusta.com.

Use of estimates

When estimates are used to provide, for example, consolidated Group-wide reporting, such estimates and practices are described in accounting policies that are applicable to the information including any related measurement uncertainty.

Reporting changes and previous reporting errors The sustainability disclosures in this report have been expanded to align with the requirements of the CSRD and ESRS. Rusta will be subject to the CSRD as of the 2025/26 financial year. When methodologies have changed, or new knowledge has been acquired since the previous reporting period, such changes are described in the corresponding accounting policy or in the section where the topic is reported. One risk in sustainability reporting is that data may be incorrectly reported or not consolidated correctly. Certain datapoints, such as Scope 3 emissions, are based on assessments and estimates. Climate data is associated with some uncertainty due to differing measurement methodologies and data quality. We use well-established methodologies and frameworks, such as the Greenhouse Gas Protocol (GHG Protocol), to calculate our GHG emissions. In addition, we work with an external partner to ensure accurate calculations and estimates. Any changes to these estimates are reported in the period in which they are updated.

GOV-1: The role of the administrative, management and supervisory bodies

GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Sustainability governance

Rusta has established a clear structure for managing sustainability matters. This process is integrated into the company's overall governance and management system, where responsibilities and roles are allocated between the Board of Directors, Group management, the Audit Committee and the Sustainability Group. The aim is to ensure that sustainability-related risks, opportunities and targets are taken into account in strategic decisions, business planning and follow-up. The company works systematically to achieve compliance with applicable regulations, including the CSRD and ESRS requirements, and to strengthen transparency and long-term value creation throughout its operations. The following paragraphs describe how responsibilities and working arrangements are organised within the central governance functions.

Responsibilities of the Board

Board members are involved in strategic sustainability matters, from discussions to decision-making. The Board receives regular updates on topics such as environmental impacts. During the financial year, the Board held discussions on several sustainability-focused topics, such as climate change, upcoming regulatory frameworks in the area of sustainability, and updating sustainability-related policies.

Group management's responsibilities

The Group management's overall responsibility for leading sustainability work lies with the Chief Purchasing Officer, who ensures that our sustainability strategy is put into practice. The Chief Sustainability Officer reports to the Chief Purchasing Officer and is responsible for ensuring that functional specialists within each department meet the sustainability targets. As a result, all material impacts, risks and opportunities are managed by functional specialists.

Read more about our governance framework and our management on pages 84–93.

Audit Committee

The Board has established an audit committee. Pursuant to the Swedish Companies Act, the members of the Audit Committee may not be employees of the company and at least one member must have accounting or auditing qualifications. The majority of the members of the Audit Committee must be independent in relation to the company and its senior executives. The Audit Committee currently consists of three Board members. The Chief Sustainability Officer attends several Audit Committee meetings throughout the year to ensure that key sustainability matters are addressed and, where necessary, raised with the Group management or the Board.

Sustainability Group

Since 2014, Rusta has had a cross-functional Sustainability Group consisting of representatives from different parts of the company. The Group's task is to work on sustainability matters and pursue these in each part of the organisation. The Sustainability Group is also involved in preparing the annual sustainability report.

Policies

Rusta has a number of sustainability-related policies for the Group's operations and employees. An overview of relevant policies is presented below.

GOV-3: Integration of sustainability-related performance in incentive schemes

Rusta has not currently integrated sustainability-related performance into the company's incentive plans.

Policy	Owners	Reviewed	Responsible for updating	Approved by
External Code of Conduct	CEO	Annually	Chief Sustainability Officer	Board of Directors
Internal Code of Conduct	CEO	Annually	CHRO	Board of Directors
Corporate Governance Policy	CEO	Annually	CFO	Board of Directors
Rules for governing documents	CEO	Annually	CFO	Board of Directors
Sustainability Policy	CPO	Annually	Chief Sustainability Officer	Board of Directors
HR Policy	CHRO	Annually	CHRO	Board of Directors
Instructions on risk management and internal control	GCM	Annually	GCM	CFO

GOV-4: Statement on due diligence

Core elements of due diligence	Paragraphs in the Sustainability Report	Page
a) Embedding due diligence in governance, strategy and business model	GOV-1: The role of the administrative, management and supervisory bodies	
b) Engaging with affected stakeholders in all key steps of the due diligence	SBM-2: Interests and views of stakeholders	
c) Identifying and assessing adverse impacts	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	
d) Taking actions to address those adverse impacts	E1-3: Actions and resources in relation to climate change policies E2-2: Actions and resources related to pollution E3-2: Actions and resources related to water and marine resources E4-3: Actions and resources related to biodiversity and ecosystems E5-2: Actions and resources related to resource use and circular economy S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions G1-2: Management of relationships with suppliers	
e) Tracking the effectiveness of these efforts and communicating	E1-4: Targets related to climate change mitigation and adaptation E2-3: Targets related to pollution E3-3: Targets related to water and marine resources E4-4: Targets related to biodiversity and ecosystems E4-5: Impact metrics related to biodiversity and ecosystems change E5-3: Targets related to resource use and circular economy S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities G1-4: Confirmed incidents of corruption or bribery	

GOV-5: Risk management and internal controls over sustainability reporting

The Board of Directors has overall responsibility for the company's sustainability strategy and approves the sustainability policy and materiality assessment. The Group management is responsible for the implementation of the sustainability strategy, while the audit committee monitors sustainability performance on an ongoing basis through regular reports from the Chief Sustainability Officer.

Strategy

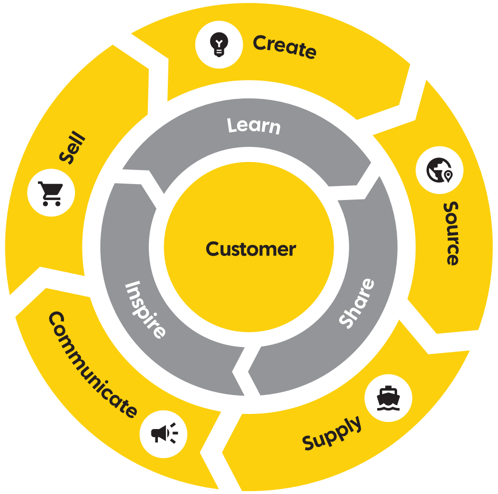
SBM-1: Strategy, business model and value chain

Rusta is a leading player in the Nordic low-price retail market with stores in Sweden, Norway, Finland and Germany. Our vision is that Rusta will be the leading and most trusted low-price retailer in Europe.

Strategy

Sustainability is an integral part of Rusta's business model and strategic direction. The company's goal is to be a leading and trusted player in European low-price retail, where acting responsibly over time creates value both for the operations and for society. Rusta's sustainability strategy is based on the principle of meeting today's needs without compromising the ability of future generations to meet their own needs. Work focuses on four prioritised sustainability areas that are central to the business model and where the company has the greatest impact:

Product: A commercial, meaningful and sustainable offering
People: Together work for a better society where we do business
Planet: We take responsibility for the planet
Governance: Framework for rules and initiatives



Business model

Rusta's business model is based on offering a carefully selected, value-for-money, high-volume range of home decorations, consumables, seasonal products, leisure and DIY (Create). Direct sourcing from a global supplier network – where the company has its own sourcing offices and extensive quality control – combines cost efficiency with control of ethics and quality in the supply chain (Source). Distribution is handled via an automated distribution centre in Norrköping, which enables high delivery capacity both to stores and to e-commerce (Supply). Rusta's unified store concept and campaign-driven marketing, with Club Rusta as the loyalty engine, creates a consistent customer experience and strong demand (Communicate and Sell).

Value chain

Rusta's value chain covers the entire product life cycle, from raw material extraction and sourcing to production, distribution and use as well as recycling and re-use. It includes all steps required to develop the products, deliver them to customers and manage the final phase of the products.

Upstream	Own operations	Downstream
Raw materials Suppliers of goods Transportation	Product development Distribution centre Distribution Stores and online	Customer product usage Product end of life

Rusta's distribution centre in Norrköping.

SBM-2: Interests and views of stakeholders

At Rusta, we have continuous and open dialogues with a wide array of stakeholders on sustainability topics. Based on these dialogues, we evaluate and incorporate valuable insights into our sustainability agenda. Grounded in our vision, our sustainability strategy and with trust in our internal competence, the stakeholder insights constitute an essential component in defining and outlining our priorities.

Every two years, Rusta conducts a comprehensive stakeholder dialogue, which aims to add insights to the shaping of our material aspects. An important part of the stakeholder dialogue is to understand how our key stakeholders view Rusta's sustainability-related impacts, risks and opportunities. To achieve this, we have first identified relevant stakeholders affected by Rusta's business operations as well as stakeholders that have an impact on Rusta. In addition, we have included stakeholders who use the information presented in our annual report. We have mapped everything from raw material extraction to customers and society as a whole as our stakeholders. Subsequently, we have defined our key stakeholders to include in the stakeholder dialogue based on which stakeholders we assess have the greatest impact on and are most affected by Rusta's operations. According to our stakeholder analysis, the following groups are our key stakeholders: customers, employees, owners, suppliers of goods, service providers and non-governmental organisations (NGOs).

The dialogue has taken place in different ways depending on the stakeholder group. Customers, suppliers of goods, service providers, carriers and employees have completed a questionnaire. Owners, represented by the Board of Directors, given that some members of the Board are also major shareholders, have received more detailed questions in line with the European Sustainability Reporting Standards as well as risks and opportunities in the area of sustainability. For NGOs and local/regional authorities, we have used a desktop review. This is an effective way to extract important information. Based on experience, we know that certain stakeholder groups are difficult to contact directly, or that it is impossible to make an impartial selection. We have therefore performed other types of research, such as Internet searches, to find out what these stakeholders feel is important. We have then collected and included this information in our analysis. Some stakeholder groups were also represented through the use of research reports to gain an objective view of the issue. The overall result of the last stakeholder dialogue, conducted in the 2023/24 financial year, is presented below.

			Prioritised matters		
Stakeholders	**Description**	**Communication**	**Product**	**People**	**Planet**
Customers	During the 2024/25 financial year, Rusta had approximately 70 million visits to our stores in Finland, Germany, Norway and Sweden.	We communicate our sustainability initiatives in stores and via our website. Through a broad media mix – from TV and radio to digital channels, loyalty programmes and social media – we reach out to our customers and share information on quality and sustainability. Customers have also provided feedback via a questionnaire.	Value-for-money products of good quality, renewable and recycled materials, smart packaging.	Business conduct, zero tolerance for corruption Being a reliable employer, good working conditions	Reducing the use of plastic
Suppliers	Rusta's suppliers constitute an integral part of our business. In total, we had 565 suppliers during the financial year. In this context we also include carriers and service providers.	We prioritise face-to-face meetings to build trust. Our sourcing offices regularly visit suppliers. We maintain a close and transparent dialogue through the annual "Rusta Supplier Day" event and sustainability updates. Suppliers also contributed by completing a questionnaire on our sustainability performance.	Renewable and recycled materials.	Business conduct, zero tolerance policy for corruption, good working conditions.	Reducing the use of plastic
Employees	Our 4,860 Rusta employees are our most valuable asset.	We maintain a continuous dialogue about quality and sustainability in daily operations. Sustainability meetings are held at all levels and regular updates are provided in internal forums. Employees have also been involved by answering a questionnaire linked to our sustainability work.	Renewable and recycled materials.	Business conduct, zero tolerance policy for corruption, good working conditions.	Reducing the use of plastic
Owners	Rusta is listed on Nasdaq Stockholm (RUSTA) and currently has approximately 14,000 shareholders. The founding families continue to be the largest shareholders.	As a listed company, we communicate regularly with the market through press releases and interim reports. We have a continuous dialogue with our owners regarding sustainability-related issues. Owners, represented by the Board of Directors that are also the largest shareholders, have received more detailed questions linked to the European Sustainability Reporting Standards as well as to sustainability-related risks and opportunities.	Value-for-money products of good quality, renewable and recycled materials.	Good working conditions, ensuring compliance with Rusta's Code of Conduct	Reduce greenhouse gas emissions, traceability throughout the value chain.
Authorities and NGOs	Rusta's operations affect society, both at a local and a global level.	We keep up to date with relevant regulations and guidelines and share information about our sustainability initiatives whenever necessary. To identify important perspectives from authorities and NGOs, we performed a desk review, which is an effective method to gather relevant information.	Repairable and recycled products, Smart packaging.	Human rights.	Sustainable forestry, reduce the use of chemicals.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
E1 – Climate change														
Climate change adaptation	Harvests of renewable raw materials could be decimated and prices may rise during severe drought. There could be a more extensive shortage of these materials in the long term. Infrastructure may be affected by heavy precipitation, for example.	Risk	Rusta currently works in accordance with the Taxonomy Regulation, which includes this area. At present, we have partial data but will prepare a full analysis in the future.	Rusta currently works in accordance with the Taxonomy Regulation. We have not yet developed clear targets.	●	●	●		●	●	●			Medium
	Increased likelihood of extreme weather events risks increasing insurance and climate adaptation costs, material losses, higher purchasing costs and lost revenue.	Risk	A climate risk assessment has been conducted of our distribution centre (DC) with five prioritised focus areas. The DC insurance covers the relevant fire impacts. An analysis of the stores is ongoing and actions will be taken in case of extreme weather.					●	●	●	●			Short
	Higher costs for functional premises due to increased cooling needs (e.g., renovation or increased need for cooling).	Risk						●	●	●	●			Medium

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
E1 – Climate change														
Climate change mitigation	The main climate impact is from the product assortment, primarily raw material extraction, manufacturing and transportation. Employee commuting, rented premises, customer travel to stores and online purchases, product use and waste generation also contribute.	Actual negative impact	Rusta's net-zero targets are approved by Science Based Targets and we are working purposefully to reduce our climate impact.	• Absolute reduction (Scope 1 and 2) of 100% by 2030 from 2023 base year. • Reduce Scope 3 emissions 64% by 2034 measured in CO_2e, tonnes total/gross profit MSEK. • Reduce Scope 3 emissions measured in CO_2e, tonnes total/gross profit MSEK 97% by 2045. • Reduce GHG emissions from transportation and distribution more than 5% annually	●	●	●		●	●	●	●	●	Long
	May result in higher costs for climate emissions that directly or indirectly impact Rusta.	Risk	Rusta continuously monitors and maps EU and national legislation.					●	●	●	●			Medium
Energy	Energy is consumed in manufacturing processes, transportation and distribution, the use of sold products and end-of-life treatment of sold products.	Actual negative impact	All energy purchased by Rusta is currently fossil-free. Our long-term ambition is to transition to renewable energy sources throughout the value chain.		●	●	●		●	●	●	●	●	Long
	Higher costs for energy consumption that directly or indirectly impact Rusta due to rising energy prices.	Risk	Continuously engaged in energy saving measures, including changing all new lighting to LED technology.					●	●	●	●			Medium

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

					Upstream			Own operations				Downstream		
Topic/ sub-topic	**Description**	**Type of matter**	**Actions**	**Target**	**Raw materials**	**Suppliers of goods**	**Transportation**	**Product development**	**Distribution centre**	**Distribution**	**Stores and online**	**Customer product usage**	**Product end of life**	**Time horizon**
E2 – Pollution														
Pollution of air	Occurs in raw material extraction and in the supply chain, as well as in transportation, distribution, employee commuting, customer commuting to and from stores, and waste incineration.	Actual negative impact	Rusta's Code of Conduct addresses the topic in the factory evaluation tool.	• Increase the share of factories in Asia at the level "Good" or higher to 55% during the 2025/26 financial year in accordance with the environmental requirements in Rusta's external Code of Conduct	●	●			●				●	Medium
	Suppliers may need to be replaced if they do not comply with current or future air pollution requirements.	Risk	Factory evaluations are performed by specialists at the sourcing offices. As a result of Rusta's work, the supply chain has become stronger on these issues.					●	●	●	●			Short
Pollution of water	A significant portion of Rusta's product assortment consists of metal, cotton, wood and paper products, and palm oil. The use of chemicals and other negative impacts on water can occur.	Potential negative impact	Rusta's Code of Conduct addresses the topic in the factory evaluation tool.		●	●								Medium
Substances of very high concern (particularly hazardous substances)	Rusta's value chain includes many actors and raw materials, and parts of Rusta's product assortment includes surfactants and biocides.	Potential negative impact	Rusta's supplier manual clarifies restricted substances, bans on SVHC substances such as SCCPs, phthalates and PFAS substances that are banned under the REACH regulation.			●								Short

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

					Upstream			Own operations				Downstream		
Topic/ sub-topic	**Description**	**Type of matter**	**Actions**	**Target**	**Raw materials**	**Suppliers of goods**	**Transportation**	**Product development**	**Distribution centre**	**Distribution**	**Stores and online**	**Customer product usage**	**Product end of life**	**Time horizon**
E3 – Water and marine resources														
Water	Water consumption is significant when cultivating cotton, wood and vegetable oil. Rusta's products are made from wood and paper, textiles (such as cotton), metal, confectionery and other edibles, and chemicals and cosmetics, all of which require a significant amount of water to cultivate and manufacture.	Actual negative impact	Rusta's Code of Conduct addresses the topic in the factory evaluation tool. Most of the cotton we use is Better Cotton certified, which involves lower water consumption.	• Increase the share of factories in Asia at the level "Good" or higher to 55% during the 2025/26 financial year in accordance with the environmental requirements in Rusta's external Code of Conduct	●	●								Short
E4 – Biodiversity and ecosystems														
Direct impact drivers of biodiversity loss	A potential biodiversity loss may occur within Rusta's major material flows: wood, seaweed, water hyacinth, metal, precious metals, plastic, paper, palm oil, natural rubber, paraffin, glass, cotton and leather. Rusta's value chain includes many actors and raw materials, and parts of Rusta's product assortment includes surfactants and biocides.	Potential negative impact	Most of the wood and paper products are certified by FSC or PEFC. Approximately 95% of the cotton we source is Better Cotton certified or recycled. All palm oil is RSPO mass balance as a minimum requirement. Further work is ongoing, including focusing on the raw materials plastics, precious metals and metals.	• Increase the share of factories in Asia at the level "Good" or higher to 55% during the 2025/26 financial year in accordance with the environmental requirements in Rusta's external Code of Conduct • Retain 100% certified palm oil, minimum mass balance, in Rusta's own products.	●									Medium
Impacts on the state of species		Potential negative impact			●									Medium

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
E5 – Circular economy														
	Resource inflows play a central role in Rusta's ecological footprint. Our activities rely on resource-intensive materials and can contribute to problems such as deforestation, water scarcity and GHG emissions.	Actual negative impact	Rusta currently uses a large proportion of recycled materials and materials from renewable sources. We have had an efficient packaging strategy since 2018 that saves many transport pallets throughout the value chain every year.	• Increase the share of factories in Asia at the level "Good" or higher to 80% in our Supplier Quality Evaluation. • Save at least 10,000 pallets annually throughout the supply chain by working with efficient packaging solutions. • At least 95% of products made from solid wood and wood-based materials, including paper, used in Rusta products must be certified by 2025/26. • Reduce the share of waste generated per sold SEK at least 3% annually. • Increase the share of recycling at least 1% annually.	●	●			●		●			Medium
Resource inflows, including resource use	Increased costs and/or loss of revenue due to shortages of raw materials and products that are essential for production as a result of high demand for materials that are important for the transition to a more sustainable society.	Risk	Rusta currently has a proportion of recycled raw materials in its product assortment and has significantly increased the proportion of recycled plastic in products and packaging.					●	●	●	●			Medium
	Increased costs and/or reduced revenue due to stricter legal requirements relating to sustainability as Sweden and the EU move toward a more sustainable society.	Risk	Rusta currently manages the requirements of the EU Circular Economy Action Plan in a structured way and actively stay informed about upcoming legislation.					●	●	●	●			Short

This is Rusta
Business model and targets
Operations and markets
Sustainability Report
→ General information
Environmental information
Social information
Governance information
Appendix
– IRO-2
– UN Global Compact Index
– GRI Index
Auditor's report
Directors' Report
Financial statements and notes
Other information

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
E5 – Circular economy														
Resource outflows related to products and services	Rusta's products are used and then stop circulating through the system, often leading to waste or emissions.	Actual negative impact	Each year, approximately 500 tonnes are converted into recycled plastic and our assortment includes a significant proportion of recycled cotton. The proportion of defective customer returns has fallen approximately 90% over ten years, to 0.05% (defective returns against products sold). The paper used for our DR is certified, as is the printing. We are improving requirement analysis, access to spare parts and striving to make our products as repairable as possible.	• Increase the share of factories in Asia at the level "Good" or higher to 80% in our Supplier Quality Evaluation. • Save at least 10,000 pallets annually throughout the supply chain by working with efficient packaging solutions. • At least 95% of products made from solid wood and wood-based materials, including paper, used in Rusta products must be certified by 2025/26. • Reduce the share of waste generated per sold SEK at least 3% annually. • Increase the share of recycling at least 1% annually.	●	●			●		●			Long
Waste	We can see that sorting waste fractions is something we must continuously improve. Knowledge needs to be improved in the upstream value chain.	Potential negative impact	Rusta continuously strives to reduce the amount and types of packaging materials, as well as material use and improved sorting rates. We follow up on our supplier requirements for waste management and within our own operations, waste is collected according to set standards in several different fractions for recycling through partners.		●	●			●		●		●	Long

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

					Upstream			Own operations				Downstream		
Topic/ sub-topic	**Description**	**Type of matter**	**Actions**	**Target**	**Raw materials**	**Suppliers of goods**	**Transportation**	**Product development**	**Distribution centre**	**Distribution**	**Stores and online**	**Customer product usage**	**Product end of life**	**Time horizon**
S1 – Own workforce														
Working conditions (for own workforce)	Rusta's employees are the company's most important resource. As a responsible employer, Rusta ensures that we comply with laws and collective agreements. Employee wellbeing could be affected if we fail to fulfil these and we could see an increase in sick leave.	Potential negative impact	Our internal Code of Conduct provides guidance to employees. We comply with laws in countries where we have operations and collective agreements where applicable. We have an overall HR and global salary policy, conduct annual employee surveys and work on action plans to increase engagement and wellbeing. Employees are encouraged to share views when relevant. We engage in preventive health and safety work and have safety committees at larger workplaces.	• Vision of zero accidents – all incidents are reported • Employee Net Promoter Score (eNPS) >23				●	●		●			Short

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
S2 – Workers in the value chain														
Working conditions (for workers in the value chain)	We have seen challenges in terms of working time at some manufacturing units.	Actual negative impact	Rusta's external Code of Conduct is based on international guidelines and imposes demands on clear employment conditions, reasonable working time, working environment and safety.	• Increase the share of factories in Asia at the level "Good" or higher to 85% during the 2025/26 financial year in accordance with the social requirements in Rusta's external Code of Conduct.	●	●	●			●				Short
Equal treatment and opportunities for all workers in the value chain	Rusta has global operations and we must ensure that equal treatment and opportunities apply to the entire value chain.	Potential negative impact	Rusta's external Code of Conduct is based on international guidelines and imposes demands on equal treatment and rights, as well as inclusion.		●	●								Short
Other work-related rights (workers in the value chain)	We are aware that this can occur in some parts of the world, which is why Rusta has very strict guidelines and controls on both child and forced labour.	Risk	Rusta's external Code of Conduct is based on international guidelines and imposes demands that no child or compulsory labour nor debt slavery is used.		●	●								Short
Working conditions and other work-related rights (workers in the value chain)	Increased costs and/or reduced revenue may result from significant regulatory or environmental breaches in the supply chain, due to inadequate procedures, supplier follow up and the selection of high-risk suppliers. Suppliers may need to be replaced, which could lead to delays in delivery and increased costs. If the brand's reputation is damaged, it could lead to a loss of revenue.	Risk	Factory evaluations are performed by specialists at the sourcing offices. As a result of Rusta's work, the supply chain has become stronger on these issues.					●	●	●	●			Short

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model, cont.

Topic/ sub-topic	Description	Type of matter	Actions	Target	Upstream: Raw materials	Upstream: Suppliers of goods	Upstream: Transportation	Own operations: Product development	Own operations: Distribution centre	Own operations: Distribution	Own operations: Stores and online	Downstream: Customer product usage	Downstream: Product end of life	Time horizon
G1 – Business conduct														
Corruption and bribery	Rusta's global purchasing also includes operations in countries that are classified as high-risk in terms of corruption and bribery, according to international studies. This entails an increased risk in terms of potential legal costs, delays in the supply chain and brand damage in cases of non-compliance. In addition, a large number of procurements are conducted each year, which further increases exposure.	Risk	Rusta has a zero tolerance approach to all forms of bribery and corruption, as stated in our internal and external Code of Conduct. We hold regular training, meetings and dialogues with employees and suppliers. Our clear attestation policy is based on the four-eyes principle and monetary limits.	• All new employees shall digitally sign Rusta's internal Code of Conduct. • All suppliers must sign Rusta's external Code of Conduct and our business conduct rules.	●	●	●		●	●	●			Short
	Purchases linked to corrupt purchasing decisions may lead to increased costs for redundancies and recruitment and reduced revenue associated with reputational damage.	Risk						●	●	●	●			Medium

Impact, risk and opportunity management

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

Double materiality assessment

During the 2023/24 financial year, we performed a double materiality assessment to gain a deeper understanding of our most significant impact on people and the environment, business risks as well as business opportunities. The process for our double materiality assessment, which complies with the requirements of the European Sustainability Reporting Standards (ESRS) 1 and 2, has two dimensions: impact materiality and financial materiality.

A sustainability matter is considered material if it meets the criteria for one or both dimensions. For the assessment of impact materiality, Rusta's impact, the scores are based on severity, scope, irremediable character and likelihood. For financial materiality, the scores are based on the areas of likelihood, scope and uncertainty in the assessment.

To assess the size of the potential financial effect, we have primarily worked on the basis of the effect on EBIT for a rolling twelve month period and thereafter the effect on cash flow.

Risks and opportunities were scored based on their likelihood of being realised and their potential financial impact on Rusta. Insights from stakeholder dialogues were incorporated into our reasoning for each area.

Based on the information collected and the methodology described, we set a threshold where the topics with a score above the average were assessed as material. Based on our double materiality assessment, eight of the ten ESRS standards were considered material for Rusta. Linked to the eight ESRS standards that are considered important for Rusta, there are 17 sub-topics that in our materiality assessment were considered as material.

Workflow for the double materiality assessment:

1

Define the context/value chain: We reviewed the relevant, existing analyses and specified the information and data we considered missing in order to begin the double materiality assessment. We reviewed the result of the stakeholder dialogues and Rusta's value chain.

2

Identification and description of Rusta's impact on the surrounding world: In accordance with the ESRS, we reviewed 37 potentially material sub-topics. These were assessed on a scale of one to five in terms of scope, irremediable character and likelihood, where in the value chain an impact occurs and time of occurrence. The work was conducted by the Sustainability Group assisted by subject matter experts when needed. The result was documented.

3

Reasonableness assessment: The sub-topics we worked through and calculated are listed from least to greatest impact. This allowed us to assess whether the results reflected the picture that emerged from our discussions.

4

Identification and description of the financial impact on Rusta: Financial impacts were assessed based on the potential likelihood and scale of the impact. This work was performed by the Sustainability Group together with the Finance Department and the accounting officer. 24 ESRS sub-topics were worked through on a scale of one to five based on the likelihood and scope of impact. This was multiplied by the uncertainty in the assessment, on a scale of one to three. To assess the size of the potential financial impact, we have primarily worked on the basis of the effect on EBIT for a rolling twelve month period and thereafter the effect on cash flow.

5

Materiality mapping and documentation: Final adjustments were made and the result was validated by the Sustainability Group. It was decided that everything above the mean value should be considered material both for Rusta's impact on the surrounding world and for financial impact. A gap analysis against the ESRS standards was performed with an external partner to ensure an accurate result.

6

Revision and adjustment of the double materiality assessment: The double materiality assessment was reviewed and adjusted. During this review, one sub-topic of the S1 standard and two sub-topics of the S2 standard were revised. 14 material sub-topics were changed to 17.

Environmental information

Reporting pursuant to the EU Taxonomy

Regulation (EU) 2020/852 (the Taxonomy Regulation) is designed to support the transformation of the EU economy to meet its European Green Deal objectives, including the goal of climate neutrality by 2050. The Taxonomy Regulation sets out six environmental objectives described in the delegated acts adopted under the Regulation. In the following sections, we present as a non-financial Parent Company the proportion of the Group's turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period of 1 May 2024 to 30 Apr 2025, which are associated with Taxonomy-eligible and -aligned economic activities related to the six environmental objectives.

Rusta is subject to the requirements of the Swedish Annual Accounts Act for reporting under the Taxonomy Regulation as a non-financial company. Under Article 8 of the Taxonomy Regulation, undertakings covered by the Non-Financial Reporting Directive (NFRD) shall disclose how and to what extent their activities are associated with economic activities considered to be environmentally sustainable under the technical screening criteria. Technical criteria have thus far been defined for the environmental objectives "Climate change mitigation," "Climate change adaptation," "Water and marine resources," "Circular economy," "Pollution" and "Biodiversity and ecosystems." Article 8 requires non-financial undertakings to provide information on the proportion of their turnover, CapEx and OpEx covered by the activities and the alignment of existing activities in all environmental targets.

With reference to Annex XII of the delegated act on nuclear energy and natural gas, Rusta does not conduct any nuclear energy- or fossil gas-related activities.

Reporting principles

Under Article 8 of the EU Taxonomy Regulation, turnover, capital expenditure (CapEx) and operating expenditure (OpEx) are defined as described below. For CapEx and OpEx, these definitions are different from Rusta's financial statements. The company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the EU. The basis for preparing the financial statements is explained in Note 2 to the consolidated financial statements.

Rusta's products and services are not yet covered by the Taxonomy, and the proportion of turnover is therefore zero. Rusta has identified below two economic activities regarding the purchase of Taxonomy-related products and services:

6.5 Transport by motorcycles, passenger cars and light commercial vehicles under the economic objective of climate change mitigation for the purchase of Taxonomy-related products and services. For Rusta, this relates to capital expenditure (CapEx) for leasing of passenger cars and company cars. It has not yet been possible to make a full assessment of the Taxonomy alignment since Rusta relies on third parties and complete data has not yet been obtained on how vehicles meet the requirement of not doing any significant harm to the other environmental objectives of the Taxonomy.

7.7 Acquisition and ownership of buildings when Rusta rents premises for its stores, distribution centres and offices. This relates to CapEx for new and renewed lease agreements for premises. For the 2024/25 financial year, the reported CapEx relates to renewed and acquired right-of-use assets attributable to retail premises.

Reporting principles for Turnover, CapEx and OpEx for reporting in accordance with Article 8 of the Taxonomy Regulation are defined below. The table was checked to ensure that no amount had been counted twice.

Turnover

The total turnover corresponds to net sales in the consolidated statement of profit or loss.

CapEx

Total capital expenditure (CapEx) corresponds to acquisitions to the balance sheet items intangible assets, property plant and equipment, and IFRS 16 classified right-of-use assets before any revaluation, depreciation, amortisation or impairment and excluding any changes in fair value, which can be found in notes 18, 20, 21 and 11. Applicable capital expenditure consists of purchases from suppliers whose economic activities are described in the Taxonomy. This item consists of rental properties that are included in the economic activity CCM 7.7 Acquisition and ownership of buildings, and leasing of passenger cars and company cars that are included in the economic activity CCM 6.5 Transport by motorcycles, passenger cars and light commercial vehicles.

Only a small proportion of the year's capital expenditure has been deemed Taxonomy-aligned during the year and consisted of the year's acquisitions of electric cars.

OpEx

Total operating expenditure (OpEx) corresponds to building renovation costs, short-term leases, maintenance and repair costs and other indirect costs for the day-to-day servicing of assets in property plant and equipment. The part of operating expenditure deemed to be Taxonomy-aligned is related to the rental property for our distribution centre in Norrköping that meets the criteria for being a Taxonomy-aligned building.

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES	
Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosures covering the financial year from 1 May 2024–30 Apr 2025.

	Year 2024/25			Substantial Contribution Criteria						DNSH criteria ("Do No Significant Harm")									
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, 2024/25 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover,2023/24 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
		[MSEK]	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmental sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-							-	-		
Of which enabling																			
Of which transitional																			
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-								-		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)																	-		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Turnover of Taxonomy-non-eligible activities (B)	11,828	100%
Total (A+B)	**11,828**	**100%**

Y = Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy-eligible activity for the relevant objective
T = Transitional
E = Enabling

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosures covering the financial year from 1 May 2024–30 Apr 2025.

	Year 2024/25			Substantial Contribution Criteria						DNSH criteria ("Do No Significant Harm")									
Economic activities (1)	**Code (2)**	**CapEx (3)**	**Proportion of CapEx, 2024/25 (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx,2023/24 (18)**	**Category (enabling activity or) (19)**	**Category (transitional activity) (20)**
		[MSEK]	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
Of which enabling	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		E	
Of which transitional	-	-						-	-	-	-	-	-	-	-	-			T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	3	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Acquisition and ownership of buildings	CCM 7.7	413	50%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								52%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**415**	51%	-	-	-	-	-	-								54%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**416**	51%	-	-	-	-	-	-								54%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
CapEx of Taxonomy-non-eligible activities (B)	404	49%
Total (A+B)	**820**	**100%**

Y = Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy-eligible activity for the relevant objective
T = Transitional
E = Enabling

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosures covering the financial year from 1 May 2024–30 Apr 2025

	Year 2024/25			Substantial Contribution Criteria						DNSH criteria ("Do No Significant Harm")									
Economic activities (1)	**Code (2)**	**OpEx (3)**	**Proportion of OpEx, 2024/25 (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx,2023/24 (18)**	**Category (enabling activity or) (19)**	**Category (transitional activity) (20)**
		[MSEK]	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Acquisition and ownership of buildings	CCM 7.7	16	10%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	9%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**16**	**10%**	–	–	–	–	–	–								9%		
Of which enabling	-	-																-	
Of which transitional	-	-																	-
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	4	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3%		
Acquisition and ownership of buildings	CCM 7.7	144	88%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								88%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**149**	90%	-	-	-	-	-	-								91%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**165**	100%	-	-	-	-	-	-								100%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
OpEx of Taxonomy-non-eligible activities (B)	-	-
Total (A+B)	**165**	**100%**

Y = Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy-eligible activity for the relevant objective
T = Transitional
E = Enabling

E1 Climate change

To reduce Rusta's climate impact is of paramount importance, and our sustainability strategy concerns climate change mitigation, energy efficiency and renewable energy expansion. The changes that are affecting our planet, such as rising sea levels, shrinking mountain glaciers and accelerating ice melt, are clear signs that we simply don't have time to wait. During the financial year we compiled a climate report in accordance with the Greenhouse Gas Protocol (GHG). A summary of the financial statements is presented in the table on page XX. We have established ambitious climate targets in line with the goals of the Paris Agreement. These targets were validated and approved during the year by the Science Based Targets initiative.

E1 – Climate change			Upstream	Own operations	Downstream	Time horizon
Climate change adaptation	Harvests of renewable raw materials could be decimated and prices may rise during severe drought. There could be a more extensive shortage of these materials in the long term. Infrastructure may be affected by heavy precipitation, for example.	Risk	●	●		Medium
	Increased likelihood of extreme weather events risks increasing insurance and climate adaptation costs, material losses, higher purchasing costs and lost revenue.	Risk		●		Short
	Higher costs for functional premises due to increased cooling needs (e.g., renovation or increased need for cooling).	Risk		●		Medium
Climate change mitigation	The main climate impact is from the product assortment, primarily raw material extraction, manufacturing and transportation. Employee commuting, rented premises, customer travel to stores and online purchases, product use and waste generation also contribute.	Actual negative impact	●	●	●	Long
	May result in higher costs for climate emissions that directly or indirectly impact Rusta.	Risk		●		Medium
Energy	Energy is consumed in manufacturing processes, transportation and distribution, the use of sold products and end-of-life treatment of sold products.	Actual negative impact	●	●	●	Long
	Higher costs for energy consumption that directly or indirectly impact Rusta due to rising energy prices.	Risk		●		Medium

Governance

ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes

Rusta has not currently integrated sustainability-related performance into the company's incentive plans.

Strategy

E1-1: Transition plan for climate change mitigation

Rusta's sustainability work has focused strongly on climate issues for some time. Our greatest climate impact is from our products and packaging and the focus of our efforts has therefore been on these areas. We are actively striving to reduce our impact in several related areas and have developed science-based climate targets that have been validated and approved by SBTi over the past year. Even though a formal climate transition plan is yet to be created from these efforts, the important milestones used for our proactive work is presented below.

Actions 2025–2030: Introduce a new company car policy and impose new electricity, heating and cooling requirements for landlords. Launch an internal tool for climate data by department, focusing on products and packaging, to guide actions to areas where they have the greatest impact. Set key ratios and targets by department and business area, prioritise products with high emissions and map the energy mix in factories to increase the share of renewable energy in the supply chain.
Target 2030: Rusta commits to reduce absolute GHG emissions in Scope 1 and 2 by 100% by the 2030 financial year from the base year 2023. We also commit to increase the active annual procurement of renewable electricity from 84% in the 2023 financial year to 100% by the 2030 financial year.
Actions 2030–2034: Strive toward a completely fossil-free transport
and distribution network, and improve packaging and logistics efficiency. Continue to work toward switching to renewable and recycled materials in products and packaging as well as in indirect purchases and materials.
Target 2034: Rusta also commits to reduce GHG emissions in Scope 3 from purchased goods and upstream transport and distribution by 64% per MSEK of gross profit by the 2034 financial year from the base year 2023.

Target 2045: Rusta commits to maintain 100% absolute reductions in GHG emissions in Scope 1 and 2 from the 2030 financial year until the 2045 financial year with the base year 2023. Rusta also commits to reduce GHG emissions in Scope 3 from purchased goods, upstream transportation and distribution as well as the use of sold products by 97% per MSEK of gross profit within the same timeframe. Residual emissions that cannot be eliminated through direct measures may be offset in accordance with accepted regulations and standards to achieve net-zero GHG emissions.

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Rusta's double materiality assessment from 2024 evaluated and identified four risks linked to climate transition and climate change adaptation. Two of these risks relate to increased costs for insurance and functional premises, where we are working on a plan to ensure our resilience to weather impacts, particularly at our distribution centre. One identified risk relates to increased costs for climate-related emissions, such as the Carbon Border Adjustment Mechanism (CBAM), where Rusta's commitment to transition to more sustainable and low-emitting materials is an important factor. Another risk relates to increased costs due to rising energy prices, where we are actively working to secure contracts to continuously keep costs down.

We have not identified any physical risks related to Rusta's business model. Our sustainability work is well established and integrated into the company's business model and strategy. We work actively with these issues and continuously monitor and identify relevant regulations, and therefore believe we are well-prepared to eliminate or reduce the impact of the aforementioned risks.

Impact, risk and opportunity management

ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks, and opportunities

In autumn 2023, Rusta conducted a comprehensive review of the entire value chain in terms of our climate impact. This screening has formed the basis for our data collection for the climate report we presented in accordance with the GHG Protocol. The process to identify climate-related impacts, risks and opportunities is determined in our double materiality assessment. This double materiality assessment demonstrated that climate change adaptation, energy and climate change mitigation are material for Rusta.

E1-2: Policies related to climate change mitigation and adaptation

Rusta's sustainability policy governs our climate work and describes how we mitigate climate change and actively adapt our operations to its impacts. The policy establishes our principles and guidelines to reduce emissions and strengthen our ability to manage climate-related risks. It forms the foundation of concrete actions and decisions that drive us toward more sustainable activities.

Climate change mitigation

The policy clarifies the importance of reducing climate impact by focusing on climate change mitigation, energy efficiency and increased use of renewable energy. It emphasises the ambition to reach net-zero emissions by continuously reducing energy consumption and improving efficiency in all facilities. The policy also stresses collaboration with suppliers to ensure that climate action is implemented and that sustainable practices are prioritised throughout the supply chain. Furthermore, it highlights the importance of offering products with a lower environmental footprint, including sustainable materials, reduced packaging waste, and recycling and reusability aspects. The policy also includes targets to reduce emissions from transportation by transitioning to electric and biofuel vehicles, and supporting greener logistics solutions. Our Code of Conduct regulates how Rusta is to work with our suppliers on climate change.

Climate change adaptation

The policy describes the potential impacts of climate change on operations and emphasises the importance of adapting to these challenges at multiple levels. It underlines the continuous evaluation of the supplier base to identify risks and the need to maintain flexibility and the capacity for growth. The policy also includes assessing the vulnerability of physical stores and facilities to climate risks such as extreme weather events, rising temperatures and floods. It stresses the importance of preparedness and regular monitoring to manage climate-related risks and ensure the adaptability of business operations.

E1-3: Actions and resources in relation to climate change policies

Our approach is to measure, reduce and compensate our GHG emissions and we are fully transparent on our status and progress. The GHG emissions generated in Rusta's activities mostly come from our products. The largest contributor is the raw material used, followed by the energy required in the production process for our products. Choosing raw materials and buying more renewable and recyclable raw materials is Rusta's foremost priority when it comes to reducing our climate impact. During the 2024/25 financial year, we developed a tool to continuously calculate and visualise the climate impact of Rusta's product assortment. This tool will be implemented in the 2025/26 financial year. The next priority is to secure renewable energy, both in Rusta's own operations and in all the factories that produce for Rusta. We strive to continuously improve and expand our circular business processes. At Rusta, we continuously reduce our GHG emissions.

Climate change mitigation

Reducing our energy consumption and improving energy efficiency across all facilities

Rusta monitors the energy consumption in our stores and our distribution centre to collect real-time data. We are working on structuring and analysing this data to determine accurate KPIs both for our own operations and for those of our suppliers. In the 2024/25 financial year, we continued our transition to renewable energy sources in line with our medium-term SBTi target and we are constantly looking at new ways to reduce energy consumption. By using clear procedures in our stores, that we are continuously developing, we have identified and implemented a series of measures, including motion sensors for light sources in staff areas, timers and twilight relays for store signs, reduced lighting in stores before opening and LED spotlights instead of halogen. To save energy, the entire distribution centre is heated with geothermal heating and we have optimised ventilation at the distribution centre.

Working together with our suppliers to reduce emissions and encourage more sustainable methods
Many of our suppliers have made significant progress in their climate work. In our sourcing offices, Rusta employees work continuously with suppliers and discuss improvements in production and products. Our Code of Conduct regulates how Rusta is to work with our suppliers on climate-related emissions. In our Code of Conduct, we monitor wastewater, electricity consumption, direct fuel consumption, waste management and emissions to air (non-greenhouse gases).

We are working proactively to increase the share of products designed, manufactured and distributed with a lower environmental footprint. We use materials with a lower environmental impact in our products and more efficient packaging solutions made from recycled materials During the year, we developed a tool to monitor GHG emissions at item level, which gives us great opportunities to make fact-based decisions relating to, for example, the choice of raw materials.

Reducing emissions from transportation and distribution
During the 2024/25 financial year, we continued to work on the transition to fossil-free fuels and to reduce emissions for Rusta's transportation and distribution activities. We are continuously switching to more sustainable modes of transport and fuels for transport that Rusta buys from Asia and Europe. In Europe, we partly import goods via rail and sea as an alternative. We are endeavouring to achieve more efficient loading in the supply chain, i.e., pallets, containers and trucks. As part of efforts to further reduce our climate impact, during the year we invested in GOGREEN, a new transportation product that helps us reduce the climate impact of maritime transportation 80%. We achieve this by replacing the fossil fuels that would normally be used (Heavy Fuel Oil – HFO) with more sustainable fuels (Sustainable Marine Fuel – SMF). Today, all our containers are transported fossil-free between the port and distribution centre, we have a new environmental appendix in all new distribution agreements and we use four electric trucks, two of which are HCT (High Capacity Transport).

Climate change adaptation
Rusta currently works in accordance with the Taxonomy Regulation, which is described in detail on pages 35–38. At present, we do not have complete data but will prepare a full analysis in the future. In 2024, a mapping of climate-related risks in the short and long term was conducted of Rusta's distribution centre. Based on this analysis, preventive work is now underway to safeguard the property from water penetration. We optimise drainage routes, adapt to heatwaves and elevated temperatures, and ensure snow removal capacity.

Metrics and targets

E1-4: Targets related to climate change mitigation and adaptation

Overarching goals for net-zero emissions:
- Rusta AB (publ) is committed to achieving net-zero GHG emissions throughout its value chain by the 2045 financial year.

Short-term targets:
- Rusta commits to reduce absolute GHG emissions in Scope 1 and 2 by 100% by the 2030 financial year from the base year 2023.[1]
- Rusta commits to increase the active annual procurement of renewable electricity from 84% in the 2023 financial year to 100% by the 2030 financial year.
- Rusta commits to reduce GHG emissions in Scope 3 from purchased goods and upstream transportation and distribution by 64% per MSEK of gross profit by the 2034 financial year from the base year 2023.[1]

Long-term targets:
- Rusta commits to maintain 100% absolute reductions in GHG emissions in Scope 1 and 2 from the 2030 financial year until the 2045 financial year with the base year 2023.[1]
- Rusta commits to reduce GHG emissions in Scope 3 from purchased goods, upstream transportation and distribution as well as the use of sold products by 97% per MSEK of gross profit within the same timeframe.[1]

1) The target includes land-related emissions and removals from bioenergy feedstocks.

- Reduce greenhouse gas emissions from transportation 5% annually.

E1-5: Energy consumption and mix

Energy consumption and mix	Outcome 2024/25	Outcome 2023/24	Outcome 2022/23
Energy consumption, kWh	55,693,408	56,817,735	50,909,736
Electricity, kWh	42,955,688	43,176,644	43,382,043
District heating, kWh	12,737,720	13,641,091	7,527,693

Contracts for renewable electricity in Scope 2	% of kWh
Contracts for renewable electricity	82
Contracts for non-renewable electricity	18

The tables above show Rusta's energy consumption over the past three years. The impact of our energy saving measures has paid off and, despite new stores, our total electricity consumption has remained stable. For new business locations, we have partial control over the energy mix but still have work to do to ensure renewable energy.

E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions

ESRS E1-6 Requirements	Rusta's approach
Applicable standards	GHG Protocol (The Corporate Standard, The Corporate Value Chain (Scope 3) Standard, Technical Guidance for Calculating Scope 3 Emissions)
Consolidation approach	Control-based consolidation
Reported scope	Scope 1: Direct emissions from heating oil and fuel use in own vehicles and forklifts.
	Scope 2: Indirect emissions from purchased electricity and heating, reported using both market-based and location-based methodologies.
	Scope 3: Indirect emissions in the value chain, including the following categories: • Purchased goods and services • Capital goods • Energy and fuel-related emissions • Upstream transportation • Waste • Business travel • Commuting • Downstream transportation
Data sources and calculation methods	Primary data is used where possible, particularly for material activities.
	Secondary data (such as cost-based spend factors from the Swedish National Agency for Public Procurement) is used for less material activities.
	Emission factors are country- and fuel-specific, and also include high-altitude effects (RFI) for aviation.
	Extrapolation and assumptions are used when data is missing, such as district heating in some countries or commuting.
Improvements and methodological developments	For the 2024/25 climate report, Rusta: • Clarified reporting under the GHG Protocol • Introduced more detailed emission factors • Extended system boundaries (such as well-to-tank, RFI) • Implemented improvement suggestions from external verification (2050 Consulting)
Productcalculations	Product emissions are calculated based on sourced quantities and emission factors.
	Emission factors are assigned according to a hierarchy: manual, estimated, extrapolated.
	Power BI is used for visualisation and follow-up.
	Supplier data (such as Environmental Product Declarations (EPD)) is used where available.

	2022/23	2023/24	2024/25	% of total 2024/25	2023/24 -> 2024/25
Scope 1 (direct emissions)	**255**	**154**	**119**	**0.01%**	**–22.7%**
Scope 2 (indirect emissions, market-based)	**3,718**	**3,344**	**4,833**	**0.4%**	**44.5%**
Scope 2 (indirect emissions, location-based)	**3,900**	**4,118**	**4,153**	**0.3%**	**0.9%**
Scope 3 (indirect emissions)	**1,101,981**	**1,162,929**	**1,267,434**	**99.6%**	**9.0%**
3.1 Purchased goods and services	952,811	984,558	1,082,508	85.1%	9.9%
3.2 Capital goods	9,737	7,531	6,953	0.5%	–7.7%
3.3 Energy and fuel-related emissions	582	446	893	0.1%	100.0%
3.4 Upstream transportation and distribution	18,062	16,838	17,736	1.4%	5.3%
3.5 Waste	173	208	122	0.01%	–41.3%
3.6 Business travel	1,200	1,825	2,270	0.2%	24.4%
3.7 Employee commuting	4,100	4,749	4,764	0.4%	0.3%
3.9 Downstream transportation and distribution	81,483	86,188	80,251	6.3%	–6.9%
3.11 Use of sold products	29,700	56,348	70,763	5.6%	25.6%
3.12 End of life treatment of sold products	4,133	4,237	1,175	0.1%	–72.3%
Total	**1,105,954**	**1,166,428**	**1,272,387**	**100.0%**	**9.1%**
CO_2e kg total/purchased number of items	3.9	3.9	3.9		0.0%
CO_2e, tonnes total/gross profit MSEK	264.2	241.3	249.7		3.5%
Number of stores	201	212	225		6.1%
SBTi KPI 2034[1]	231.9	207.2	215.9		4.2%
SBTi KPI 2045[1]	239.0	218.8	229.8		5.0%

The results table according to the Greenhouse Gas Protocol [tonnes CO_2e]

1) See detailed description of Rusta's SBTi targets under E1-4.

Location-based emissions are reported in the table but are not included in total emissions.

Reflections and explanations of the climate report

Scope 2:

Most of the newly established stores purchase electricity via property owners. We therefore use the Swedish energy mix as we have no information on the energy source. We are now re-thinking this and taking over ownership of electricity meters in order to secure the energy source in the future. In cases where we continue to purchase electricity via property owners, we will work to ensure that Rusta only receives energy from renewable sources.

Scope 3:

3.1: The increased value was due to higher sales, increased purchases of goods and the opening of new stores. Rusta works continuously to choose recycled and more sustainable materials in our products and packaging. An ongoing work in progress is to integrate correct conversion rates into the climate calculations. Work on refining and developing climate calculations will continue as we have a changing product assortment.

3.4: Rusta's results for upstream transportation are impacted by a change in the reduction obligation in Sweden. For the 2024/25 financial year, we use the 2024 calendar year for transport as we had difficulties in collecting and compiling data in time for reporting for previous climate accounts. For transportation, we will continue to calculate the calendar year's outcome.

3.6: Part of Rusta's expansion, renewal and opening of new stores led to an increase in this category during the year.

3.11: For the use of products sold, we noted an increase in GHG emissions due to increased sales of electrical products.

3.12: Changes to the calculation values for the service life of the product resulted in a reduction in the climate impact of this category in the GHG Protocol.

E1-7: GHG removals and GHG mitigation projects financed through carbon credits

Rusta does not currently finance any GHG removals or mitigation projects.

E1-8: Internal carbon pricing

Rusta has currently not calculated and implemented any internal carbon pricing.

E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Higher average temperatures can impact own operations and lead to higher costs for functional premises due to increased cooling needs (e.g., renovation or increased need for cooling).

Increased likelihood of extreme weather events risks impacting our own operations or value chains leading to increased insurance and adaptation costs for material losses, higher purchasing costs or lost revenue.

Higher costs of climate emissions can lead to higher tax costs.

Higher costs for energy consumption can lead to increased operating costs.

E2 Pollution

We are committed to minimising pollution and reducing the environmental impact of our operations.

As a retail company, we are aware that our activities, directly and indirectly, can contribute to various types of pollution, from emissions in the supply chain to waste management in stores and after use of our products. We therefore strive to reduce our environmental impact through sustainable choices in production, logistics, packaging and energy consumption. Our work focuses on preventing and minimising emissions and pollution throughout the value chain. We strive to take proactive measures to work on the matter with our suppliers and business partners.

Impact, risk and opportunity management

ESRS 2 IRO-1: Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

In autumn 2023, Rusta conducted a comprehensive review of the entire value chain in terms of our impact on the surrounding world. The process to identify impacts, risks and opportunities related to pollution is determined in our double materiality assessment. This double materiality assessment showed that pollution of air and water as well as substances of very high concern are material for Rusta.

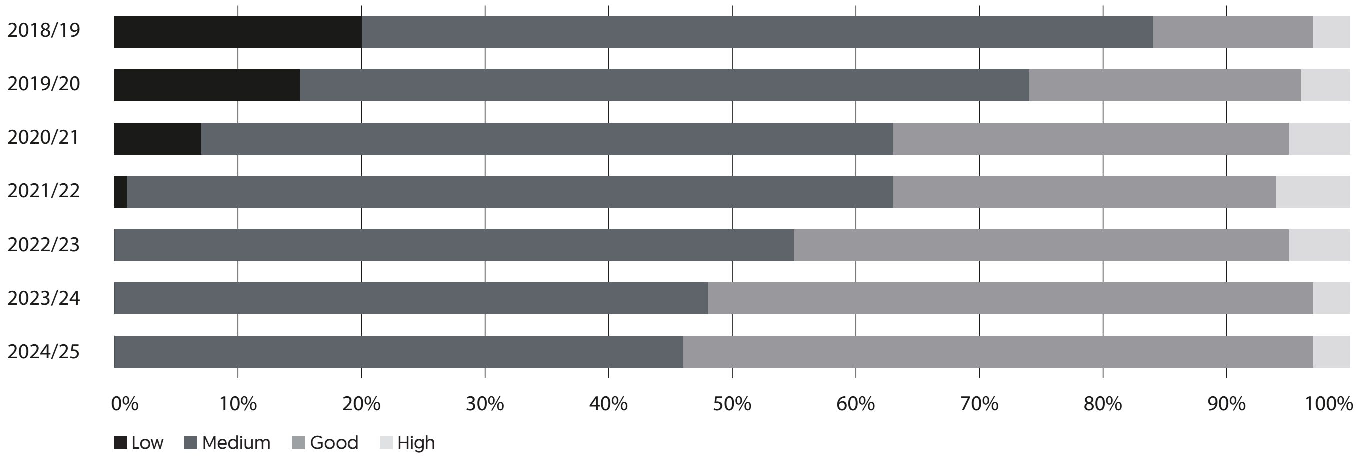
E2-1: Policies related to pollution

Our sustainability policy states that Rusta will reduce emissions of pollutants from our operations and adopt energy efficient technologies. We will also shift to renewable energy sources and optimise transportation and logistics. We will collaborate with our suppliers to ensure that they also comply with strict environmental standards, and encourage practices that reduce pollution throughout the supply chain. Rusta always complies with all relevant environmental regulations. At Rusta, we are committed to constantly improve our processes to reduce pollution and strive for innovative solutions that benefit both the environment and our operations.

E2-2: Actions and resources related to pollution

We work together with our suppliers to continuously improve our environmental performance. Without exception, the environmental performance of all potential suppliers managed via our sourcing offices in Asia is reviewed and evaluated before they may produce goods for Rusta. During the 2024/25 financial year, a total of 202 factory evaluations were performed by Rusta employees based on the environmental criteria in our Code of Conduct. Our suppliers have developed in a positive direction. Apart from our non-negotiable requirements, that all critical environmental hazards must be eliminated or handled in a sustainable manner, we rate our suppliers on "Rusta Environment" based on the five areas where environmental pollution is directly or indirectly impacted: wastewater, waste management, emissions to air (non-greenhouse gases), electricity consumption and direct fuel consumption. In this process, suppliers firstly conduct a self-assessment which is then verified or revised by Rusta's employees through factory evaluations.

Results of the Code of Conduct Environmental evaluation

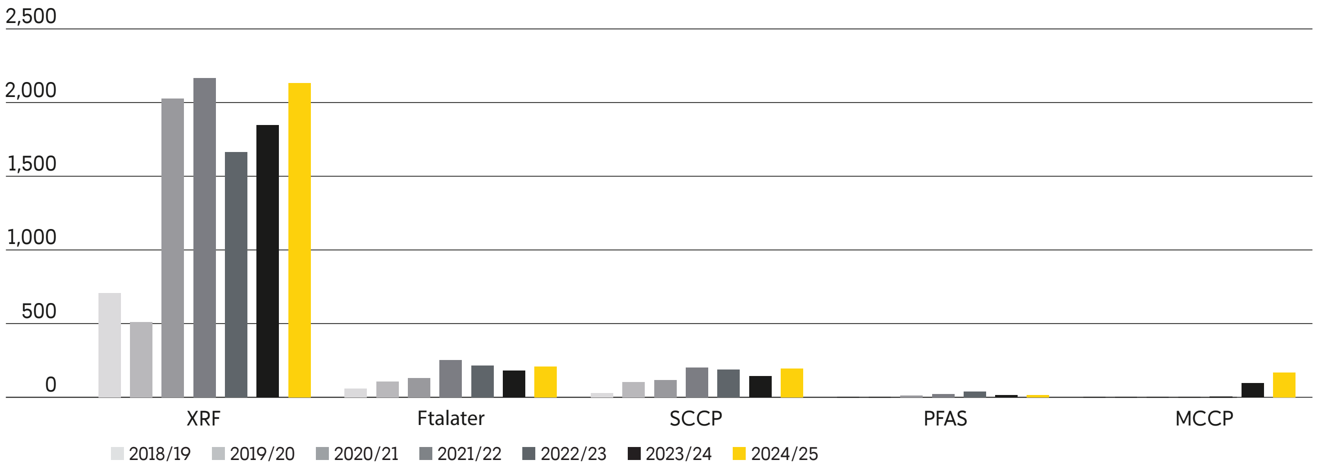


Product content and chemical substances
Rusta always works on the basis of the strictest requirements in any of our sales markets as minimum requirements for all products. For certain substances, such as phthalates, we have stricter requirements than are found in any of our markets. In 2020, Rusta joined the PFAS initiative ChemSec. By joining this initiative, Rusta supports the recognition that PFAS is a major health and environmental concern, and we are committing to ceasing all non-essential PFAS use in our products. To ensure compliance with our requirements and as an additional quality control, Rusta uses X-ray fluorescence (XRF) scanners both in our Asian sourcing offices and in our distribution centre in Norrköping. During the financial year, a total of 2,131 (1,848) XRF tests were performed at our premises in Asia and at Rusta's distribution centre. In addition to looking at the actual test results from our XRF equipment, we calculate potential risks when we detect a value near the permitted limit, to ensure the safest possible products for our customers.

We also conduct spot checks both in Asia and in Sweden on all electrical items before they can be sold in our stores. Communication and training are crucial in our work on chemicals and requirements. We also conduct random tests to ensure compliance in the value chain.

E2-5: Substances of concern and substances of very high concern

Number of random tests



Metrics and targets
E2-3: Targets related to pollution

Targets linked to pollution	Target 2025/26	2024/25	2023/24	2022/23
Increase the share of factories in Asia at the level "Good"[1] or higher to 55% in accordance with the environmental requirements in Rusta's external Code of Conduct	55%	54%	52%	45%

1) Good: A better and more progressive environmental performance than the average level, but further work is needed on energy efficiency and clear action plans to reduce, for example, GHG emissions from production.

E2–4: Pollution of air, water and soil
In the next financial year, Rusta will further evaluate the pollution of air and water in order to develop methods for data collection and metrics.

E2-6: Anticipated financial effects from pollution-related, risks and opportunities
The double materiality assessment identifies a risk related to pollution of air where increased costs and delayed deliveries may occur if suppliers need to be replaced.

E3 Water and marine resources

At Rusta, we are committed to conducting our operations with respect for nature and the environment. It is therefore important that we choose responsible practices in our own operations and in our value chain. We consider water and marine resources as these are crucial both for the environment and for the company's long-term operations. Raw materials such as wood and cotton have a significant impact on water resources. If water is consumed at an unsustainable rate or contaminated in the manufacturing process, it may lead to serious environmental problems that impact both ecosystems and people. Rusta works with third-party certifications to protect water resources and promote more sustainable water usage.

Impact, risk and opportunity management

ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

In autumn 2023, Rusta conducted a comprehensive review of the entire value chain in terms of our impact on the surrounding world. The process to identify impacts, risks and opportunities related to pollution is determined in our double materiality assessment. This double materiality assessment demonstrated that water consumption and water withdrawals are material topics for Rusta.

E3-1: Policies related to water and marine resources

At Rusta, we recognise the importance of water and marine resources for sustaining life and ecosystems. We are committed to using these resources responsibly and protecting them from contamination. Rusta will strive to minimise water consumption and water pollution in all aspects of our operations and supply chains through efficient practices. We will take measures to reduce the impact of our activities on marine environments. This includes minimising pollution, reducing plastic waste and avoiding hazardous chemicals. We work with suppliers who have effective wastewater treatment processes to ensure that any water discharged from operations does not contaminate natural water sources or marine environments. We are committed to continuously assess and improve our own and our suppliers' water usage and impact on marine ecosystems.

E3-2: Actions and resources related to water and marine resources

We work together with our suppliers to continuously improve our environmental performance. Without exception, the environmental performance of all potential suppliers is reviewed and evaluated before they may produce goods for Rusta. During the 2024/25 financial year, a total of 202 factory evaluations were performed by Rusta employees based on the environmental criteria in our Code of Conduct. Our suppliers have developed in a positive direction. Apart from our non-negotiable requirements, that all critical environmental hazards must be eliminated or handled in a sustainable manner, we rate our suppliers on "Rusta Environment" based on the five areas that include water and marine resources. In this process, suppliers firstly conduct a self-assessment which is then verified or revised by Rusta's employees through factory evaluations.

E3 – Water and marine resources			Upstream	Own operations	Downstream	Time horizon
Water	Water consumption is significant when cultivating cotton, wood and vegetable oil. Rusta's products are made from wood and paper, textiles (such as cotton), metal, confectionery and other edibles, and chemicals and cosmetics, all of which require a significant amount of water to cultivate and manufacture.	Actual negative impact	●			Short

Certified raw materials

A large proportion of the cotton purchased by Rusta is certified by Better Cotton. Better Cotton is a non-profit organisation that promotes better standards in cotton farming and aims to make cotton farming more sustainable and responsible, such as by reducing the use of water sources and promoting better water management. For wood and paper products, Rusta collaborates closely with the Forest Stewardship Council (FSC), which focuses on sustainable forest management that includes the protection of water resources. FSC certification means that forestry is practiced in a manner that respects the environment, including watercourses and wetlands, and ensures that these are maintained in good condition. The Programme for the Endorsement of Forest Certification (PEFC) is a forest certification system that requires forestry to be sustainable from an environmental, social and economic perspective. In terms of water, PEFC certification means that watercourses and other aquatic environments must be taken into account.

Metrics and targets

E3-3: Targets related to water and marine resources

Targets linked to water and marine resources	Target 2025/26	2024/25	2023/24	2022/23
Increase the share of factories in Asia at the level "Good"[1] or higher to 55% in accordance with the environmental requirements in Rusta's external Code of Conduct	55%	54%	52%	45%
Increase the share of certified wood and paper products to 95%	95%	92%	89%	86%

1) Good: A better and more progressive environmental performance than the average level, but further work is needed on energy efficiency and clear action plans to reduce, for example, GHG emissions from production.

E3-5: Anticipated financial effects from water and marine resources-related impacts, risks and opportunities

Our double materiality assessment does not identify any financial impact, opportunity or risk.

E4 Biodiversity and ecosystems

Our sustainability strategy, sustainability policy and external Code of Conduct clearly show that Rusta behaves in an environmentally conscious and resource efficient manner and takes a systematic approach to all aspects that impact the environment and climate. Rusta will offer the market more sustainable products, be energy efficient, use renewable resources and minimise waste and emissions. Our work focuses on preventing and minimising emissions and pollution throughout the value chain. We strive to take proactive measures to work on the matter with our suppliers and business partners. Using raw materials certified by well-established organisations is one of our ways of working to reducing negative impacts on biodiversity. We are committed to sourcing wood, cotton and palm oil by relying on certifications that impose demands to conserve and promote biodiversity. Organisations that Rusta collaborates with include the FSC, PEFC, RSPO, Better Cotton and Swan Ecolabel.

Strategy

E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model

At present, we do not have a transition plan for mitigating our impact on biodiversity, but as a first step, our double materiality assessment has highlighted the importance of continuing active work on the topic.

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The double materiality assessment demonstrates a potential negative impact linked to direct impact drivers of biodiversity loss. A further potential negative impact is linked to impacts on the state of species. The assessment and results regarding these impacts are linked to the fact that Rusta's value chain includes many actors and raw materials, and parts of Rusta's product assortment includes surfactants and biocides.

Impact, risk and opportunity management

ESRS 2 IRO-1: Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

In autumn 2023, Rusta conducted a comprehensive review of the entire value chain in terms of our impact on the surrounding world. The process to identify impacts, risks and opportunities related to pollution is determined in our double materiality assessment. This double materiality assessment showed that pollution of air and water as well as substances of very high concern are material for Rusta.

E4 – Biodiversity and ecosystems			Upstream	Own operations	Downstream	Time horizon
Direct impact drivers of biodiversity loss	A potential biodiversity loss may occur within Rusta's major material flows: wood, seaweed, water hyacinth, metal, precious metals, plastic, paper, palm oil, natural rubber, paraffin, glass, cotton and leather. Rusta's value chain includes many actors and raw materials, and parts of Rusta's product assortment includes surfactants and biocides.	Potential negative impact	●			Medium
Impacts on the state of species		Potential negative impact	●			Medium

E4-2: Policies related to biodiversity and ecosystems

Rusta is committed to protecting biodiversity and ecosystems through responsible business practices. We recognise the crucial role that healthy ecosystems play in sustaining life and supporting communities. Our policy expresses our commitment to promoting sustainable sourcing. We will prioritise raw materials from sustainable sources and ensure that materials and ingredients are harvested or produced in a manner that preserves biodiversity and minimises environmental impact. Furthermore, Rusta will reduce the negative impact of its operations on ecosystems by reducing waste and emissions that contribute to ecosystem degradation. Rusta's stakeholders must be regularly updated on our biodiversity and sustainability efforts, including targets and progress, and we must continuously improve our practices by engaging employees, suppliers and customers.

E4-3: Actions and resources related to biodiversity and ecosystems

We will work actively for the protection and restoration of biodiversity, and we work for climate neutrality throughout our value chain. Our material ESRS topics are linked to impact on biodiversity loss, impact on status of species, chemicals and pollution. We have specifically addressed this issue in Rusta's sourcing organisation, where we continuously increase the proportion of certified raw materials.

Collaboration with and follow-up of suppliers

The issue is also currently addressed through our work with suppliers and manufacturing units to reduce our environmental impact. Without exception, the environmental performance of all potential suppliers linked to our sourcing offices in Asia is reviewed and evaluated before they may produce goods for Rusta. During the 2024/25 financial year, a total of 202 factory evaluations were performed by Rusta employees based on the environmental criteria in our Code of Conduct. Our suppliers in Asia have developed in a positive direction. This means a larger share is now at the level good or higher. Apart from our non-negotiable requirements, that all critical environmental hazards must be eliminated or handled in a sustainable manner, we rate our suppliers on "Rusta Environment" based on the five areas where biodiversity and ecosystems are directly or indirectly impacted: wastewater, waste management, emissions to air (non-greenhouse gases), electricity consumption and direct fuel consumption. In this process, suppliers firstly conduct a self-assessment which is then verified or revised by our functional specialists with respect to factory evaluations.

Rusta Forestry Due Diligence System

As part of our ambition to promote biodiversity, Rusta will never accept products that wholly or partially contain parts from any flora listed as "Critically Endangered" or higher extinction risk in the International Union for Conservation of Nature (IUCN) and Natural Resource red list of threatened species. Rusta has therefore developed a Forestry Due Diligence System based on eight key criteria that helps us estimate and calculate risk when purchasing specific types of wood from a certain region and/or supplier. In addition to the above requirements, Rusta does not purchase any wood that is illegally harvested, comes from protected areas, intact natural/rainforests or from forests with high conservation value, is not produced in accordance with national and regional forest legislation, is involved in social conflicts regarding wood operations, comes from natural tropical or subtropical forests that are converted into plantations or from genetically modified tree plantations. We have work to do on biodiversity and will continue to identify and assess the impact of Rusta and the actions that are appropriate to take. Decisions on the implementation of necessary measures and collection of relevant data will be taken.

Metrics and targets

E4-4: Targets related to biodiversity and ecosystems

Targets linked to biodiversity and ecosystems	Target 2025/26	2024/25	2023/24	2022/23
Increase the share of factories in Asia at the level "Good"[1] or higher to 55% in accordance with the environmental requirements in Rusta's external Code of Conduct	55%	54%	52%	45%
For palm oil-based vegetable oils, we will maintain 100% RSPO-certified palm oil for Rusta's own brands	100%	100%	-	-
Increase the share of certified wood and paper products to 95%	95%	92%	89%	86%

1) Good: A better and more progressive environmental performance than the average level, but further work is needed on energy efficiency and clear action plans to reduce, for example, GHG emissions from production.

E4-5: Impact metrics related to biodiversity and ecosystems change

We will develop ways of working and metrics to manage and report impact metrics related to biodiversity and ecosystems change.

E4-6: Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities

The financial section of our double materiality assessment did not reveal any financial impact related to biodiversity and ecosystems.

E5 Resource use and circular economy

Rusta understands the importance of being economical with the earth's resources and our sustainability strategy clarifies our commitment to a circular transition. Design for long-life and repairability are both crucial aspects, as is developing effective packaging made from renewable or recycled resources. We work proactively with our material aspects in relation to this issue, which are the inflow and outflow of resources, resource use, as well as waste, related to products.

Impact, risk and opportunity management

ESRS 2 IRO-1: **Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities**

Efficient resource management is a priority for Rusta throughout the value chain. We are committed to gradually transitioning to circular flows and continuously assess the environmental impact of our products and packaging throughout their life cycle. In autumn 2023, Rusta conducted a comprehensive review of the entire value chain in terms of our resource inflows and resource outflows. This review reflects the risks we identified in these areas. The process to identify impacts, risks and opportunities is determined in our double materiality assessment. This double materiality assessment demonstrated risks as a result of demand for materials that are important in the transition to a more sustainable society. This may mean increased costs and shortages of raw materials for products and components that are essential for production. In addition, stricter legal requirements regarding sustainability may increase costs.

E5-1: **Policies related to resource use and circular economy**

Rusta's sustainability policy makes it clear that we are to offer a commercial, meaningful and sustainable product assortment. Together with our suppliers, we will work with clear life-cycle requirements for the packaging, construction and sustainability of our products. Every product that a Rusta customer buys must be of good quality, functionality, safety and durability. We will take precautionary measures to eliminate hazardous substances and increase the share of sustainable materials in our products and packaging. At Rusta, we are committed to reducing resource consumption, reducing waste and reusing materials where possible.

			Upstream	Own operations	Downstream	Time horizon
E5 – Circular economy						
Resource inflows, including resource use	Resource inflows play a central role in Rusta's ecological footprint. Our activities rely on resource-intensive materials and can contribute to problems such as deforestation, water scarcity and GHG emissions.	Actual negative impact	●	●		Medium
	Increased costs and/or loss of revenue due to shortages of raw materials and products that are essential for production as a result of high demand for materials that are important for the transition to a more sustainable society.	Risk		●		Medium
	Increased costs and/or reduced revenue due to stricter legal requirements relating to sustainability as Sweden and the EU move toward a more sustainable society.	Risk		●		Short
Resource outflows related to products and services	Rusta's products are used and then stop circulating through the system, often leading to waste or emissions.	Actual negative impact	●	●		Long
Waste	We can see that sorting waste fractions is something we must continuously improve. Knowledge needs to be improved in the upstream value chain.	Actual negative impact	●	●	●	Long

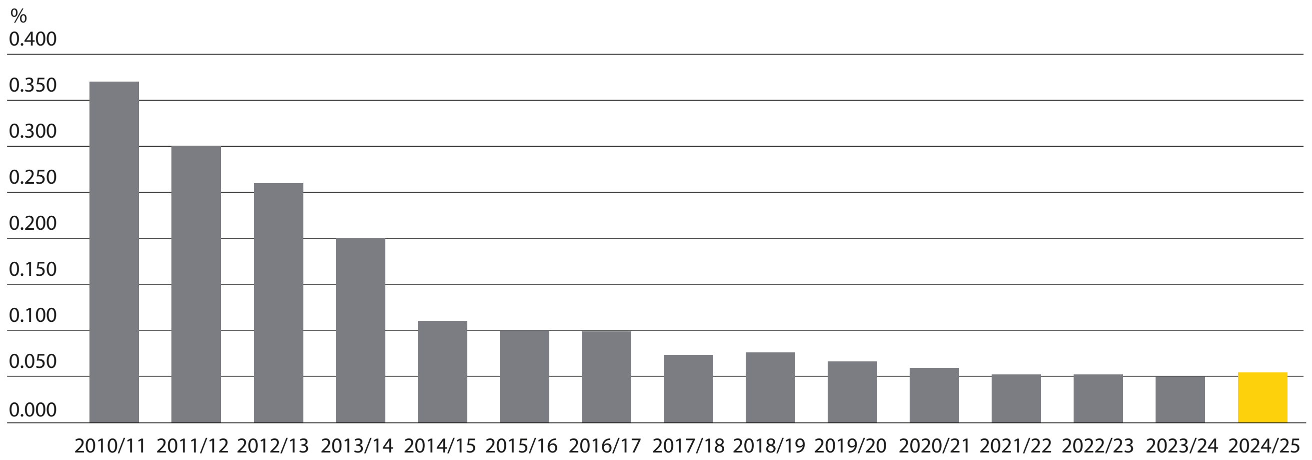
E5-2: **Actions and resources related to resource use and circular economy**

Rusta works with our suppliers to promote the adoption of circular practices, such as reducing packaging waste and using renewable materials. A prerequisite for promoting efficient resource use is to have the right quality, which is why Rusta's structured quality management is one of the cornerstones for a more circular business model. We continuously strive to reduce the amount of plastic used in both our products and their packaging and work to map our entire product assortment with the aim of reducing dependence on new fossil-based plastic. The proportion of recycled plastics consists both of waste from the manufacturing units and of products and packaging used by end consumers. In this work and in collaboration with our suppliers, we pay great attention to maintaining product quality and long service life. Many of our major plastic product families use a large proportion of recycled plastic. Internally, we continuously strive to improve waste recycling in stores and the distribution centre. We work to optimise the use of natural resources in our operations by improving efficiency, reducing waste and prioritising sustainable alternatives in our sourcing and production processes. We have committed to designing products with a focus on sustainability, repairability and recyclability. Together with our suppliers and manufacturers, our ambition is to create products that are easy to recycle at end of life, reducing waste and environmental impact.

Product quality

Rusta's vision for product quality is to offer all customers products that they perceive as "great value for money." This refers to the customer's perceived value of the product in relation to its price. The quality strategy established by Rusta in 2011 includes always putting the customer in focus, implementing clear targets and KPIs and adopting systematic sustainability work, with continuous improvements. At Rusta, we always deliver products according to our quality definition. A product must be safe, durable and fully functional.

Defective customer returns in percentage (quantity)



We systematically measure our progress by sending our products to third-party testing and by monitoring our customers' perception of Rusta's ability to fulfil our customer promise. In addition to offering good quality products that are designed to last, our products must also be repairable to further extend their useful life. To reduce the environmental impact of each product, our ambition is to integrate repairability into the development of new products moving forward.

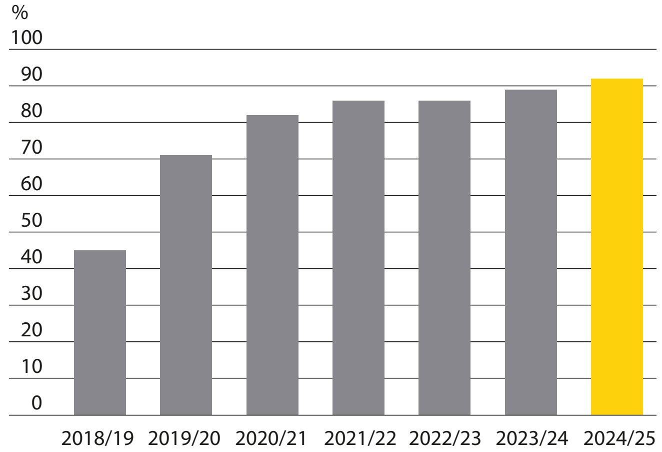
Sustainable choices and marking

Rusta's goal is to offer a more sustainable product assortment than our competitors. To make it easier for our customers to make sustainable choices, we have improved the sustainability marking of our products in all our product assortments. This gradual transformation of our assortment is being conducted in several ways. By increasing the range of certified products and products made from recycled raw materials. By using fewer materials/components in products and reducing or eliminating unnecessary consumer packaging. By working with the dimensions of our products and packaging to optimise transportation and thereby minimise emissions

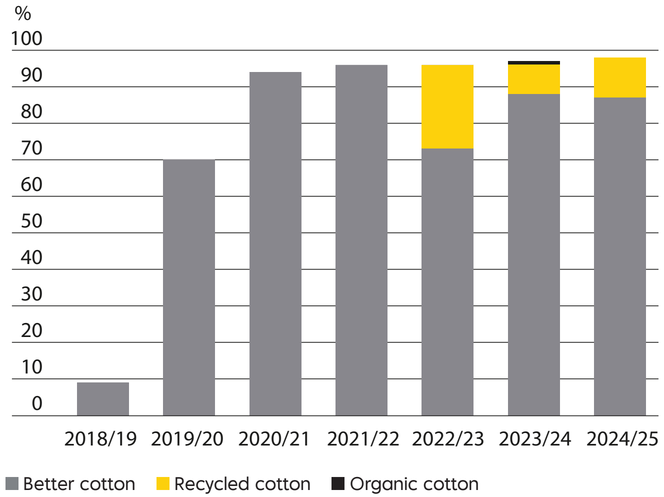
Rusta's assortment and purchasing department follows clear guidelines regarding material selection. These guidelines are divided into different materials and are continuously updated as we learn more. One important focus area during the financial year was plastics, where we clarified the advantages and disadvantages in terms of important properties and climate impact.

Sustainability certifications such as Better Cotton, FSC, OEKO-TEX, PEFC, Good Environmental Choice, RSPO and the Nordic Swan Ecolabel play an important role in enabling a more circular business model for Rusta by ensuring sustainability throughout the value chain, from raw material to end use and recycling. By mandating responsible resource use, social conditions and chemical management, certifications help to ensure that products are designed for longer life, lower environmental impact and better opportunities for re-use and recycling. For example, Better Cotton and the RSPO promote more sustainable farming practices that reduce resource use at the raw material stage, while the FSC and PEFC ensure that wood-based materials are from forests managed with respect for ecosystems and biodiversity. OEKO-TEX and Good Environmental Choice focus on chemical control and the entire life cycle of the product, which enables non-toxic recycling and safer work environments. The Nordic Swan Ecolabel, with its broad demands on environmental performance and resource efficiency, promotes products that have a lower environmental impact and are easy to recycle. Together, these certifications create transparency, trust and the conditions to build circular flows where resources remain in circulation for as long as possible.

Share of certified wood and paper



Share of certified, organic or recycled cotton



This is Rusta
Business model and targets
Operations and markets
Sustainability Report
General information
Environmental information
Social information
Governance information
Appendix
– IRO-2
– UN Global Compact Index
– GRI Index
Auditor's report
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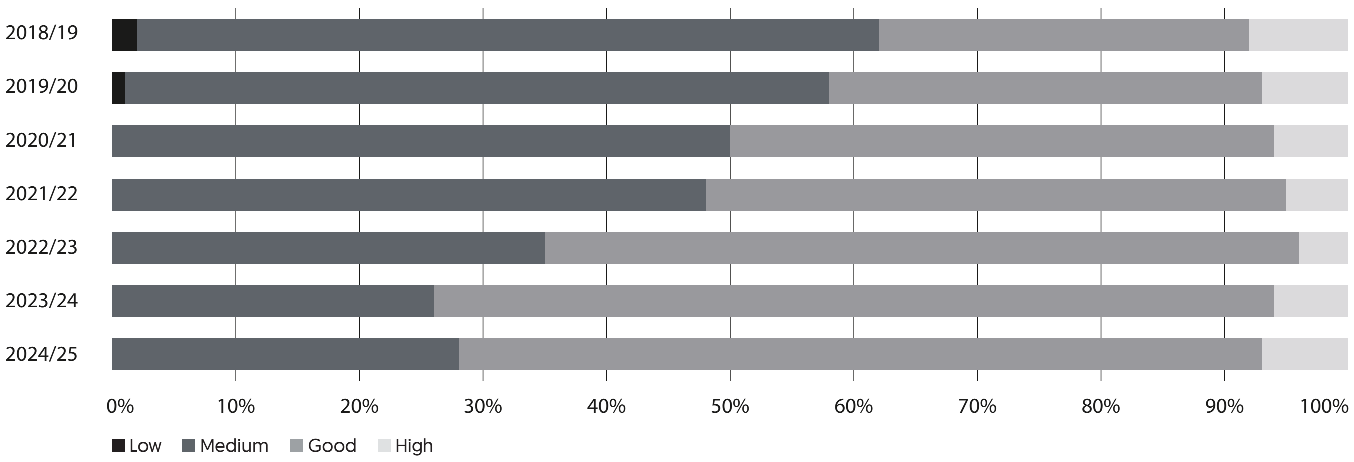
Supplier Quality Evaluation (SQE)

Rusta strives to ensure that the factories that produce our products continuously work to improve the quality of Rusta's products. To achieve this, we use an SQE tool designed as a scoring structure where the quality systems of the factories are evaluated. Our quality specialists support the factories with training while working to motivate and encourage further progress in this area. During the past financial year, we have evaluated 163 factories based on our SQE guidelines. There are currently 105 factories at the "average" level, 241 at the "good" level and a further 26 factories at the "high" level.

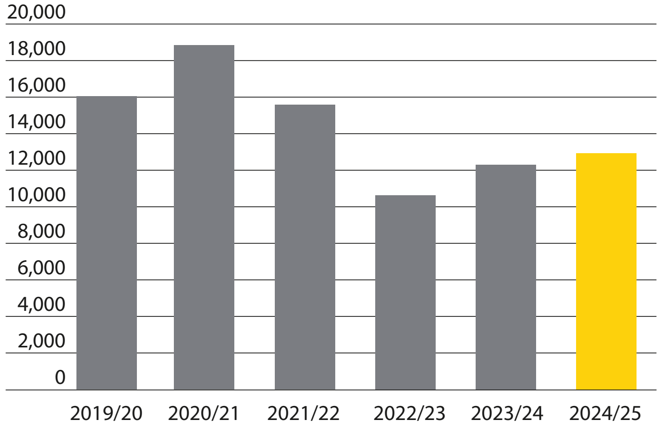
Reduce packaging materials

Rusta's sustainability strategy clearly states that we will develop smart packaging made from renewable or recycled resources. The first version of our packaging strategy, which covers all relevant aspects of the area, was launched in 2018. Through optimised packaging solutions, we protect the products, simplify for our customers and reduce our impact. Removing and reducing packaging creates benefits for our customers, suppliers and the environment. Less packaging material also contributes to lower prices for our customers. We strive to use only one material per packaging solution in order to increase recyclability. This makes it easy for our customers to sort the waste. The fewer types of material, the better. Whenever possible, we prefer to sell our products without packaging. Our goal is to continue to increase the number of products sold without consumer packaging while concurrently reducing the amount of transport packaging that needs to be recycled in our operations. In close collaboration with our suppliers and colleagues around the globe, we continuously increase the fill rate in containers while developing smarter packaging and loading solutions throughout our value chain. By adapting items and packaging solutions to fit the EU pallet, we can increase the number of items per pallet. When we do this, we can fit the same number of items on fewer pallets. This results in savings in terms of the number of pallets that need to be handled and transported from the factory all the way to the stores. Thus, we can use the distribution centre in a more efficient way when the pallets have the same characteristics and size regardless of the nature of the goods. This enables us to be more flexible when storing pallets and utilise the different storage systems we have at the distribution centre.

Results of the Code of Conduct Supplier evaluation



Annual savings per pallet



Promote recycling

We continuously increase the share of recycled materials in our stores and at the distribution centre. We have implemented an annual collection schedule with our waste management partners to minimise the hazardous waste generated by our distribution centre and our stores. Together with our partners, we also determine how the waste can, and should, be handled and disposed of. In our own facilities, we have also improved the fill rate in the vessels and containers where we collect the waste, thereby reducing the number of shipments. The basic requirements in Rusta's Code of Conduct state that we must constantly ensure that all critical environmental risks are taken into account.

We also evaluate how waste management is conducted at our suppliers. One example of how we have reduced plastic consumption is our stretch film on pallets in our supply chain. We have invested in new fully automated plastic foil equipment that optimises the stretch film on pallets even more, reducing plastic film consumption 15%. This work is an ongoing process for Rusta.

Hazardous waste	2024/25	%	2023/24	%	2022/23	%	2021/22	%	2020/21	%
Recycling	159,333	84	191,148	86	123,495	62	116,780	92	149,443	96
Incineration	16,521	9	5,598	3	11,178	6	2,649	2	2,298	1
Landfill	13,998	7	25,224	11	64,822	32	7,328	6	4,596	3
Re-use	0	0	0	0	0	0	0	0	0	0
Total kg	**189,852**	**100**	**221,970**	**100**	**199,496**	**100**	**126,757**	**100**	**156,336**	**100**
Non-hazardous waste										
Recycling	7,934,409	81	7,553,291	80	6,562,209	78	6,389,815	78	6,266,904	76
Incineration	1,767,835	18	1,810,687	19	1,785,980	21	1,733,885	21	1,935,496	23
Landfill	99,453	1	67,906	1	58,185	1	67,250	1	64,252	1
Re-use	5,745	0	3,793	0	5,023	0	4,584	0	3,900	0
Total kg	**9,807,442**	**100**	**9,435,677**	**100**	**8,411,397**	**100**	**8,195,533**	**100**	**8,270,553**	**100**
kg waste / SEK 100,000 sales	85		89		86		92		100	

Metrics and targets

E5-3: Targets related to resource use and circular economy

Targets linked to resource use and circular economy	Target 2025/26	2024/25	2023/24	2022/23
Increase the share of factories in Asia at the level "good" or higher to 80% (72) in our Supplier Quality Evaluation (SQE[1])	80%	72%	74%	65%
Reduce the proportion of defective customer returns 15% annually	0.046%	0.054%	0.050%	0.052%
Save at least 10,000 pallets throughout the supply chain with efficient packaging solutions (12,935)	10,000	12,935	12,308	10,628
Increase the share of certified wood and paper 3% (92%) (long-term target 100%)	95%	92%	89%	86%
Increase the share of certified, organic or recycled cotton in our range to 100%	100%	98%	96%	96%
Reduce waste from operations in kg/per SEK 100,000 sales by at least 1kg annually	84	85	89	86
Increase the operation's recycling at least 1% annually.	82%	81%	80%	78%

1) Supplier Quality Evaluation (SQE): Rusta's follow-up of structured quality management at factories that manufacture for Rusta. The evaluation includes policies, targets, deviation management, structured approach, customer satisfaction and process control.

E5-4: Resource inflows

As a retail company, Rusta has a large resource inflow mainly consisting of the products we purchase. Our assortment includes a significant proportion of recycled cotton. Most of the wood and paper, as well as the cotton we sell, is certified. Most of the cotton we use is Better Cotton certified, which involves lower water consumption. Working in line with our packaging strategy, we save around 11,000 to 15,000 pallets of goods annually across the value chain by using less packaging material and smarter packaging.

A large portion of Rusta's range consists of raw materials from renewable sources. We are striving to reduce the use of plastics, particularly when distributing goods from the distribution centre to stores.

E5-5: Resource outflows

To reduce Rusta's negative environmental impact, we work continuously to improve the quality of our product assortment. With the exception of products of a consumable nature, the products should last for a long time and bring joy to the customer for many years. This is of paramount importance in product development. The proportion of defective customer returns has fallen approximately 90% over ten years (number of defective returns against number sold). Our assortment includes a significant proportion of recycled cotton. All disposable or rechargeable batteries, either sold separately or as part of a product, must be CE marked since August 2024 and replaceable by 2027. The paper used for our direct mail is certified, as is the printing. In the current financial year, we have assigned responsibility for spare parts to product managers to strengthen needs analysis and improve the availability of spare parts for our customers.

Rusta sells a minor share of spare parts and our sustainability strategy clearly states that our products should as far as possible be repairable. This is an area we will develop further. Examples include batteries for solar lighting.

E5-6: Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

Risk of increased costs and/or loss of revenue due to shortages of raw materials and products that are essential for production as a result of high demand for materials that are important for the transition to a more sustainable society.

Risk of increased costs and/or reduced revenue due to stricter legal requirements relating to sustainability as Sweden and the EU move toward a more sustainable society.

Social information

S1 Own workforce

It is our many colleagues who make Rusta the successful low-price chain that we are. Our employees in eight countries are our most important resource. We focus our energy forward and wish to develop the individual, the organisation and the business in parallel. When employees grow, Rusta grows. When employees are successful, Rusta is successful. We want to be seen and perceived as an attractive and sustainable employer. Our employer brand should always, openly and transparently, reflect what it is like to work at Rusta, the development opportunities we have and what our special corporate culture is like.

ESRS 2 SBM-2: Interests and views of stakeholders
Our goal is for Rusta to have a very good dialogue with all employees where everyone always feels included and fairly treated.

The latest stakeholder dialogue from spring 2024 highlighted three areas within the own workforce:
- To be a trusted employer with a good work environment
- Actively promote diversity and inclusion
- Actively promote gender equality

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
In the double materiality assessment, working conditions (for the own workforce) appear as a material aspect. Our employees are Rusta's most important resource and it is therefore natural to conduct preventive health and safety work with safety committees at our larger workplaces.

Our HR strategy includes skills development that unleashes the full potential of our employees and leadership development that creates effective and courageous leaders. We want employees in all functions to be equipped with business acumen to make informed decisions to fulfil our vision.

One potential negative impact is working conditions in own operations that result in physical or psychological harm to our employees. As a responsible employer, Rusta ensures that we comply with laws and collective agreements. Employee wellbeing could be affected if we fail to fulfil these and we could see an increase in sick leave.

			Upstream	Own operations	Downstream	Time horizon
S1 – Own workforce						
Working conditions (for own workforce)	Rusta's employees are the company's most important resource. As a responsible employer, Rusta ensures that we comply with laws and collective agreements. Employee wellbeing could be affected if we fail to fulfil these and we could see an increase in sick leave.	Potential negative impact		●		Short

Impact, risk and opportunity management
S1-1: Policies related to own workforce
Our internal Code of Conduct is the basis for how everyone at Rusta should conduct responsible business from several perspectives: social, environmental and ethical. For Rusta, the equal value of all people is central. We will treat each other, our customers, the people we work with and the world around us fairly and with respect.

Professional conduct
All employees are expected to act in accordance with Rusta's values. It means we show respect for each other, our customers and those we collaborate with. We strive to do the right thing – both in what we do and in how we do it. Our behaviour should be characterised by responsibility, transparency and good judgment.

Safety and work environment
A safe and secure working environment is essential for wellbeing and performance. Rusta works systematically to identify, prevent and manage risks in the working environment. Managers have a particular responsibility to plan and follow up health and safety management, but all employees are involved. We encourage the reporting of deviation and risks as an important part of preventive safety work.

Collaboration and work culture
We believe in the power of collaboration. A good working environment is created together and everyone has a responsibility to contribute. It means collaborating openly, showing trust, sharing knowledge and giving constructive feedback. All employees are expected to contribute to a workplace where development, learning and inclusion are a natural part of everyday life.

Diversity and inclusion
Rusta should be an inclusive workplace where everyone feels welcome to be themselves. We actively combat discrimination and

victimisation and strive to ensure that all employees have the same opportunities, regardless of background. Our diversity is an asset that strengthens both our workplace and our business.

Our values

Rusta stands for the values of Simplicity, Courage, Commitment and Together. These values guide us in everything we do and are defined in our Code of Conduct. Our direction is also described here based on our vision – to make Rusta the leading and most trusted low-price chain in Europe.

Simplicity: It doesn't get any simpler than Rusta.
Courage: We dare, therefore we win.
Commitment: We are Rusta. And we are proud of this.
Together: One Rusta – We together.

S1-2: Processes for engaging with own workforce and workers' representatives about impacts

Employee survey

Rusta strives for an open and trusting work environment where the voice of employees is an important and natural part of the development of operations. Regular employee surveys create a structured opportunity to identify experiences of the work environment, leadership and job satisfaction. The latest survey was conducted in winter 2025 and had a high response rate (90%) and high level of trust in Rusta as an employer.

The result of the survey is used systematically to identify strengths and areas for development. Using the specially developed Rusta trust index, issues of trust and workplace relations are monitored over time. The results show particularly high scores in areas such as relationship with managers and colleagues and perceived meaningfulness and participation in work. The survey also included questions on how employees perceive the company's responsibility in the area of sustainability.

To raise awareness and address potential negative impacts, there are various ways that employees can raise questions, express concerns or report deviations, including an anonymous whistleblower function (see S1-3). These channels aim to maintain a transparent and safe working environment guided by openness and respect.

S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns

Zero tolerance approach to harassment, victimisation and bullying

At Rusta, we have a zero tolerance approach to all forms and expressions of victimisation and we treat each other with respect. The mental and physical wellbeing of our employees is highly important to us. We condemn all forms of harassment, victimisation and bullying and will not tolerate these in our workplace. We have a procedure in place to stop harassment, victimisation and bullying at Rusta that describes our approach and how any cases should be addressed.

In 2024/25, five confirmed incidents of discrimination and/or harassment were identified and appropriate action was taken.

Whistleblower service

All employees are to complete Rusta's digital training on the internal Code of Conduct annually. Our whistleblower service is included in the internal and external Codes of Conduct and is available on our website. We encourage Rusta's stakeholders to use the whistleblower service if they happen to observe or suspect anything that suggests unethical behaviour. The whistleblower service is available on Rusta's website, or by scanning this QR code:

Employees can of course raise observations or concerns with their line manager or with the HR department, but we also have this external whistleblower service to enable a confidential and anonymous method of reporting that is also encrypted.

Examination of reports received by the whistleblower service

All reports to the whistleblower service are prioritised in accordance with these guidelines:

- No one from the whistleblower team or anyone involved in the investigation process will attempt to identify the informant
- The whistleblower team may send follow-up questions via the channel for anonymous communication if needed
- The report must not be investigated by anyone who may be involved in or linked to the concern
- The whistleblower team decides whether and how to escalate a report
- Whistleblower reports are handled confidentially and with integrity by all parties involved

During the year, 14 cases were handled in accordance with the above guidelines.

S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Within working conditions for the own workforce, we have identified two material sub-topics: "Work-life balance" and "Health and safety." One of the potential risks of having a very high level of engagement in the organisation is that colleagues work long days. A sustainable working life was one of the topics for this year's Sustainability Week, which included training sessions, a quiz walk and sustainability bingo. A sustainable working life will remain a focus area in the coming year.

Action plan based on the results of the employee survey

When the results of this year's employee survey are ready, the leader invites the working group to a meeting where the results are presented. Potential areas for improvement are discussed and broken down into one to three actions that the group can jointly implement to increase wellbeing and improve the workplace.

See also about the whistleblower service in S1-3.

Learn, share, inspire

To support our leaders in their development, Rusta has created two leadership programmes that are mandatory for all managers in the company. The programme is based on our leadership profile, as well as our company values. There are also programmes for potential and new managers, and a programme for managers who manage other managers is being developed. Rusta's continued expansion increases the need for good leaders. One way to meet this need is through Rusta's internal trainee programme "Store Manager, Team Leader, Product Manager in Training." The programmes provide employees with an opportunity to start their journey toward the next step in their Rusta career.

In the coming year, we plan to launch "Sourcing Developer in Training." We are very proud of the fact that all nine people in Rusta's current Group management actually began their Rusta career at a lower level and from there have grown into their current roles.

Health and safety

We have made several improvements at our distribution centre when it comes to the forklifts used in our operations. We have installed new software (I-site) in our forklifts to make operating safer and reduce the risk of injury. It also means a safer work environment for our employees. Using the IA system (reporting system for incidents at work), we systematically report and manage risks and deviations in our workplace. During the year, we have gradually increased our risk observations, which enables proactive and preventive work to avoid possible accidents and incidents. To further create a safe workplace, we commence all our start-up meetings with a routine we call "Safety First!" During the year, we have significantly improved the physical working environment at the distribution centre through improved cleaning, optimised procedures and new, better cleaning equipment. The concentration of dust in the air has fallen a full 85%.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Employee Net Promoter Score (eNPS) increased to 23, compared with 21 a year ago (2024). Our goal is that eNPS will continue to grow >23.

The employee survey includes two questions about Rusta's sustainability work:
"I believe Rusta takes responsibility for sustainability related to social and environmental issues" – score 4.0/5.0.
"I believe Rusta has a stronger position in terms of sustainability than our competitors in low-price retail" – score 3.9/5.0.

S1-6: Characteristics of the undertaking's employees

On 30 April 2025, Rusta had 4,860 employees, with a gender breakdown of 65% women and 35% men, and comprises full-time, part-time and permanent contracts.

Employees by country (%)	Share of total
Sweden	57.88%
Norway	21.34%
Finland	15.51%
Germany	3.33%
China	1.36%
India	0.29%
Vietnam	0.19%
Türkiye	0.10%

S1-7: Characteristics of non-employees in the undertaking's own workforce

More comprehensive data on Rusta's own workforce will be reported as of the next sustainability report.

S1-8: Collective bargaining coverage and social dialogue

Rusta has collective agreements that cover 95% of employees.

S1-9: Diversity metrics

Rusta's aim is to reflect society at large in the locations where we operate.

Gender and age distribution (%)	Employees	Group management	Board of Directors
Women	65.2%	55.6%	25.0%
Men	34.8%	44.4%	75.0%
Over 50 years	12.9%	44.4%	75.0%
30–50 years	41.2%	55.6%	25.0%
Under 30 years	45.9%	0%	0%

S1-10: Adequate wages

Salary setting and progression should be based on the needs of operations and reflect responsibility and performance based on the difficulty of the task and the company's salary criteria. It should be individual, fair and comply with applicable laws and contracts. The assessment should be based on factors such as education, experience, skills, performance and responsibility. Salaries should also relate to internal structure and external market. There shall be no discrimination.

S1-11: Social protection

Rusta will be an inclusive and non-discriminatory company. Rusta has health/group insurance for our employees in the markets where we operate.

S1-13: Training and skills development metrics

During the year, we trained 328 managers in leadership and together we conducted 8,127 digital learning activities. During the year, our distribution centre in Norrköping planned and implemented two production-free days with a strong focus on training and skills development. For the second year in a row, we held Rusta's Sustainability Week with inspirational lectures, training, sustainability bingo and group work.

S1-14: Health and safety metrics
Number of accidents and incidents at Rusta's workplaces will be reported in the next sustainability report.

S1-15: Work-life balance metrics
Our annual employee survey includes questions on healthy sleep, diet and exercise habits, and the ability to influence your own pace of work. However, we have no direct question concerning work-life balance.

S1-16: Remuneration metrics (pay gap and total remuneration)
At Rusta, we are currently implementing the requirements of the EU Pay Transparency Directive, which means that for the next financial year we will report remuneration metrics.

S1-17: Incidents, complaints and severe human rights impacts
During the 2024/25 financial year, there were no internal incidents or reports of serious human rights impacts.

S2 Workers in the value chain

Social responsibility in Rusta's supplier factories is a priority issue for us and our stakeholders. Social responsibility is closely linked to our business. We strive to continuously educate and support our suppliers in Asia. Trained specialists at our sourcing offices in Asia conduct regular evaluations of our suppliers and factories to support their efforts to ensure good and fair working conditions for their employees. Rusta's Code of Conduct for issues related to labour law is based on international standards, including the International Labour Organisation's (ILO) fundamental principles and rights at work. Without exception, the social performance of all new suppliers to Rusta are reviewed and evaluated before any collaboration is commenced. An important issue for our business is to ensure that everyone in our value chain is covered by our Code of Conduct. This includes the small (less than 0.5%), yet important, part of our production conducted in homes in Vietnam, India and China, where we regularly visit the villages where our goods are produced. In addition to the basic requirements, Rusta expects suppliers to continuously strive to improve the working conditions for their staff. Together with our suppliers, we focus on the following three key areas, called "Rusta Social": These include health and safety, working environment, emergency planning and fire safety, physical and chemical hazards. The next area is compensation, which includes salary, payslips, insurance and pension The third area is working hours, which covers a record of hours worked, overtime, breaks and days off.

Strategy

ESRS 2 SBM-2: Interests and views of stakeholders

Rusta's stakeholders are engaged in issues concerning workers in the value chain. The main point that has emerged in the company's dialogue with its stakeholders was that we, as a company, need to ensure good working conditions at the factories that manufacture goods for Rusta. Our stakeholders also highlighted the need to ensure compliance with Rusta's Code of Conduct.

S2 – Workers in the value chain			Upstream	Own operations	Downstream	Time horizon
Working conditions (for workers in the value chain)	We have seen challenges in terms of working time at some manufacturing units.	Actual negative impact	●	●		Short
Equal treatment and opportunities for all workers in the value chain	Rusta has global operations and we must ensure that equal treatment and opportunities apply to the entire value chain.	Potential negative impact	●			Short
Other work-related rights (workers in the value chain)	We are aware that this can occur in some parts of the world, which is why Rusta has very strict guidelines and controls on both child and forced labour.	Risk	●			Short
Working conditions and other work-related rights (workers in the value chain)	Increased costs and/or reduced revenue may result from significant regulatory or environmental breaches in the supply chain, due to inadequate procedures, supplier follow up and the selection of high-risk suppliers. Suppliers may need to be replaced, which could lead to delays in delivery and increased costs. If the brand's reputation is damaged, it could lead to a loss of revenue.	Risk		●		Short

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify impacts, risks and opportunities is determined in our double materiality assessment. When it comes to workers in the value chain, the double materiality assessment indicated a risk for increased costs and/or reduced revenue linked to significant regulatory or environmental breaches in the supply chain, due to inadequate procedures, shortcomings in supplier follow-up and the selection of high-risk suppliers. Suppliers may need to be replaced, which could lead to delays in delivery and increased costs. If the brand's reputation is damaged, it could lead to a loss of revenue. We also identified a very serious potential risk related to child labour and forced labour, where Rusta's strict procedures and follow-ups play a crucial role. In addition to having serious ramifications for the victim, these forms of labour can also have a major impact on Rusta's brand.

Impact, risk and opportunity management

S2-1: Policies related to value chain workers

Our sustainability policy describes Rusta's work to create a better society where we do business, and we work actively to ensure respect and protection of human rights. We are committed to respecting and promoting the fundamental human rights of all individuals, both at the workplace and in the world around us. We embrace and encourage diversity, inclusion and responsible sourcing. By making constant improvements, we can ensure good working conditions and long-term sustainability. At Rusta, we believe in working closely with our suppliers, partners and factories, and in assuming environmental and social responsibility across the supply chain. All of Rusta's business partners must comply with our Code of Conduct. Rusta's business partners are responsible for ensuring people's understanding of and compliance with the Code of Conduct at all stages of the supply chain so that all workers and activities in the value chain are included. This is a basic requirement if we are to achieve our vision and ensure the sustainable growth of our joint business.

Our vision is to make Rusta the leading and most trusted low-price retailer in Europe. We make a promise to our customers to make it easy to renew and replenish at home. Always at surprisingly low prices. Rusta believes that sustainable conduct is a natural part of doing business.

Our operations impact people's lives and the environment, both locally and globally, and we therefore have an important responsibility to do everything in our power to reduce our negative environmental impact while also contributing to the wellbeing of the people who are impacted by our operations in various ways. Rusta is committed to achieving the UN Sustainable Development Goals (SDGs) and is a participant in the UN Global Compact.

Rusta's Code of Conduct follows internationally agreed standards, including the Universal Declaration of Human Rights (UDHR). In addition, we have requirements related to business conduct, environmental protection, animal welfare, and equal opportunities and rights.

As a participant in the UN Global Compact, we support and actively follow the Ten Principles in the areas of human rights, labour, environment and anti-corruption.

The Code of Conduct applies, without exception, to all suppliers, partners, agents and their factories as well as sub-suppliers of goods and services that do business with Rusta Group, including Rusta AB, Rusta Retail AS, Rusta Finland OY and Rusta Retail GmbH.

S2-2: Processes for engaging with value chain workers about impacts

When it comes to sourcing, Rusta values having a local presence. The company therefore has sourcing offices in Sweden, China, India, Vietnam and Türkiye, with 200 employees directly involved in Rusta's sourcing activities, providing a strong local presence close to our sourcing markets. Various functions are involved in the company's sourcing work, including purchasing and quality developers, delivery planners, quality inspectors and other specialist functions. Our employees in relevant functions at the sourcing offices in Asia continuously monitor and check that Rusta's Code of Conduct is always followed by our suppliers, and our policy stipulates that Rusta employees must always visit our suppliers before placing an order. As part of the company's factory evaluations, Rusta conducts in-depth interviews with factory employees and its sourcing staff may conduct unannounced visits to any factory that manufactures goods for Rusta at any time. To ensure that our suppliers comply with Rusta's Code of Conduct, we also encourage all Rusta employees, regardless of their function, to assess the situation on site whenever they visit a supplier. Our Supplier Visit Handbook provides support in this regard. Should our employees discover any deviations or observations during a visit, they are to report them to our evaluation team. This allows us to show our suppliers how important the Code of Conduct is to Rusta and to emphasise our expectation that they always follow it. Suppliers are also encouraged to make continuous improvements.

S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns

Rusta's external Code of Conduct applies, without exception, to all suppliers, partners, agents and their factories as well as sub-suppliers of goods and services that do business with Rusta Group, including Rusta AB, Rusta Retail AS, Rusta Finland OY and Rusta Retail GmbH. We encourage our suppliers' employees to contact Rusta via this link https://report.whistleb.com/rusta or by scanning a QR code available on www.rusta.com. Any observations of non-compliance with Rusta's external Code of Conduct reported through the whistleblower service are handled confidentially.

S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

The following is a description of important actions taken and planned to prevent or mitigate material negative impacts, risks and potential risks related to workers in Rusta's value chain. Responsible and sustainable methods of sourcing are essential factors in Rusta's purchasing work.

Rusta's overall approach is governed by the sustainability policy. In addition, the company has two governing documents:

External Code of Conduct

Our activities impact people's lives and the environment, both locally and globally, and we therefore have an important responsibility to do everything we can to reduce our negative environmental impact while also contributing to the wellbeing of the people who are impacted by our operations in various ways. Rusta is committed to achieving the UN SDGs and is a participant in the UN Global Compact. Rusta's Code of Conduct follows internationally agreed standards, including the UDHR. In addition, we have requirements related to business conduct, environmental protection, animal welfare, and equal opportunities and rights. Our partnerships with potential and existing suppliers are based on what we refer to as Rusta's Eight Basics.

Suppliers must always meet the following eight requirements to be considered as a supplier to Rusta:

- Critical health and safety risks shall be prevented
- There shall be no child labour
- There shall be only voluntary labour
- Critical environmental risks shall be prevented
- Good business conduct shall be practiced
- All workers shall have an employment contract
- Wages equal to or exceeding the statutory minimum level
- Access to fresh drinking water and toilets

These eight basic requirements are non-negotiable. As a first step, the potential supplier performs a self-assessment using Rusta's Code of Conduct assessment form. Once these eight basic requirements have been met, Rusta and the supplier focus on joint improvements that can be made in the areas of health and safety, remuneration and working hours.

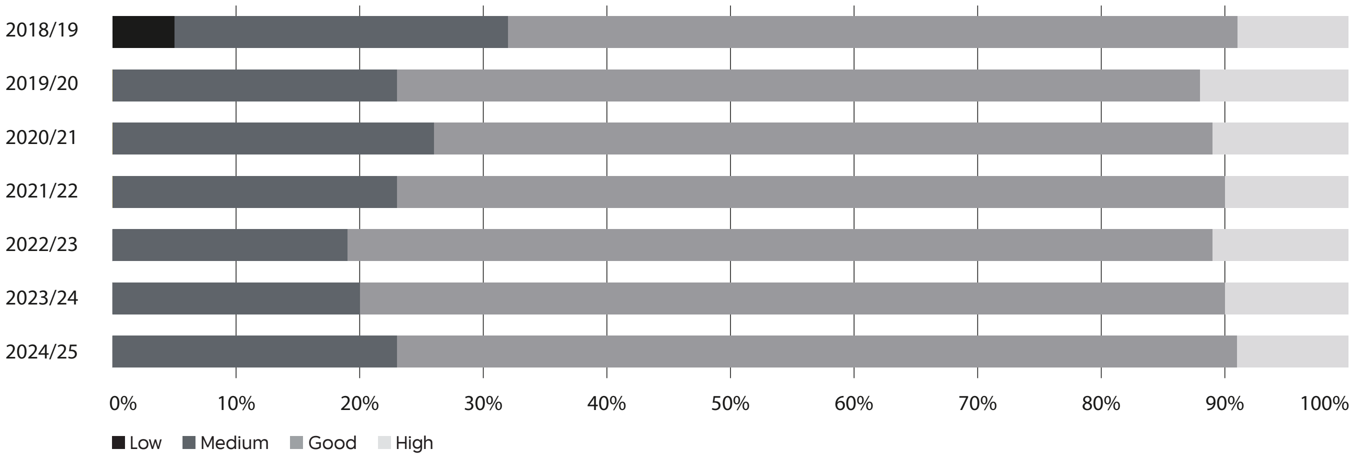
Forced labour

Rusta has a zero tolerance approach to all forms of forced labour. In some south-eastern regions of Asia, for example, unscrupulous companies have possession of their workers' passports or ID documents. Our Code of Conduct clearly states that no supplier can deliver goods to Rusta if they use any type of forced labour. In the past year, we have had no such confirmed incidents.

Freedom of association and collective bargaining

In our Code of Conduct, we refer to "Fundamental international labour standards as defined by the International Labour Organisation (ILO) Declaration on Fundamental Principles and

Results of the Code of Conduct Social evaluation



Rights at Work and its Follow-up." We have strict requirements on our suppliers to ensure freedom of association for their workers. We know that this is of great importance as we are active in some countries where the labour market traditionally works differently from that of Sweden.

Rusta also works with independent organisations to ensure to ensure respect for human rights and decent working conditions in the value chain. Many of the products in Rusta's assortment are produced in accordance with Better Cotton, the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), three prominent organisations that offer sustainability certification and actively work to promote human rights and improve working conditions in their respective sectors. The following is a summary of their work:

Better Cotton (BC)

Better Cotton is the largest cotton sustainability programme in the world and focuses on promoting decent working conditions and human rights in cotton farming. The initiative has developed a labour and human rights risk analysis tool that collects internal and external data to assess the conditions in various cotton producing countries. This tool – which covers seven thematic categories, including forced labour, child labour, gender discrimination, and land rights – allows Better Cotton to align its programme strategies and prioritise resources in the areas where they are needed most. To further support its work to combat forced labour and promote decent working conditions, Better Cotton has established a council made up of expert representatives from civil society, the retail sector and international organisations. The council reviews and makes recommendations to improve the effectiveness of Better Cotton's standards and processes.

The Forest Stewardship Council (FSC)

The FSC is a global certification scheme for responsible forestry that has integrated protection of workers' rights into its standards as a core requirement. The FSC Principles and Criteria require all certified forestry operations to comply with the ILO Core Conventions, which include the right to freedom of association, the abolition of child labour and the elimination forced labour. Forest managers must adopt governing documents covering these core labour requirements and perform self-assessments to ensure compliance.
In practice, this means that FSC certificate holders must have systems in place to ensure that workers have the right to organise and to bargain collectively as well as to access to effective grievance mechanisms. The FSC Standards are developed to be relevant in diverse cultural and political settings, allowing them to be applied globally.

The Programme for the Endorsement of Forest Certification (PEFC)

The PEFC is an international organisation that supports sustainable forest management certification systems. The PEFC Sustainability Benchmarks emphasise the importance of protecting areas fundamental to meeting the needs of indigenous peoples and local communities, such as health and subsistence. Forest management is to give due regard to the importance of these areas, with special consideration paid to new opportunities for training and employment for local people, including indigenous peoples. The PEFC Standards ensure that the rights of indigenous peoples are respected and that their traditional knowledge and practices are taken into consideration in forest management planning, including requirements that forest managers recognise and respect the legal and customary rights of indigenous peoples and local communities.

Business conduct guidelines

Corruption goes against the very core of Rusta's fundamental values and principles. We strive to conduct every aspect of our operations with integrity, transparency and responsibility. Any form of bribery, undue influence or unethical behaviour is completely unacceptable and undermines the trust we build with customers, employees and partners. Rusta has a zero tolerance approach to bribery and corruption, and we are committed to conducting ourselves professionally, fairly and with a high level of personal integrity in all our relationships and business agreements, regardless of where we operate. We are also firmly committed to implementing effective anti-bribery systems. All Rusta's suppliers must sign our business conduct guidelines each year.

Rusta has undertaken to identify, prevent, mitigate, report and remediate negative impacts on human rights in its supply chain and expects all of its business partners to do the same.

Rusta employees conduct factory evaluations for all suppliers in risk countries, which are managed through our sourcing offices in Asia. During the 2024/25 financial year, a total of 255 factory evaluations were performed by Rusta employees based on the social criteria in Rusta's Code of Conduct. The table below shows the share of purchases by sourcing office as well as the share of local purchases, meaning purchases from the country in which the office is located.

Purchases by sourcing office 2024/25

Sourcing office	Share	Local purchases
Sweden	58%	79%
China	29%	98%
India	6%	80%
Türkiye	5%	49%
Vietnam	2%	100%

Metrics and targets

S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Targets linked to workers in the value chain	Target 2025/26	2024/25	2023/24	2022/23
Increase the share of factories in Asia at the level "Good"[1] or higher to 85% during the 2025/26 financial year in accordance with the social requirements in Rusta's external Code of Conduct.	85%	77%	80%	81%

1) Good: The factory pays and treats workers fairly and provides a safe and good work environment. There are still some areas for improvement, such as generally better control of overtime hours and systematic use of personal protective equipment.

Governance information

G1 Business conduct

Good business conduct and a sound corporate culture are fundamental to our relationships with customers, employees, potential employees, owners and suppliers. It is also a prerequisite for our stakeholders to want to work with us. Violations of our business principles can damage the company's reputation and trust of our stakeholders. Business conduct is therefore a prerequisite for the long-term success of the company. The issue has potentially high brand risk as it could have serious consequences for Rusta, both legal in the form of fines, penalties, litigations and investigations, but also business consequences as our brand could be damaged, and conversely, significant potential for positive impact.

Governance

ESRS 2 GOV-1: **The role of the administrative, supervisory and management bodies**

The Board of Directors has overall responsibility for the company's sustainability strategy and approves the sustainability policy and materiality assessment. The Group management is responsible for the implementation of the sustainability strategy, while the audit committee monitors sustainability performance on an ongoing basis through regular reports from the Chief Sustainability Officer. Read more under GOV-1/2.

Impact, risk and opportunity management

ESRS 2 IRO-1: **Description of the processes to identify and assess material impacts, risks and opportunities**

In autumn 2023, Rusta conducted a double materiality assessment of our impact on the surrounding world and vice versa. In this way, we identified impacts, risks and opportunities, which we report on in this Sustainability Report. The double materiality assessment demonstrated that the sub-topic as well as prevention and detection, including training, of incidents is material for Rusta. An actual risk is the result of Rusta's global purchasing partly includes operations in countries that are classified as high-risk in terms of corruption and bribery, according to international studies. We also conduct a large number of procurements each year. In addition, we have a risk linked to corrupt purchasing decisions that may lead to increased costs for redundancies and recruitment, and reduced revenue associated with reputational damage.

G1-1: **Corporate culture and business conduct policies**

At Rusta, we integrate ethical business practices and business conduct into our operations. Our approach is driven by our commitment to sustainability, ethical business practices and the wellbeing of our communities and stakeholders. We are committed to complying with relevant local, national and international rules and regulations and to continuously and transparently reporting our progress. In this way, we aim to lead by example in sustainable low-price retail and create long-term value for our customers, employees, communities and shareholders. This approach underlines our commitment to business conduct, ensuring that Rusta makes a positive contribution to society. In Rusta's external Code of Conduct, we also set clear requirements for the treatment of animals in our value chain. We strive to ensure that products containing leather, down and feather are produced responsibly. Rusta therefore only allows residual products from animals used for their meat, with the exception of wool products. In accordance with our Code of Conduct, Rusta will always undertake a site visit to the producer to verify that the animals are being treated in accordance with our requirements. In 2018, Rusta initiated a dialogue with Project 1882. The dialogue has proceeded whereby representatives of Rusta have met with Project 1882 to discuss how to further safeguard animal welfare in Rusta's value chain. Based on input from the aforementioned organisation, Rusta has elaborated its requirements on this topic and included them in our Code of Conduct.

			Upstream	Own operations	Downstream	Time horizon
G1 – Business conduct						
Corruption and bribery	Rusta's global purchasing also includes operations in countries that are classified as high-risk in terms of corruption and bribery, according to international studies. In addition, a large number of procurements are conducted each year.	Risk	●	●		Short
	Purchases linked to corrupt purchasing decisions may lead to increased costs for redundancies and recruitment and reduced revenue associated with reputational damage.	Risk	●			Medium

G1-2: **Management of relationships with suppliers**
G1-3: **Prevention and detection of corruption and bribery**

Rusta strives to act fairly and transparently at all stages of our value chain. We have an internal and an external Code of Conduct which clearly describes Rusta's position on business conduct. There is also an appendix in the supplier manual called Business Conduct, which is signed annually by suppliers. The internal and external Code of Conduct is communicated to and signed annually by Rusta's office staff and our suppliers. Rusta has a zero tolerance approach to all forms of bribery and corruption. Employees are obligated and encouraged to report to their manager about any improper or inappropriate interaction between themselves, their co-workers and/or third parties. In addition, we regularly conduct training on the topics of bribery and corruption at our sourcing offices in India, China, Sweden, Türkiye and Vietnam. This work is done in accordance with the principles of the UN Global Compact and against corruption in all its forms, including extortion and bribery.

METRICS AND TARGETS

Targets linked to business conduct	Target 2025/26	Outcome 2024/25
All staff shall annually undertake our e-learning regarding our internal Code of Conduct, %	100%	100%
All new colleagues shall digitally sign the internal Code of Conduct each year, %	100%	100%
All suppliers shall sign Rusta's external Code of Conduct each year, %	Risk countries: 100% Low-risk countries: 67%[1]	Risk countries: 100% Low-risk countries: 67%[1]
Update our requirements for animal products annually in relation to our suppliers		Fulfilled

1) Rusta is actively working to ensure that all suppliers in the value chain sign our Code of Conduct. In this work, we have chosen to prioritise risk countries where we have also achieved our target of 100%. Work is now continuing with low-risk countries where we are making good progress.

G1-4: Confirmed incidents of corruption or bribery
No internal confirmed incidents of corruption were identified and dealt with in accordance with our zero-tolerance policy in the 2024/25 financial year. During the year, nine (9) incidents were reported by Rusta employees of attempted corruption by suppliers.

G1-5: Political influence and lobbying activities
We are a politically independent organisation, and are not involved in lobbying or advocacy. We do not accept any form of political propaganda or activity in Rusta's premises.

G1-6: Payment practices
Rusta's financial situation is good and our principle is to pay invoices on time to our suppliers and business partners. We ensure the right quality and quantity when goods arrive.

IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

ESRS Codification	Disclosure Requirements	Page
ESRS 2 General disclosures	BP-1: General basis for preparation of sustainability statements	20
	BP-2: Disclosures in relation to specific circumstances	20
	GOV-1: The role of the administrative, management and supervisory bodies	20
	GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	20
	GOV-3: Integration of sustainability-related performance in incentive schemes	21
	GOV-4: Statement on due diligence	22
	GOV-5: Risk management and internal controls over sustainability reporting	22
	SBM-1: Strategy, business model and value chain	22
	SBM-2: Interests and views of stakeholders	23
	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	25
	IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	34

ESRS Codification	Disclosure Requirements	Page
E1 Climate change	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	39
	E1-1: Transition plan for climate change mitigation	39
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	40
	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	40
	E1-2: Policies related to climate change mitigation and adaptation	40
	E1-3: Actions and resources in relation to climate change policies	40
	E1-4: Targets related to climate change mitigation and adaptation	41
	E1-5: Energy consumption and mix	41
	E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions	42
	E1-7: GHG removals and GHG mitigation projects financed through carbon credits	43
	E1-8: Internal carbon pricing	43
	E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	43

ESRS Codification	Disclosure Requirements	Page
E2 Pollution	ESRS 2 IRO-1: Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	44
	E2-1: Policies related to pollution	44
	E2-2: Actions and resources related to pollution	44
	E2-3: Targets related to pollution	45
	E2–4: Pollution of air, water and soil	45
	E2-5: Substances of concern and substances of very high concern	45
	E2-6: Anticipated financial effects from pollution-related, risks and opportunities	45
E3 Water and marine resources	ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	46
	E3-1: Policies related to water and marine resources	46
	E3-2: Actions and resources related to water and marine resources	46
	E3-3: Targets related to water and marine resources	46
	E3-5: Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	46

ESRS Codification	Disclosure Requirements	Page
E4 Biodiversity and ecosystems	E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model	47
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	47
	ESRS 2 IRO-1: Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	47
	E4-2: Policies related to biodiversity and ecosystems	47
	E4-3: Actions and resources related to biodiversity and ecosystems	47
	E4-4: Targets related to biodiversity and ecosystems	48
	E4-5: Impact metrics related to biodiversity and ecosystems change	48
	E4-6: Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	48
E5 Resource use and circular economy	ESRS 2 IRO-1: Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	49
	E5-1: Policies related to resource use and circular economy	49
	E5-2: Actions and resources related to resource use and circular economy	49
	E5-3: Targets related to resource use and circular economy	52
	E5-4: Resource inflows	53
E5 Resource use and circular economy	E5-5: Resource outflows	53
	E5-6: Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	53
S1 Own workforce	ESRS 2 SBM-2: Interests and views of stakeholders	54
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	54
	S1-1: Policies related to own workforce	54
	S1-2: Processes for engaging with own workforce and workers' representatives about impacts	55
	S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns	55
	S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	55
	S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	56
	S1-6: Characteristics of the undertaking's employees	56
	S1-7: Characteristics of non-employees in the undertaking's own workforce	56
	S1-8: Collective bargaining coverage and social dialogue	56
	S1-9: Diversity metrics	56
S1 Own workforce	S1-10: Adequate wages	56
	S1-11: Social protection	56
	S1-13: Training and skills development metrics	56
	S1-14: Health and safety metrics	57
	S1-15: Work-life balance metrics	57
	S1-16: Remuneration metrics (pay gap and total remuneration)	57
S2 Workers in the value chain	ESRS 2 SBM-2: Interests and views of stakeholders	58
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	58
	S2-1: Policies related to value chain workers	58
	S2-2: Processes for engaging with value chain workers about impacts	59
	S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns	59
	S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	59
	S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	61

ESRS Codification	Disclosure Requirements	Page
G1 Business conduct	ESRS 2 GOV-1: The role of the administrative, supervisory and management bodies	62
	ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	62
	G1-1: Corporate culture and business conduct policies	62
	G1-2: Management of relationships with suppliers	62
	G1-3: Prevention and detection of corruption and bribery	62
	G1-4: Confirmed incidents of corruption or bribery	63
	G1-5: Political influence and lobbying activities	63
	G1-6: Payment practices	63

UN Global Compact Index

We have signed the UN Global Compact – a framework of ten principles in the areas of human rights, labour, environment and anti-corruption. The table below shows our work and progress on these ten principles.

UN Global Compact principles (UNGC)
Chapter in Rusta's sustainability report for the 2024/25 financial year.

	UN Global Compact principles (UNGC)	Page
Human rights	**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights. • Strategy • Workers in the value chain	 22 58
	Principle 2 Make sure that they are not complicit in human rights abuses. • Strategy • Workers in the value chain	 22 58
Labour	**Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. • Freedom of association and collective bargaining	 59
	Principle 4 The elimination of all forms of forced and compulsory labour. • Forced labour	 59
	Principle 5 The effective abolition of child labour. • External Code of Conduct	 59
	Principle 6 The elimination of discrimination in respect of employment and occupation. • Own workforce	 54
Environment	**Principle 7** Businesses should support a precautionary approach to environmental challenges. • Rusta's strategic focus areas • Strategy • Reporting pursuant to the EU Taxonomy • Climate change • Pollution • Water and marine resources • Biodiversity and ecosystems • Resource use and circular economy	19 22 35 39 44 46 47 49
	Principle 8 Undertake initiatives to promote greater environmental responsibility. • Rusta's strategic focus areas • Strategy • Reporting pursuant to the EU Taxonomy • Climate change • Pollution • Water and marine resources • Biodiversity and ecosystems • Resource use and circular economy	19 22 35 39 44 46 47 49
	Principle 9 Encourage the development and diffusion of environmentally friendly technologies. • Strategy • Energy consumption and mix • Resource use and circular economy	22 41 49
Anti-corruption	**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery. • Business conduct	 62

GRI Index

Statement of use	Rusta AB (publ) has reported the information cited in this GRI content index for the period 1 May 2024 to 30 Apr 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DESCRIPTION	PAGE
GRI 2: General Disclosures 2021	2-1 Organisational details	3, 9, 10, 14-17
	2-2 Entities included in the organisation's sustainability reporting	14-17
	2-3 Reporting period, frequency and contact point	20
	2-4 Restatements of information	20
	2-5 External assurance	20, 72
	2-6 Activities, value chain and other business relationships	14-17, 19, 23, 54, 58
	2-7 Employees	54
	2-8 Workers who are not employees	54
	2-9 Governance structure and composition	20
	2-10 Nomination and selection of the highest governance body	84
	2-11 Chair of the highest governance body	84
	2-12 Role of the highest governance body in overseeing the management of impacts	84
	2-13 Delegation of responsibility for managing impacts	20
	2-14 Role of the highest governance body in sustainability reporting	20
	2-15 Conflicts of interest	Omission
	2-16 Communication of critical concerns	88
	2-17 Collective knowledge of the highest governance body	Omission
	2-18 Evaluation of the performance of the highest governance body	119
	2-19 Remuneration policies	117-119
	2-20 Process to determine remuneration	117-119
	2-21 Annual total compensation ratio	117-119
	2-22 Statement on sustainable development strategy	19, 22
	2-23 Policy commitments	21
	2-24 Embedding policy commitments	19, 22, 25-33
	2-25 Processes to remediate negative impacts	25-33
	2-26 Mechanisms for seeking advice and raising concerns	55, 59, 63
	2-27 Compliance with laws and regulations	20, 62
	2-28 Membership associations	59-60
	2-29 Approach to stakeholder engagement	24
	2-30 Collective bargaining agreements	56, 59

GRI STANDARD	DESCRIPTION	PAGE
GRI 3: Material topics 2021	3-1 Process to determine material topics	34
	3-2 List of material topics	25-33
	3-3 Management of material topics	25-33
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	13-17
	201-2 Financial implications and other risks and opportunities due to climate change	26, 40
	201-3 Defined benefit plan obligations and other retirement plans	87
	201-4 Financial assistance received from government	Omission
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	56
	202-2 Proportion of senior management hired from the local community	Omission
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	8, 10-11
	203-2 Significant indirect economic impacts	Omission
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	61
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	62-63
	205-2 Communication and training about anti-corruption policies and procedures	62
	205-3 Confirmed incidents of corruption and actions taken	63
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Omission
GRI 207: Tax 2019	207-1 Approach to tax	75, 105, 121
	207-2 Tax governance, control, and risk management	88
	207-3 Stakeholder engagement and management of concerns related to tax	Omission
	207-4 Country-by-country reporting	14-17
GRI 301: Materials 2016	301-1 Materials used by weight or volume	49-53
	301-2 Recycled input materials used	49-53
	301-3 Reclaimed products and their packaging materials	49-53
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	41
	302-2 Energy consumption outside of the organisation	42
	302-3 Energy intensity	Omission
	302-4 Reduction of energy consumption	40
	302-5 Reductions in energy requirements of products and services	40
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	46
	303-2 Management of water discharge-related impacts	46
	303-3 Water withdrawal	46
	303-4 Water discharge	46
	303-5 Water consumption	46

GRI STANDARD	DESCRIPTION	PAGE
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Omission
	304-2 Significant impacts of activities, products and services on biodiversity	47
	304-3 Habitats protected or restored	Omission
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	48
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	42
	305-2 Energy indirect (Scope 2) GHG emissions	42
	305-3 Other indirect (Scope 3) GHG emissions	42
	305-4 GHG emissions intensity	42
	305-5 Reduction of GHG emissions	39-43
	305-6 Emissions of ozone-depleting substances (ODS)	Omission
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Omission
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	49-52
	306-2 Management of significant waste-related impacts	49-52
	306-3 Waste generated	52
	306-4 Waste diverted from disposal	Omission
	306-5 Waste directed to disposal	52
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	44
	308-2 Negative environmental impacts in the supply chain and actions taken	25-30
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Omission
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	87
	401-3 Parental leave	56
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Omission
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	54-56
	403-2 Hazard identification, risk assessment, and incident investigation	56
	403-3 Occupational health services	56
	403-4 Worker participation, consultation, and communication on occupational health and safety	55-56
	403-5 Worker training on occupational health and safety	54-56
	403-6 Promotion of worker health	54-56
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58-61
	403-8 Workers covered by an occupational health and safety management system	56
	403-9 Work-related injuries	56
	403-10 Work-related ill health	54

GRI STANDARD	DESCRIPTION	PAGE
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Omission
	404-2 Programs for upgrading employee skills and transition assistance programs	56
	404-3 Percentage of employees receiving regular performance and career development reviews	56
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	56
	405-2 Ratio of basic salary and remuneration of women to men	56
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	55
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	58-61
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	58-61
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	59
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Omission
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Omission
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	59-60
	413-2 Operations with significant actual and potential negative impacts on local communities	Omission
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	60
	414-2 Negative social impacts in the supply chain and actions taken	58-59
GRI 415: Public Policy 2016	415-1 Political contributions	Omission
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	45, 49-50
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Omission
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	50
	417-2 Incidents of non-compliance concerning product and service information and labelling	Omission
	417-3 Incidents of non-compliance concerning marketing communications	Omission
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Omission

Auditor's report on the statutory sustainability report

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

To the general meeting of the shareholders in Rusta AB (publ), corporate identity number 556280-2115

Engagement and responsibility
It is the board of directors who is responsible for the statutory sustainability report for the financial year on pages 18–71 and that it has been prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.

The scope of the audit
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 substantially different and 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.

Opinion
A statutory sustainability report has been prepared.

Stockholm, 21 August 2025
Öhrlings PricewaterhouseCoopers AB

Cesar Moré
Authorized Public Accountant

Directors' Report

Directors' Report

The Board of Directors and Chief Executive Officer of Rusta AB (publ) (corp. ID no. 556280-2115) hereby submit the annual report and consolidated financial statements for the 1 May 2024–30 Apr 2025 financial year.

Operations

Rusta, corp. ID no. 556280-2115, is a company with its registered office in Upplands Väsby, Sweden. Rusta is a retail company that markets and sells products to end consumers via a network of stores and an online sales channel. The stores are run under the name RUSTA with subsidiaries located in Sweden, Norway, Finland and Germany. The online sales channel is available in Sweden and Finland. All stores in the Group are wholly owned, with operations conducted in leased premises. Rusta offers the market a wide assortment of functional home and leisure products that provide value for money for many people. Seasonal products and specially designed articles mean that the product assortment in stores is constantly renewed. Purchasing is mainly sourced through direct imports from Asia and Europe or directly from manufacturers in Sweden.

The share and ownership structure

The share capital and the number of shares and votes changed during the year after 1,736,169 shares were subscribed for through the exercise of series 2020:1 warrants. The share capital increased SEK 57,872.3 and amounted to SEK 5,117,632 on 30 April 2025. The number of shares increased 1,736,169 shares and on 30 April 2025, the number of shares issued was 153,528,969, with a quotient value of approximately SEK 0.03. At the end of the financial year, Aforber Invest AB and Öngal i Uppsala invest AB were the principal owners of Rusta AB (publ). For more information about the share and ownership structure, see page 142.

Subsidiaries

Rusta conducts operations via subsidiaries in:

- Norway, with a sales office and 53 stores at the end of the financial year. The first store was opened in 2014.
- Germany, with a sales office and 10 stores at the end of the financial year. The first store was opened in 2017.
- Finland, with a sales office and 42 stores at the end of the financial year. The subsidiary in Finland has been part of the Group since May 2018 through the acquisition of the Hong Kong group. All of the stores in Finland were rebranded to Rusta in 2020, which marked an important milestone in establishing our operations in the Finnish market.
- China, via a sourcing office in Hangzhou. Rusta has had various kinds of operations in China since 1994.
- India, via a sourcing office. Rusta has had employees in India since spring 2013.
- Vietnam, via a sourcing office that was opened in 2015.
- Türkiye, via a sourcing office that was opened in 2024.

Significant events during the financial year

Repurchase of shares

From 17 January 2025 to 24 January 2025, Rusta AB (publ) ("Rusta") repurchased a total of 310,000 own shares for a total amount of MSEK 24. The repurchase is part of the repurchase programme comprising a maximum of 310,000 shares, which Rusta announced on 16 January 2025 and which concluded with the final purchase on 24 January 2025. All share repurchases were conducted on Rusta's behalf by Carnegie Investment Bank AB (publ) on Nasdaq Stockholm. After the above share repurchases, Rusta's holding of treasury shares as of 30 April 2025 amounts to 577,333 shares. The total number of shares in Rusta is 153,528,969. The goal of the repurchase programme is to meet the obligations that arise with the introduction of Rusta's incentive plan (LTIP 2024), meaning to hedge the delivery of performance and matching shares to participants and hedge social security costs that may arise within the framework of LTIP 2024.

Automation

In June 2024, Rusta signed an agreement with automation supplier Vanderlande on an important growth investment in Rusta's distribution centre. The investment, which amounts to almost MSEK 300, pertains to a solution for automating more processes and increasing the efficiency of the warehouse. The investment facilitates increased volumes of goods at a lower cost, as automation enables increased efficiency without more work shifts. To date, MSEK 130 has been invested in automation during the year and has been capitalised as work in progress in the balance sheet. The automation investment will be repaid in less than five years and is expected to have a positive EBITA effect as soon as the 2026/27 financial year. The growth investment is also an important milestone that creates capacity for increased volumes as Rusta continues to grow.

Türkiye

Rusta opened a new sourcing office in Istanbul, Türkiye in May 2024. The aim is to further strengthen the control of sourcing activities in south-eastern Europe and northern Africa. The sourcing office in Istanbul will improve Rusta's ability to develop existing and new suppliers for a wide range of products in and around Türkiye. It will be an important complement to Rusta's existing sourcing offices in China, India and Vietnam. The opening of the office is aligned with Rusta's strategy to source directly from a large number of leading suppliers in the global market. Rusta has an integrated value chain with direct sourcing from a wide range of suppliers, which facilitates low prices and a high degree of control throughout the value chain. The relatively close proximity between Türkiye and Rusta's main sales markets increases Rusta's ability to effectively secure a reliable supply to our more than 220 stores.

Financial performance

Consolidated net sales amounted to MSEK 11,828 (11,116) for the year, an increase of 6.4% (9.0%). Currency effects had a negative impact of -0.8% (-0.9). Net sales excluding currency effects increased 7.3% (9.9). LFL sales for the Group increased 2.6% (4.6), with currency effects having a negative impact of -0.6% (0.2). LFL sales excluding currency effects increased 3.2% (4.5).

The year was marked by challenging market conditions, with the full effect of the past year's inflation and interest rate increases creating increased price awareness and caution among customers. Rusta continues to attract more customers with the product mix in the first three quarters being steered toward a lower price point, while the shift was toward higher price points during the last quarter of the year.

Sales expenses for the year increased MSEK 202, up 5.3%. The increase was mainly driven by costs related to the 13 new stores that have opened since last year. Administrative expenses were reduced MSEK 55, down 15.5%, which was attributable to increased costs in the previous year for the IPO as well as to extraordinary costs relating to the IT incident.

Operating expenses as a share of net sales decreased 1.0 percentage points to 34.8% (35.8). This was due to greater cost efficiency throughout the value chain, in addition to the reasons given above.

Other operating income and expenses, net, amounted to MSEK 58 (73), a decrease of MSEK –15, of which MSEK –23 was attributable to negative exchange rate differences during the period compared with the previous year.

Adjusted EBITA amounted to MSEK 853 (793). EBITA was MSEK 853 (761), up 12.2%. The EBITA margin was 7.2% (6.8). Net financial items amounted to MSEK –239 (–227), of which MSEK –242 (–228) pertained to interest costs attributable to lease liabilities. The increase was primarily driven by more stores since the end of the corresponding quarter last year as well as index adjustments. Profit before tax was MSEK 615 (525). Income tax for the period amounted to MSEK –139 (–117) corresponding to an effective tax rate of 22.6% (22.3).

Net profit for the period amounted to MSEK 476 (408). Earnings per share after dilution amounted to SEK 3.1 (2.7).

Cash flow and financial position

Cash flow from operating activities for the year amounted to MSEK 1,123 (1,396). The year was positively impacted by increased cash flow from operating activities. The primary reason for the decrease in working capital was this year's increased purchases of goods compared with the previous year in order to meet higher demand and serve a greater number of stores.

Cash flow from investing activities for the year amounted to MSEK –405 (–166). The increase in investments is partly due to the investment to support growth relating to the automation of Rusta's distribution centre, which is expected to be completed in spring 2026. Other investments mainly comprised maintenance investments both in stores and in warehouses, as well as investments in new stores.

Cash flow from financing activities for the year amounted to MSEK -791 (-1,238) and the change compared with last year was mainly due to greater use of the overdraft facility. Other cash flows related to the repayment of lease liabilities and dividends of MSEK 174 paid to shareholders.

The Group's net debt amounted to MSEK 5,555 (5,515). The change was mainly attributable to higher current liabilities to credit institutions due to the financing of automation investments in the distribution centre.

Net debt excl. IFRS 16* amounted to MSEK 74 (–130). Net debt excl. IFRS 16 in relation to EBITDA excl. IFRS 16 LTM amounted to 0.09 (–0.17). Unutilised credit facilities amounted to MSEK 646 (800). The Group's equity at the end of the period amounted to MSEK 1,743 (1,593). The equity/assets ratio was 18.6% (17.5%), and the equity/assets ratio excl. IFRS 16 was 45.0% (46.2).

Parent Company

Rusta AB (publ) is the Group's Parent Company of eight wholly owned subsidiaries. For more information, see Note 22.

The Parent Company is a retail company that conducts sales to end consumers via stores in Sweden and via an online sales channel. The Parent Company also consists of the Group's central staff and sourcing functions, which are allocated to central functions in the segment reporting. The Parent Company's net sales amounted to MSEK 9,867 (9,153), of which 28% (29%) pertained to sales to Group companies. Profit before tax was MSEK 421 (314). Tax for the year amounted to MSEK 96 (69). Net profit for the year was MSEK 325 (245).

Risk factors

Rusta's operations and earnings are affected by a number of external factors. The global economy has continued to be marked by elevated uncertainty, driven by ongoing disruptions to supply and logistics chains, increased volatility in the energy market, and a period of higher interest and inflation rates. While some of these factors have shown signs of stabilization during the year, uncertainty persists across several areas of the market. As a consequence, there is a risk of further disruption to supply chains and increased distribution costs, as well as impacts on consumer behaviour. Rusta is primarily exposed to operational and financial risks. Operational risks mainly consist of opening new stores in all markets, sourcing in Asia, the product assortment, competition, logistics, strikes, key employees and social responsibility. Financial risks consist of inflation, commodity costs, shipping costs and currency exposure. Rusta is exposed to exchange rate risks as a result of Rusta purchasing products in different currencies and conducting sales in different currencies (depending on geographic market).

Changes in exchange rates may increase the costs of products purchased from suppliers in currencies other than the Swedish krona, and it is not certain that Rusta can, or will choose to, pass on all such costs to its customers. The most significant foreign currencies for Rusta are USD, EUR and NOK. As a result of fluctuations in the Swedish krona against the USD, prices for products purchased by Rusta in USD have increased. Rusta partially hedges its currency exposure to the USD by entering into forward contracts. Even if Rusta carries out currency hedging transactions, it cannot be guaranteed that these measures will adequately protect Rusta's operating profit from the effects of exchange rate fluctuations. Rusta's currency hedging transactions may also reduce the benefits that Rusta would otherwise have been able to achieve as a result of unfavourable fluctuations in the exchange rate for the SEK in relation to the USD. Exchange rate fluctuations could thus have a material negative impact on Rusta's operations, financial position and operating profit. More information about Rusta's risks and risk management is provided on page 76.

Seasonal variations

Rusta's operations are affected by seasonal variations. Q1 and Q3 are generally the strongest quarters in terms of sales, mainly driven by the summer and Christmas season. Q4 is generally the weakest quarter in terms of sales and earnings. Cash flow from operating activities mirrors the seasonal variation in sales. Inventory build-up takes place evenly during the year but is generally somewhat greater in Q2 and Q4. That, together with the fact that sales are weaker in these two quarters, means that the Group utilises its overdraft facility to a greater extent during these periods. The net debt/equity ratio is therefore higher ahead of the summer- and Christmas season and at its lowest after the Christmas season.

Employees
The average number of employees for the 2024/25 financial year was 3,966 (3,727), of whom 65% were women (65).

Expected future developments
In general, the market developments for all markets in which Rusta operates continue to be uncertain, but the developments in recent months indicate that households are again starting to spend at a slightly higher level. This applies both to goods and to housing and is a sign of increasing optimism. An important explanatory factor is the commenced reduction of the policy rate and the downward trend in inflation. Rusta is monitoring developments closely, and we are adapting according to demand while also capitalising on the new opportunities that exist. The low-price market is resilient and is growing structurally, both in times of economic uncertainty and economic recovery. Newly recruited customers during a recession have a tendency to continue shopping at Rusta, although higher up the price ladder compared with previously. Given Rusta's market position, offering and pricing, the company is considered to have good opportunities to achieve continued sales growth and to capture additional market shares across all markets. Rusta will continue to provide our customers with the opportunity to "renew and replenish their homes at surprisingly low prices." This will be achieved by opening new stores, continuously improving and developing Rusta's offering and stores, and continuing to utilise efficient sourcing and product supply functions. The Group continues to implement systematic and methodical measures regarding quality and social responsibility, including with regard to clear requirements on and monitoring of the established Code of Conduct and quality standards.

Sustainability activities
Sustainability is an integral part of Rusta's business model. Our business is defined by resource efficiency and by taking a broad responsibility throughout our value chain and in accordance with the UN's 17 Sustainable Development Goals. We are also dedicated to aligning our operations and strategies with the UN Global Compact's Ten Principles on human rights, labour, environment and anti-corruption. Rusta conducts structured and goal-based sustainability activities. We have identified and prioritised five material aspects that form the basis for our sustainability work. More information is provided in Rusta's Sustainability Report on pages 18–71 and 80–82.

Proposal for guidelines for remuneration to senior executives
Guidelines regarding remuneration to senior executives can be found in Note 12. Prior to the Annual General Meeting on 19 September 2025, a new long-term share-based incentive plan, LTIP 2025, is proposed in addition to the existing plans, LTIP 2023 and LTIP 2024, that the Group has. Otherwise, no significant changes are proposed.

Events after the end of the financial year
Bonded warehouse
In June 2025, after the end of the financial year, Rusta was granted permission by Swedish Customs to establish a bonded warehouse at the distribution centre in Norrköping. The decision means that non-duty paid goods can be stored duty free and customs duties are only paid when the goods are removed from the warehouse and declared for import. The bonded warehouse is expected to generate annual cost savings of approximately MSEK 30 from 2026/27. The bonded warehouse permit will help to strengthen Rusta's work to increase efficiency in the value chain and also supports Rusta's long-term financial targets.

Changes in Group management
On 10 June 2025, Rusta announced that CEO Göran Westerberg had informed the company of his intention to leave his position no later than 30 June 2026. The Board of Directors has initiated a recruitment process to appoint his successor.

Proposed appropriation of profits
Parent Company
The profits at the disposal of the Annual General Meeting are as follows (SEK):

Retained earnings	783,144,538
Net profit for the year	325,395,988
	1,108,540,526

The Board of Directors proposes that the profits be appropriated so that SEK 1.45 per share be paid to shareholders as a dividend:

Total	221,779,872
To be carried forward	886,760,654
	1,108,540,526

Dividends totalling MSEK 174 were paid during the 1 May 2024–30 Apr 2025 financial year.

Board of Directors' statement on proposed dividend
With reference to the above and information in general that has come to the attention of the Board of Directors, the Board is of the following opinion:

The Parent Company's equity/assets ratio as of 30 April 2025 amounted to 48.7% (53.7) before the dividend and 45.1% after taking account of the proposed dividend. The Group's equivalent equity/assets ratio as of 30 April 2025 amounted to 18.6% (17.5) before the dividend and 16.7% after the proposed dividend. The equity/assets ratio after the dividend is deemed to be adequate, even taking into account the planned expansion.

The Board of Directors is of the opinion that the proposed dividend, taking into account existing financing and the continued positive sales and earnings trend, does not prevent the company or other companies included in the Group from conducting their operations, meeting their obligations in the short and long term, or from continuing with expansion via investments in new stores.

The position and performance of the Parent Company and the Group are otherwise presented in the following financial statements. All amounts are expressed in SEK million (MSEK), unless otherwise stated.

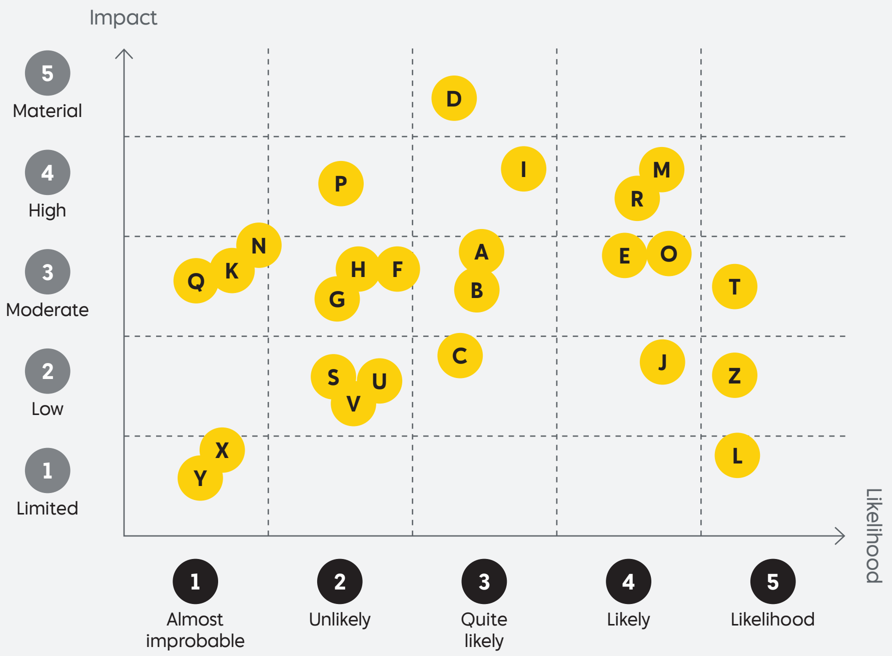
Risk assessment and risks

Rusta has established a risk management system which means that Rusta conducts an annual risk identification and risk assessment process. Based on this process, risks are identified and categorised in the following five areas:
- strategic risks,
- operational risks,
- compliance risks,
- financial risks, and
- reporting risks.

The purpose of the risk management system is to identify and evaluate the most material risks that affect Rusta's operations. Identified risks are addressed based on three different criteria: impact, likelihood and effectiveness of risk management. Each individual risk is assigned a risk owner who is responsible for monitoring and limiting the risk.

Identified risks are reported annually by the CEO to the Audit Committee and the Board of Directors. A risk assessment regarding the financial reporting is performed annually. The assessment shall be based on the company's income statement and balance sheet, taking into account all financial items with additional details for each individual financial item. The assessment includes an evaluation of materiality, transaction volume, complexity and fraud risk, resulting in risk values for each item in the financial statements which are then used as a basis for determining the key sub-processes within the financial reporting process, including their risk levels. Identified risks with respect to financial reporting are reported annually by the CFO to the Audit Committee and the Board.

Risk analysis



 # Risk

- A Seasonal variations
- B Competitors
- C Buying behaviour
- D Geopolitical risks
- E Marketing
- F Sourcing
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- H Employees
- I IT risks
- J Brand
- K Regulatory risks
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- Q Errors in the financial statements
- R Climate – sustainability risk
- S Environment and diversity – sustainability risk
- T Products – sustainability risk
- U Social conditions and human rights – sustainability risk
- V Remuneration and working hours – sustainability risk
- X Health and safety – Rusta employees – sustainability risk
- Y Rusta employees
- Z Bribery and corruption – sustainability risk

Strategic risks

Risk	Description	Risk management	Likelihood	Impact
Seasonal variations	Risk of erroneous assessment of purchases of goods in relation to sales (combination of too much goods in stock and reduced sales). The long lead time in the supply chain, combined with seasonal sales, entails the risk of excess inventory, which could negatively impact cash flow and profitability.	Rusta works with a wide product assortment and a campaign-driven business model. Established processes for budgeting and sales forecasting at the product and category level ensure better control of sourcing. Marketing is based on the seasons so as to attract customers all year round.	3	3
Competitors	The entry of large international players into any of Rusta's markets may lead to increased competition, which in turn may impact the company's market position and margins.	Rusta has a broad geographical presence in the Nordic region, a high share of private label products and direct sourcing from suppliers. The focus on high volumes and a limited number of SKUs help maintain good cost efficiency and price competitiveness.	3	3
Buying behaviour	Consumer behaviour may change as a result of, for example, sustainability preferences, macroeconomic factors, a pandemic or other changes in society. This could negatively impact sales.	Rusta has a business model with a wide product assortment that spreads the risk. Direct sourcing from suppliers provides good control of pricing. The geographical spread of stores and presence in multiple sales channels, combined with a high share of campaign-based marketing, means that the company can adapt to changes in consumer behaviour.	3	2
Geopolitical risks	Risk of the emergence of geopolitical crises (e.g., political crises, war, pandemic, etc.) which could lead to, e.g., more expensive purchases of goods, forced changes in buying behaviour leading to reduced sales, loss of staff, etc.	Rusta has a business model with a wide product assortment and works with campaigns, which entails a good ability to adapt to changes. The Group actively monitors the external environment in order to rapidly identify and respond to potential risks.	3	5
Marketing	Risk of sudden and unexpected changes to the marketing landscape in one or more of Rusta's sales markets, which significantly affects Rusta's ability to reach customers with traffic-generating campaign marketing.	The Group continuously monitors market conditions through its supplier contacts. Rusta is gradually transitioning to a more digital marketing mix through the implementation and further development of Club Rusta.	4	3

Operational risks

Risk	Description	Risk management	Likelihood	Impact
Sourcing	Rusta buys about 40% of the products from Asia, most of which come from China. Being heavily dependent on suppliers in Asia could, in the event of a geopolitical crisis, lead to disruptions in the supply chain and cause shortages of profitable products as well as increased risk of shortcomings in social responsibility in the value chain. Rusta's product sourcing strategy focuses on developing and maintaining long-term relationships with suppliers and on increasing the order volumes placed with the suppliers used so as to reduce the number of smaller suppliers. A strong dependency on suppliers could cause shortages of products and/or difficulties in replacing specific products on time in connection with, e.g., supplier bankruptcy, fraud situations, etc.	Rusta has established sourcing offices in several geographical markets in order to reduce dependency on one market or a few suppliers. The sourcing offices established in China, India, Vietnam and now also Türkiye aim to spread the geographical risk and also differentiate the supplier risk. Through the local presence, an established process is maintained to carefully assess suppliers before entering into purchase agreements.	2	3
Logistics	Rusta has a distribution centre in Norrköping that serves as the central hub for distribution and delivery of Rusta's products. This is where products arrive from suppliers in Europe and Asia, and from where they are then distributed to all Rusta stores across Rusta's four sales markets. There is a risk of disruption in the logistics chain as a result of, for example, system errors in automated systems, fires, water damage or natural disasters. Damage to the inventories or equipment at the distribution centre could also adversely impact the operations. There is also a risk of disruption in the supply chain due to, e.g., problems in Chinese ports, blockage in the Suez Canal or strikes and disruptions in the ports of Norrköping, Gothenburg and Hamburg. This could lead to delays in the delivery of goods as well as higher shipping costs. If the above were to occur, it could lead to a negative impact on Rusta's liquidity and profitability.	The distribution centre is divided into two physical buildings and five cells. There are sprinklers and alarms installed, among other fire safety measures. Work is also continuously undertaken to increase efficiency and operational safety at the distribution centre, along with maintenance and review of existing safety solutions. The Group has an established process and action plan for unexpected and planned outages through the supply chain, as well as adequate property and business interruption insurance.	2	3
Employees	Rusta's operational success depends on the experience and expertise of Group management and other key employees. The Group's operations are seasonal in nature, and part-time employees represent a significant proportion, in addition to which the level of staff turnover in retail is generally high, which could entail a risk in terms of the ability to recruit suitable part-time employees to meet Rusta's needs. The risk of losing key skills and competencies, work injuries caused by, e.g., robbery in stores, workplace accidents or the occurrence of threats and violence in the workplace, as well as strikes, etc., could have a negative impact on Rusta's financial position.	Rusta actively works to be an attractive employer with a good corporate culture and an employer who offers a safe working environment with established rules for the work environment. There are established ways of working to counteract potential risks to employees, as well as a crisis management group.	2	3
IT risks	Rusta uses several IT systems in different parts of its business. Unexpected problems with hardware, such as computer and network components, could arise as a result of, for example, manufacturing faults, accidents, wear and tear and overload, as well as cyberattacks, data breaches and other forms of sabotage. Problems could also arise as a result of planned measures, such as upgrades and maintenance, which can be difficult to implement as Rusta's operations require the company's IT systems to be functioning continuously all year round, and regardless of the time of day.	The Group has governing documents and policies for the IT environment and IT security. Rusta performs regular tests of critical IT systems and has an established process for handling any operational disruptions. Rusta strives to build redundancy into its IT systems in order to reduce the risk of defects in individual components having more extensive consequences for the entire IT infrastructure.	3	4
Brand	Rusta's brand could be negatively affected by, among other things, poor product quality and substandard routines in stores. Risk both of a general PR crisis and of the news media reviewing and reporting specifically on the low-price retail segment in relation to sustainability work, which could lead to a negative impact on the brand.	The Group has an established working method both centrally for the sourcing organisation, distribution centre and stores, as well as for each sourcing market to check product quality. Rusta has clear procedures for handling any negative exposure in the media.	4	2

Compliance risks

Risk	Description	Risk management	Likelihood	Impact
Regulatory risks	Risk of violating new and existing laws and regulations, which could result in fines and impact on the company's reputation.	Rusta monitors the development of legislation, regulations and other external requirements for markets in which the company operates. The Group has allocated the responsibility to monitor change within each relevant organisational area and has an established process for adapting the business to significant regulatory changes.	1	3
Irregularities	There is an inherent risk of employees committing irregularities, including theft in stores or kick-back deals in Asia, which could lead to financial losses and impact on the company's reputation.	Governing documents and internal controls to counteract opportunities for internal irregularities, including policies for segregation of duties and the four-eyes principle.	5	1

Financial and reporting risks

Risk	Description	Risk management	Likelihood	Impact
Currencies	The risk of fluctuations in exchange rates pressing EBIT downward. Includes SEK against other currencies (primarily USD), which leads to higher costs for the purchase of goods, as well as NOK and EUR for country-specific sales margins.	The Group has continuous monitoring of exchange rate fluctuations and the potential need to increase prices, as well as a market organisation that manages pricing in all Rusta sales markets. Rusta uses forwards to hedge in USD and applies hedge accounting for these. The fact that Rusta operates in markets with three different selling currencies contributes to a natural currency hedge.	4	4
Credit risk	The risk of not having sufficient credit coverage due to, e.g., this not having been offered or secured, or a lack of controls related to cash flow, etc., which could lead to financial instability.	The Group has a process for producing liquidity forecasts and there is a continuous follow-up of these as well as regular monitoring regarding credit risk for the banks with which Rusta has credit, which is distributed between two banks to minimise the risk.	1	3
Inflation	Risk that Rusta does not adapt optimally and quickly enough to a sudden increase in inflation in its sourcing or sales markets, which would adversely affect its low-price position, margin or both.	Continuously evaluate the need to adjust prices to ensure sufficient gross margin contribution without losing low-price perception and market position.	4	3
Valuation of non-current assets	Risk that the Group makes incorrect valuations of its material non-current assets, which could result in impairment.	Rusta has a working model to support management in the valuation of material assets. Annual impairment testing takes place for goodwill and impairment testing takes place as necessary for assets that are depreciated on a straight-line basis over their useful life.	2	4
Errors in the financial statements	Risk of inaccuracies in financial reporting and associated internal controls that cause poor quality and that financial statements are not published on time. This could lead to financial loss, negative brand perception and/or legal penalties.	The Group has governing documents and policies in place and an implemented framework for internal control with continuous follow-up, which minimises the risk of errors in the financial statements.	1	3

Sustainability risks

Risk	Description	Risk management	Likelihood	Impact	Opportunity
Planet					
Climate – Value chain and own operations	Greenhouse gases emitted from our operations could contribute to global warming exceeding the +1.5°C goal, which in turn leads to more extreme weather (floods, thunderstorms and droughts), rise in sea level and potential shortage of certain raw materials. This also affects Rusta's own operations. Market impact and changes in consumer behaviour as a consequence of global warming could occur more often and more quickly in the future.	Where we cannot remove it altogether, we choose product and packaging materials carefully and increase the proportion of renewable, recycled and/or certified materials. Our ambition is to become climate neutral by 2030 for GHG scope 1 and 2 and by 2045 for scope 3 (i.e., earlier than the Paris Agreement goal of 2050). We are continuously increasing our use of renewable energy and fuels. Part of Rusta's climate-related work focuses on climate change adaptation and we are continuing our mapping in this area.	4	4	By offering a sustainable assortment at a low price, we can support the development of a more sustainable lifestyle. By being a retail chain with a wide assortment, we can follow market trends and adapt our assortment accordingly.
Environment & biodiversity – Value chain and own operations	Our greatest impact on the environment and biodiversity comes from the raw materials and the production of our products. Rusta's ambition is to minimise the negative environmental impact of our operations, offer high quality products to our customers while reducing pollution of air, water and soil. In line with our sustainability policy, we regularly update our chemical requirements in relation to our suppliers/factories. By failing to adapt to statutory requirements in the environmental area, our brand could be seriously damaged.	We invest heavily in product development of a unique Rusta assortment. We avoid or minimise the use of excess materials whenever possible. In line with our sustainability policy, we regularly update our chemical requirements in relation to our suppliers. We use XRF scanners in factories, sourcing offices and at the distribution centre to ensure compliance with legislation. Moving forward, we need to further map our impact on biodiversity and water use.	2	2	Working proactively on environmental risks can provide significant opportunities to drive innovation at Rusta. By being the good and sustainable option in low-price retail, we can attract customers and potential employees.
Product					
Products – Value chain	There is a risk of Rusta releasing products with poor durability in the market. Regardless of recycled, renewable or certified materials, short product life always leads to poor sustainability. New laws and regulatory requirements regarding product sustainability and prohibited substances could affect product development and sales.	Offering at least a three-year warranty on all products (excluding products of a consumable nature) ensures a basic level of durability. Investing in chemical expertise both in our head office and in sourcing offices will improve our preventive chemical ambitions.	5	3	Online sales in all our markets will facilitate a more effective and wider range of spare parts for our customers. Developing more products ourselves allows us to set the right requirements from the very beginning.

Sustainability risks

Risk	Description	Risk management	Likelihood	Impact	Opportunity
People					
Social conditions and human rights – Value chain	In some countries from which Rusta sources goods, there are increased risks of human rights violations, including child, forced labour, poor working conditions, restrictions on freedom of association and discrimination. Relationships with suppliers that do not comply with internationally accepted ethical, social and environmental standards pose a potential risk to Rusta's business.	Rusta's external Code of Conduct, which encompasses and respects human rights, is our primary tool for continuously and tirelessly working in line with national and international laws and standards.	2	2	When Rusta promotes and strives for improved social conditions and human rights in the countries where these are underdeveloped, we can secure safer workplaces and strengthen the markets where we source our goods.
Remuneration and working hours – Value chain	In general, we see that the major areas for improvement in Asia relate to overtime work, overtime pay and shortcomings in the payment of social security contributions. The main areas revealed where we see the greatest need for improvement are overtime work that exceeds local regulations, overtime pay that is not paid at the statutory level and social taxes that do not cover all workers in the factories.	Rusta always demands improvements with clearly defined timelines for the specific findings. Rusta requires that all workers be reimbursed in accordance with applicable legislation. In general, in the future we will to a greater extent point to and implement the business consequences of failure to undertake corrective action and improvement, and we will conduct more regular and complete on-site audits of the factories in question. In some cases, the number of unannounced visits will also be increased to ensure continuity in accordance with Rusta CoC Basic.	2	2	When Rusta promotes and strives for improvements in remuneration and working hours in countries where these more often differ, we can contribute to better living conditions for the workers and their families.
Safety and health of Rusta employees – Own operations	Ill health is a challenge for the individual as well as for the company. Accidents or incidents in the workplace due to shortcomings in safety measures harm employees and could negatively affect Rusta's productivity and employer brand. Rusta recognises the risk that serious diseases and pandemics could cause business interruptions and could negatively impact the health of our employees.	Rusta conducts preventive health and safety work at all our units. We offer training, e-learning and courses on work environment and ergonomics as well as workplace safety. We have also implemented an IA reporting system for on-the-job incidents in our distribution centre.	1	1	Actively working to promote safe and healthy working conditions will ensure healthy and happy employees. It also strengthens Rusta's brand as an attractive employer.
Rusta's employees – Own operations	Rusta must have access to and attract talented and motivated employees, and secure the availability of competent managers in order to achieve established strategic and operational goals. At Rusta, everyone has equal opportunities and rights. We know that differences provide opportunities, and we are always looking for employees who thrive in an inclusive and ever-changing environment.	Skills mapping together with our overall HR planning helps ensure access to people with the right skills and attitude. An understanding of Rusta's core values is essential. Recruitment can be both external and internal. Remuneration levels and benefits are adapted to market conditions and linked to business priorities. Rusta strives to maintain good relations with the various trade unions represented among our employees.	1	1	Being progressive as an employer and communicating our sustainability agenda will strengthen our position as an attractive employer. Dynamic, exciting roles and career opportunities in the international market will benefit our employees and attract talented and motivated Rusta employees.

Sustainability risks

Risk	Description	Risk management	Likelihood	Impact	Opportunity
People					
Anti-corruption – Value chain and own operations	Rusta operates within a global value chain that includes sourcing from countries with varying degrees of maturity in business ethics and legal certainty. This means that there is the risk of corruption, bribery or other forms of unethical conduct occurring, either within the company's own organisation or among external business partners. Such incidents could lead to human rights violations, shortcomings in occupational health and safety or impact on the environment and have serious consequences for Rusta's reputation, business relationships and legal compliance.	Rusta has an explicit zero tolerance policy to all forms of corruption, bribery and irregularities. All of the Group's salaried employees are required to sign the internal Code of Conduct every year, and mandatory e-learning is arranged to ensure understanding and compliance with the Code. Rusta's external Code of Conduct sets clear requirements for ethical business conduct for all suppliers and business partners. The Code is a condition for a partnership with Rusta, and must be signed by all suppliers, or confirmed by an equivalent commitment. Procedures for monitoring and reporting deviations have been implemented. Rusta also provides a whistleblower function that is available both to employees and to external stakeholders. Activities pertaining to business conduct are integral components of Rusta's ESRS G1 and S2 due diligence framework.	5	2	Together with our industry colleagues in the market, Rusta can help shape the market and have a positive impact in reducing corruption.

Corporate Governance Report

Rusta AB (publ) is a Swedish public limited liability company listed on Nasdaq Stockholm. Rusta applies the Swedish Corporate Governance Code and hereby submits the corporate governance report for the 1 May 2024–30 Apr 2025 financial year.

This corporate governance report has been prepared in accordance with the rules of the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the "Code"). The corporate governance report has been reviewed by the company's auditor in accordance with statutory review. Effective and clear corporate governance helps ensure confidence and trust in Rusta's stakeholder groups and also increases the focus on business value and shareholder value in the company. Rusta's Board of Directors and management strive to achieve great transparency and openness in order to make it easier for the individual shareholder to follow the company's decision-making paths and to clarify where the responsibilities and authority lie in the organisation. Corporate governance within Rusta is based on applicable legislation, the Code, NASDAQ OMX Stockholm's regulations for issuers, good practice in the stock market and various internal guidelines. In cases where Rusta has chosen to deviate from the Code's rules, a justification is presented under the relevant section of this corporate governance report.

Ownership structure

At the end of the year, the share capital in Rusta amounted to SEK 5,117,632 divided between 153,528,969 shares. There is only one share class and all shares carry an equal right to participate in the company's assets and profits. As of 30 April 2025, the number of shareholders amounted to 14,569. The largest shareholder on 30 April 2025 was Öngal i Uppsala invest AB, with 29.54% of the shares. Of the total number of shares, foreign owners accounted for approximately 15.93%. For further information on the share and shareholders, refer to pages 142–143 and the website investors.rusta.se.

General meetings

According to the Swedish Companies Act (2005:551), the general meeting is the company's ultimate decision-making body. At the general meeting, the shareholders exercise their voting rights on key issues, such as adoption of income statements and balance sheets, appropriation of Rusta's profits, discharge from liability for members of the Board of Directors and the CEO, election of members of the Board of Directors and auditor(s) as well as remuneration to the Board members and the auditor(s). Rusta's articles of association can be found in full at investors.rusta.se.

The annual general meeting (AGM) must be held within six months from the end of each financial year. In addition to the AGM, extraordinary general meetings may also be convened. According to the company's articles of association, general meetings are convened by publication of the notice in the Official Swedish Gazette (Sw. Post- och Inrikes Tidningar) and on the company's website. When the notice convening the general meeting has been issued, information regarding that the notice has been issued shall be published in Dagens Industri.

Right to attend general meetings

Shareholders who wish to participate in a general meeting must be listed as a shareholder in a printout or other presentation of the share register relating to the circumstances six banking days prior to the general meeting and must notify the company of their participation not later than on the date set out in the notice to attend the general meeting. In addition to notifying the company, shareholders whose shares are nominee-registered through a bank or other nominee must request that their shares are temporarily registered in their own names in the share register not later than four banking days prior to the general meeting in order to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of the record date. Shareholders may attend general meetings in person or by proxy and may be accompanied by not more than two advisers.

2024 Annual General Meeting

Shareholders representing approximately 78.2% of the share capital and votes in the company participated at the Annual General Meeting on 20 September 2024. Erik Haegerstrand was elected Chairman of the meeting. At the meeting, the income statement and balance sheet, the consolidated income statement and consolidated balance sheet, and the appropriation of profit were adopted. Erik Haegerstrand, Anders Forsgren, Maria Edsman, Claes Eriksson, Björn Forssell, Victor Forsgren and Ann-Sofi Danielsson were re-elected as Board members.

Erik Haegerstrand was elected Chair of the Board.

Resolutions were also made regarding the election of the auditor and fees to the auditor, approval of the remuneration report and principles for remuneration to the CEO and other senior executives, resolution on incentive plans and resolution on authorisation for the Board to decide on the acquisition and transfer of the company's own shares.

2025 Extraordinary General Meeting

An extraordinary general meeting was held on 13 January 2025 at which 74% of shares and votes represented. The meeting resolved to expand the Board to eight (8) members without deputies, to elect Claus Juel-Jensen as a new member of the Board until the next AGM and to set a proportional fee for the newly elected Board member.

Nomination committee

At the Annual General Meeting on 19 September 2024 , it was resolved that a nomination committee be appointed ahead of the 2025 Annual General Meeting by the Chair of the Board convening, as per the last banking day in December according to the (share register), the three largest owner-grouped shareholders in the company, who then each have the right to appoint one member of the nomination committee. The nomination committee shall prepare and submit to the general meeting proposals for the election of the Chairman of the AGM, the Chair of the Board and other members of the Board. The nomination committee considers that the Swedish Corporate Governance Code's requirements on diversity, breadth and gender distribution are reasonably satisfied by the proposal. Furthermore, the nomination committee shall submit proposals for director's fees divided between the Chair of the Board and other Board members, fees for committee work, election of, where applicable, and fees to, the auditor and decisions on principles for how the nomination committee is appointed. No remuneration is paid to members of the nomination committee.

The nomination committee prior to the 2025 Annual General Meeting consists of Jörgen Sandström, appointed by Öngal i Uppsala invest AB, Jan Amethier, appointed by Aforber Invest AB, and Suzanne Sandler, appointed by Handelsbanken Fonder.

Erik Haegerstrand, adjunct to the nomination committee in his capacity as Chair of the Board.

The Board of Directors and its work

Board members are normally appointed by the AGM for the period until the end of the next AGM. According to Rusta's articles of association, the Board shall consist of no less than three and no more than eight Board members without deputies. According to the Code, the Chair of the Board shall be appointed by the general meeting. A maximum of one Board member elected by the general meeting may be a senior executive in Rusta's management or in a subsidiary. The majority of the Board members elected by the general meeting shall be independent in relation to the company and its senior executives. At least two of the Board members who are independent in relation to the company and its senior executives shall also be independent in relation to the company's major shareholders.

Responsibilities and work

The Board is the company's second-highest decision-making body after the general meeting. The Board's duties are primarily regulated in the Swedish Companies Act, the company's articles of association and the Code. The Board's work is also governed by the general meeting's instructions and the Board's rules of procedure. The Board's rules of procedure govern the division of work within the Board. The Board also adopts, inter alia, instructions for the committees of the Board, an instruction for the CEO and an instruction for the financial reporting to the Board.

The Board is responsible for the company's organisation and management, which includes, inter alia, a responsibility for the establishment of overarching, long-term strategies and goals, budgets and business plans, establishing guidelines to ensure that the business creates value in the long term, review and preparation of accounts, to make decisions on matters relating to investments and divestments, capital structure and dividend policy, development and adoption of key policies, to ensure that control systems are in place for monitoring compliance with policies and guidelines, to ensure that systems are in place for monitoring and control of the company's operations and risks, significant changes in the organisation and business, to appoint the CEO and, in accordance with the guidelines adopted by the general meeting, set fees and other terms of employment for the CEO.

Board composition and attendance during the financial year

						Independent in relation to:	
Board member	Position	Board member of the company since	Board	Audit Committee	Expansion Committee	The company and senior executives	The company's major shareholders[1]
Erik Haegerstrand	Chair of the Board	2022	19/19	5/5		Yes	Yes
Anders Forsgren	Board member	1986	19/19		6/6	No	No
Ann-Sofi Danielsson	Board member	2022	19/19	5/5		Yes	Yes
Björn Forssell	Board member	2019	19/19		6/6	No	No
Claes Eriksson	Board member	2009	19/19			Yes	Yes
Maria Edsman	Board member	2016	19/19	5/5		Yes	Yes
Victor Forsgren	Board member	2022	19/19		6/6	No	No
Claus Juel-Jensen[2]	Board member	2025	5/19		1/6	Yes	Yes

1) Major shareholders mean shareholders who directly or indirectly control 10% or more of the shares or votes in the company.
2) Claus Juel-Jensen was elected a new member of the Board at the Extraordinary General Meeting held on 13 January 2025 and was appointed on 15 January 2025 as a new member of the Board's Expansion Committee..

The Chair of the Board is responsible for ensuring that the work of the Board is carried out effectively and that the Board fulfils its obligations.

The Board meets according to an annual pre-determined schedule. In addition to scheduled Board meetings, additional Board meetings may be convened if the Chair of the Board considers it necessary or if a Board member or the CEO so requests.

The work of the Board in 2024/25

The Board met 19 times during the year. The management team presented the goals and business strategies for their areas. The Board addressed issues related to strategy, staff and organisation. Decisions have been made regarding investments and establishing operations. Other areas that have been addressed include the Group's work on the supply of raw materials, risk management and the company's strategy for capital structure.

Evaluation of the Board

The Chair of the Board is responsible for evaluating the work of the Board including the efforts of individual Board members.

The evaluation focuses, among other things, on access and need for specific skills and work methods.

The Board conducts an annual internal evaluation of the Board's work.

Evaluation of the CEO

The Board continuously evaluates the work and competence of the CEO and Group management. This is addressed at least once a year without the presence of representatives from Group management.

Committees of the Board

Audit Committee

The Board has established an audit committee. Pursuant to the Swedish Companies Act, the members of the audit committee may not be employees of the company and at least one member must have accounting or auditing qualifications. The majority of the members of the audit committee must be independent in relation to the company and its senior executives.

At least one of the members of the audit committee who is independent in relation to the company and its senior executives must also be independent in relation to the company's major shareholders. The Audit Committee currently consists of three members: Ann-Sofi Danielsson (Chair), Erik Haegerstrand and Maria Edsman.

The Audit Committee's main tasks are to:
(a) monitor the Group's financial reporting and provide recommendations and proposals to ensure the reliability of reporting;
(b) in respect of financial reporting, monitor the effectiveness of the Group's internal controls, internal audits and risk management;
(c) keep informed about the audit of the Group's annual report and consolidated financial statements and, where applicable, the conclusions of the Swedish Inspectorate of Auditors' quality control;
(d) inform the Board of Directors of the outcome of the audit and the way in which the audit contributed to the reliability of the financial reporting as well as the function filled by the audit committee;
(e) review and monitor the impartiality and independence of the auditor and, in conjunction therewith, pay special attention to whether the auditor provides services other than auditing services; and
(f) assist in the preparation of proposals for the general meeting's resolution regarding the election of auditor(s).

Expansion Committee
The Board has established an expansion committee. The Expansion Committee currently consists of four members: Claes Eriksson (Chair), Anders Forsgren, Victor Forsgren and Claus Juel-Jensen.
The Expansion Committee's main tasks are to:
(a) in collaboration with persons responsible for establishment matters within the Group, prepare establishment-related issues and present these to the Board of Directors, which has the decision-making power. The persons responsible for establishment matters lead the operational work until the committee preparation and report to the CEO;
(b) act as a supporting resource for the persons responsible for establishment matters in connection with implementation of adopted strategy concerning development of the store network. The committee can thereby assist the persons within the company responsible for establishment matters with regard to various establishment proposals, proposals for closure or relocation, development of national guidelines and policies;
(c) monitor past establishments, including the moving of existing stores and units, and keep the Board informed of the results of this work; and
(d) act as a supporting resource for persons responsible for establishment matters in connection with strategies concerning renegotiations of existing agreements.

Remuneration to members of the Board
The table below sets out the remuneration paid to the members of the Board during the 2024/25 financial year.

(MSEK) Board member	Director's fees	Committee fees	Other	Total
Erik Haegerstrand (Chair)	1.0	0.1	-	1.1
Anders Forsgren[1]	0.5	0.0	0.1	0.6
Ann-Sofi Danielsson	0.5	0.1	-	0.6
Björn Forssell	0.5	-	-	0.5
Claes Eriksson	0.5	0.1	-	0.5
Maria Edsman	0.5	0.1	-	0.5
Victor Forsgren[2]	0.5	0.0	-	0.5
Claus Juel-Jensen[3]	0.3	-	-	0.3
Total	**4.0**	**0.4**	**0.1**	**4.5**

1) During the year, Anders Forsgren received a consultancy fee of MSEK 0.1 for strategic advisory services for implementing the company's business strategy. The consultancy fee is consistent with the remuneration guidelines adopted by the Annual General Meeting.
2) Victor Forsgren is also an employee of Rusta AB (publ) and has received salary from Rusta AB (publ) in addition to director's fees. Information on other remuneration in addition to director's fees is provided in Note 38.
3) Elected on 13 January 2025 and received proportional remuneration for the period.

Remuneration Committee
The Board has not established a remuneration committee. Instead, the entire Board fulfils the tasks incumbent on a remuneration committee.
With respect to remuneration, the Board tasks are to:
(a) prepare decisions on issues concerning remuneration principles, remunerations and other terms of employment for the senior executives;
(b) monitor and evaluate programmes for variable remuneration to senior executives; and
(c) monitor and evaluate the application of guidelines for remuneration to senior executives that the AGM is legally obliged to establish as well as the current remuneration structures and levels in the company.

The Annual General Meeting held on 20 September 2024 resolved that director's fees for members of the Board of Directors for the period until the end of the 2025 Annual General Meeting shall be paid as follows:
- SEK 1,000,000 shall be paid to the Chair of the Board;
- SEK 450,000 shall be paid to each of the other Board members;
- SEK 100,000 shall be paid to the Chair of the audit committee;
- SEK 60,000 shall be paid to each of the other members of the

audit committee;
- SEK 80,000 shall be paid to the Chair of the expansion committee; and
- SEK 40,000 shall be paid to each of the other members of the expansion committee.

The CEO and other senior executives

The CEO is subordinated to the Board of Directors and shall manage the day-to-day management in accordance with the Board's guidelines and instructions. The division of work between the Board and the CEO is set out in the Board's rules of procedure and the instructions for the CEO.

The CEO is responsible for ensuring that the Board receives information and necessary documentation to support decision-making. The CEO leads the work of the senior executives and makes decisions after consultation with the senior executives.

The CEO also reports at board meetings and shall ensure that Board members regularly receive the information necessary to follow the company's and the Group's financial position, results, liquidity and development.

The CEO and the other senior executives are presented in more detail on pages 91–92.

Guidelines for remuneration to senior executives

The following guidelines apply to members of the company's management. The company's management refers to the company's Board members, CEO, deputy CEO (if applicable) and other senior executives[3]. After the guidelines have been adopted by the general meeting, the guidelines shall be applied to remuneration agreed upon as well as to amendments of remuneration already agreed upon. The guidelines do not apply to any remuneration resolved upon by the general meeting.

Rusta's long-term vision is to make Rusta the leading and most trusted low-price retailer in Europe and is centred around what Rusta can offer its customers. Rusta aims to achieve this through a combination of, among other things, protecting and strengthening its low-price position by offering its customers the lowest prices on comparable products while ensuring an attractive and pleasant customer shopping experience, building trust among its customers by focusing on quality and sustainability in the optimisation of its product assortment and expanding its store network in a controlled and profitable manner.

A prerequisite for a successful implementation of the company's long-term vision and strategy is that the company is able to recruit and retain qualified senior executives, which is enabled by these guidelines.

Remuneration to senior executives

The table below presents expensed remuneration to senior executives during the 2024/25 financial year.

(MSEK) Senior executives	Salary[1]	Variable remuneration[2]	Other benefits	Pension benefits	Total
Chief Executive Officer	6.0	2.8	0.2	1.3	10.3
Other senior executives (eight persons)	15.7	0.6	0.6	5.5	22.4
Total	**21.7**	**3.4**	**0.8**	**6.8**	**32.7**

1) Refers to fixed remuneration including holiday supplement.
2) Includes costs for LTIP.
3) As of the date of these guidelines, the company's senior executives comprise (in addition to the CEO): Chief Financial Officer, Chief Sales Officer, Chief Marketing Officer, Chief Range Officer, Chief Supply Chain Officer, Chief Business Development Officer, Chief Purchasing Officer and Chief HR Officer.
4) As of the date of these guidelines, one senior executive, in addition to the CEO, has a notice period of 12 months if the employment is terminated by the company and six months if the employment is terminated by the senior executive.

Remuneration subject to these guidelines shall aim to promote the company's business strategy, sustainability and long-term interests.

Remuneration components and other terms and conditions

The total remuneration shall be in line with market conditions and may consist of the following components: fixed cash remuneration, variable cash remuneration, pension benefits and other benefits. In addition to what is determined in the guidelines, the general meeting may resolve on, for example, share- or share price-related remuneration.

Variable cash remuneration may not amount to more than 100% of the fixed cash remuneration for the CEO and not more than 50% of the fixed cash remuneration for other senior executives.

The company management's pension benefits shall be in line with market conditions in relation to the common practice for comparable executives in the market in which the respective senior executive operates and should be based on defined-contribution pension plans or be in line with general pension plans, in Sweden the applicable ITP plan. Unless otherwise prescribed by applicable law or mandatory collective agreement provisions, pension benefits may not amount to more than 35% of each senior executive's gross salary, and variable cash remuneration shall not be pensionable.

Other benefits may consist of, for example, wellness benefits, healthcare insurance and company car benefits. Premiums and other expenses relating to such benefits may not exceed 5% of the fixed cash remuneration for the CEO and not more than 10% of the fixed cash remuneration for other senior executives.

Termination of employment

The notice period for the CEO shall be not more than 12 months if the employment is terminated by the company and not more than six months if the employment is terminated by the CEO.

In addition to remuneration paid during the applicable notice period, any severance pay for the CEO may not exceed an amount corresponding to 12 months' fixed cash remuneration.

The notice period for other senior executives shall not be more than 6 months[4].

Criteria for payment of variable cash remuneration

Variable cash remuneration shall reward the fulfilment of pre-determined and measurable criteria that promote the company's business strategy and long-term interests, including the company's sustainability policy.

When the performance criteria measurement period for payment of variable cash remuneration has ended, an evaluation of the outcome is made. The Board, or the remuneration committee if such a committee is established by the Board, is responsible for such evaluation of the CEO's outcome, while the CEO is responsible for the evaluation of the outcome for other senior executives in the company management.

Any possibility to demand repayment of variable cash remuneration is determined by the terms and conditions of the programme as applicable at any given time.

Salary and terms of employment for employees

In connection with the preparation of the Board proposal on these remuneration guidelines, salaries and employment terms for the company's employees have been considered by way of assessing information on the total remuneration to employees, the remuneration's components as well as the remuneration's growth and growth rate over time. The information has formed part of the Board's basis for decision-making when evaluating the reasonableness of the guidelines and the limitations set out in the guidelines.

Consultancy fees

If a Board member (including on the basis of a wholly owned company) performs services for the company in addition to their standard Board duties, separate fees may be paid for such services in the form of a consultancy fee, provided that such services contribute to the implementation of the company's business strategy. Such consultancy fees shall be on market terms and may for each member of the Board not exceed the annual director's fees.

The decision-making process to determine, review and implement the guidelines

The Board shall prepare a proposal for new guidelines at least every four years and shall submit the proposal to the AGM. The guidelines shall apply until new guidelines are adopted by the general meeting.

The Board, or the remuneration committee if such a committee is established by the Board, shall also monitor and evaluate programmes for variable remuneration to the company's management and the application of the guidelines in relation to current remuneration levels and structures. Members of the company's management do not participate in the Board's treatment of and decisions regarding remuneration-related matters if they are affected by such matters.

Deviation from the guidelines

The Board may temporarily decide to deviate from the guidelines, in whole or in part, if there in an individual case are special reasons for a deviation and it is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability.

External auditor

The AGM appoints an auditor in the company annually. At the Annual General Meeting held on 20 September 2024, Öhrlings PricewaterhouseCoopers AB, hereinafter referred to as PwC, was elected as the company's auditor for the period until the end of the 2025 Annual General Meeting. Cesar Moré has been the auditor in charge since 2021. In addition to the audit assignment, Rusta has consulted PwC in the tax area and on various accounting issues. PwC is obliged to test its independence before deciding, in addition to its audit assignment, to also carry out independent advisory services for the Group. Information on fees to the audit firm is set out in Note 10. According to the Code, the company's Board shall ensure that either the half-yearly or nine-month report is reviewed by the auditor. Rusta's auditor has carried out a review of the half-yearly report.

Internal audit

The Group has a simple legal and operational structure as well as established control and internal control systems.

The Board (and the Audit Committee) monitors the company's assessment of internal control, including through contacts with the Group's auditors. In light of the above, the Board has chosen not to arrange a separate internal audit. The issue of whether to set up a dedicated internal audit function is examined annually.

Internal control

Rusta has established an internal control system that includes Rusta's management, core and support processes in order to ensure that Rusta's operations are conducted in a correct and efficient manner, that laws and regulations are complied with and that financial reporting is accurate, reliable and in accordance with applicable laws and regulations.

Internal control is based on division of work and responsibilities between the Board, the committees of the Board, the CEO, the CFO and other senior executives through, for example, the Board's rules of procedure, instructions for the committees of the Board, the CEO and financial reporting as well as the Group's guidelines, procedures, instructions and Code of Conduct. Compliance with these is continuously monitored and evaluated by responsible persons.

Control activities

Based on the risk identification and risk assessments carried out, an internal control framework shall be designed that covers the risks where applicable, with focus on risks attributable to errors in financial reporting. The internal control shall be designed as a requirement to describe the minimum level of measures expected to establish an effective internal control system for the various key processes. The implementation of the internal control is evaluated annually through a self-assessment and the results of the evaluation are documented, including proposals for measures to limit residual shortcomings including an impact assessment of residual shortcomings to ensure that such shortcomings do not entail unacceptable risks of material misstatement in the financial reporting or other unacceptable risks attributable to Rusta's operations.

The documentation and results are reported annually by the CFO to the Audit Committee and the Board.

Information and insider policy

The company's Board has adopted an information and insider policy that governs the handling and communication of inside information as well as other internal and external information.

The purpose of the policy is to ensure a high level of quality of both internal and external information as well as compliance with laws and regulations. In addition, Rusta has established procedures for management of information and restrictions on the dissemination of inside information, including the establishment of an insider committee responsible for management of inside information and other issues related to inside information. The Insider Committee consists of the CEO, CFO and IR Manager.

Rusta's fundamental principle in respect of communication is to provide correct, relevant, clear and reliable information to all relevant stakeholders. In addition, the company's communication shall be characterised by proactivity, accuracy and transparency.

Policy documents
Rusta has a number of policies for the Group's operations and employees. These include, for example, the Code of Conduct, corporate governance documents and finance handbook, among others.

Follow-up
The Board and company management receive ongoing information about the Group's results, financial position and development of the business. The reporting also includes analytical follow-up, trend follow-ups and benchmarking of operating segments and down to store level. The Finance function has the same procedures and requirements for documentation in connection with each monthly financial report. The Board continuously evaluates the information provided by company management and evaluates, on an ongoing basis, compliance with the control activities carried out within the Group. This work includes, among other things, ensuring that measures are taken regarding any shortcomings and proposals for measures that may have emerged in connection with the external audit. In addition, each management function performs an annual self-assessment of the effectiveness of each formally implemented control within its area. Follow-up and feedback on any deviations that arise is a central part of the work with internal controls as this is an effective way for the Group to ensure that errors be corrected and that control is further strengthened.

Board of Directors

Erik Haegerstrand
Chair of the Board

Chair of the Board since 2022

Born: 1959

Principal education:
M.Sc. Business and Economics, Stockholm University

Other key assignments:
CEO and Chair of the Board of Directors of Bonnier Group AB, including several board positions within the Bonnier Group

Recent positions outside Rusta:
Several management and board positions within the Bonnier Group

Independence pursuant to the Swedish Corporate Governance Code:
Independent in relation to the company, the company's senior executives and the company's major shareholders

Shareholding:
11,000 shares

Anders Forsgren
Board member

Board member since 1986

Born: 1952

Principal education:
Bachelor of Business Administration and Research Studies in Marketing and Distribution, Uppsala University

Other key assignments:
Board member of Aforber AB, Aforber Förvaltning AB, Aforber Invest AB and Business Challenge AB.

Recent positions outside Rusta:
Lecturer in Business Administration at Uppsala University, Business controller at H&M and Stock Market analyst at AP4

Independence pursuant to the Swedish Corporate Governance Code:
Not independent in relation to the company, the company's senior executives or the company's major shareholders

Shareholding:
Owner of Aforber Invest AB which owns 41,064,404 shares

Ann-Sofi Danielsson
Board member

Board member since 2022

Born: 1959

Principal education:
M.Sc. Business and Economics, Uppsala University

Other key assignments:
Board member of Building Automation Nordic AB and Infrakraft Sverige AB

Recent positions outside Rusta:
CFO of Bonava AB (publ), CFO of NCC AB (publ)

Independence pursuant to the Swedish Corporate Governance Code:
Independent in relation to the company, the company's senior executives and the company's major shareholders

Shareholding:
0 shares

Björn Forssell
Board member

Board member since 2019

Born: 1976

Principal education:
MBA International Business, Temple University, Philadelphia, USA

Other key assignments:
Chair of the board of directors of Sareq AB, Scandienergy Hong Kong Limited, Öngal Förvaltning AB and Öngal i Uppsala invest AB. CEO and board member of Panartis AB and Scandienergy AB

Recent positions outside Rusta:
–

Independence pursuant to the Swedish Corporate Governance Code:
Not independent in relation to the company, the company's senior executives or the company's major shareholders

Shareholding:
Shareholder in Öngal i Uppsala Invest AB which owns 45,356,981 shares and own holding of 588 shares

Claes Eriksson
Board member

Board member since 2009

Born: 1951

Principal education:
Seven years of education in the defence sector

Other key assignments:
Board member of Cerix AB and IMD Arkitektur AB

Recent positions outside Rusta:
4 years as sales manager in Rusta AB. 20 years of experience from leading positions within IKEA, ICA, Intersport, MQ, Coop Norden, etc.

Independence pursuant to the Swedish Corporate Governance Code:
Independent in relation to the company, the company's senior executives and the company's major shareholders

Shareholding:
477,290 shares

Board of Directors, continued

Claus Juel-Jensen
Board member

Board member since 2025

Born: 1963

Principal education:
Master of Science in Business, Finance and Trade from Copenhagen Business School and the University of Cologne

Other key assignments:
Interim CEO of Rekom Group, chair of the board of T. Hansen Group and Gasa Group, board member of Geia Food

Recent positions outside Rusta:
Executive vice president in Saling Group, Group CEO of Netto International

Independence pursuant to the Swedish Corporate Governance Code:
Independent in relation to the company, the company's senior executives and the company's major shareholders

Shareholding:
2,808 shares

Maria Edsman
Board member

Board member since 2016

Born: 1968

Principal education:
M.Sc. Business and Economics, Stockholm School of Economics

Other key assignments:
CEO of Bokusgruppen AB (publ), Board member Volati AB (publ)

Recent positions outside Rusta:
CEO of Polarn O. Pyret and Brothers, as well as various senior positions in consumer companies. Management consultant at McKinsey & Company

Independence pursuant to the Swedish Corporate Governance Code:
Independent in relation to the company, the company's senior executives and the company's major shareholders

Shareholding:
10,766 shares

Victor Forsgren
Board member

Board member since 2022

Born: 1988

Principal education:
B.Sc. Business & Economics, M.Sc. Finance & Accounting as well as CEMS M.Sc. International Management, Stockholm School of Economics

Other key assignments:
Board member of Aforber Invest AB. Deputy board member of Fasetten AB and Fasetten Holding AB

Recent positions outside Rusta:
Business Assistant, Nordic Trading (HK) Co., LTD., China

Independence pursuant to the Swedish Corporate Governance Code:
Not independent in relation to the company, the company's senior executives or the company's major shareholders

Shareholding:
1,066 shares

Group management

Göran Westerberg
CEO

Chief Executive Officer since 2012

Born: 1971

Principal education:
M.Sc. Business and Economics, Stockholm University and EMBA, INSEAD in France and Singapore

Other key assignments:
Board member of Eleiko Group AB and Svensk Handel

Previous experience:
Various roles in IKEA, including Regional Manager
South Asia. COO Nobia

Shareholding:
4,323,472 shares

Sofie Malmunger
CFO

Chief Financial Officer since 2022

Born: 1979

Principal education:
M.Sc. Business and Economics, Stockholm School of Economics

Other key assignments: –

Previous experience:
Controller and Finance Manager in RNB
Retail and Brands, auditor and management consultant at KPMG.

Shareholding:
47,948 shares

Jozef Khasho
Chief Sales Officer

Chief Sales Officer since 2018

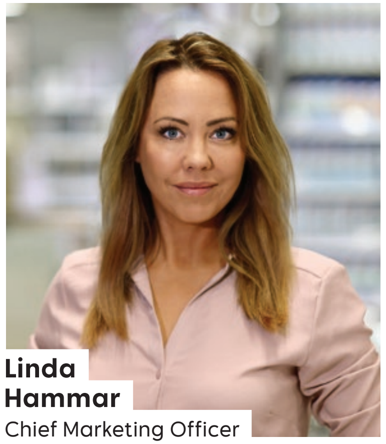
Born: 1983

Principal education:
Bachelor of Business/Managerial Economics and Master of Human Resource Development and Labour Relations, Uppsala University. Business Strategy for HR Leaders, INSEAD

Other key assignments: –

Previous experience:
HR specialist, RNB Retail and Brands

Shareholding:
207,003 shares



Linda Hammar
Chief Marketing Officer

Chief Marketing Officer since 2017

Born: 1975

Principal education:
M.Sc. Business and Economics, Stockholm University

Other key assignments: –

Previous experience:
Head of Marketing, Citycon

Shareholding:
42,385 shares

Annica Nyström
Chief Range Officer

Chief Range Officer since 2022

Born: 1985

Principal education:
International Purchasing, Stockholm International Business School

Other key assignments: –

Previous experience:
Sales, IKEA

Shareholding:
31,260 shares

Group management, continued

Anna Bergstedt
Chief Supply Chain Officer

Chief Supply Chain Officer since 2020

Born: 1974

Principal education:
Bachelor of Logistics, University of Gävle

Other key assignments: –

Previous experience:
Supply Chain Manager, Ericsson and Unilever

Shareholding:
24,505 shares

Per Wennerström
Chief Business Development Officer

Chief Business Development Officer since 2019

Born: 1980

Principal education:
Master's Degree in Engineering Physics, KTH Royal Institute of Technology

Other key assignments: –

Previous experience:
Business Development Manager at Nobia. Management consultant at BearingPoint

Shareholding:
28,875 shares

Viswakumar Ananthakrishnan
CPO

Chief Purchasing Officer since 2023

Born: 1966

Principal education:
Bachelor of Engineering, Indian Institute of Technology and Master of Business Administration, Indian Institute of Management-Bangalore, India

Other key assignments: –

Previous experience:
Various global leadership roles at IKEA. Management consultant and board member of Termino C 8600 AB. Management consultant in Eleiko Aktiebolag

Shareholding:
20,631 shares

Annika Holm Sundström
Chief HR Officer

Chief HR Officer between 2019 and June 2025.

Born: 1967

Principal education:
Programme for HR managers, Mgruppen

Other key assignments: –

Previous experience:
HR roles in LG, Fujitsu and Pfizer. Head of Staffing at the Ministry of Finance

Shareholding:
21,327 shares

Camilla Morin has been appointed as the new Chief HR Officer at Rusta following the end of the financial year, with effect from June 1, 2025.

Financial statements and notes

Consolidated income statement

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net sales	5	11,828	11,116
Cost of goods sold		–6,733	–6,283
Gross profit		**5,095**	**4,833**
Sales expenses		–3,999	–3,798
Administrative expenses		–300	–355
Other operating income	6	248	215
Other operating expenses	7	–191	–142
Operating profit (EBIT)	8, 9, 10, 11, 12	**853**	**753**
Financial items			
Finance income	13	16	13
Finance expenses	14	–255	–241
Profit before tax		**615**	**525**
Income tax	16	–139	–117
Net profit for the year		**476**	**408**
Attributable to:			
Parent Company shareholders		476	408
Non-controlling interests		-	-
Earnings per share			
Earnings per share before dilution, SEK	17	3.1	2.7
Earnings per share after dilution, SEK	17	3.1	2.7

Consolidated statement of comprehensive income

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net profit for the year		**476**	**408**
Other comprehensive income Items that may be reclassified to profit or loss			
Exchange rate differences from translation of foreign subsidiaries	29	–41	9
Cash flow hedges, net after tax	29	–90	27
Other comprehensive income, net after tax		**–131**	**36**
Total comprehensive income		**344**	**445**
Attributable to:			
Parent Company shareholders		344	445
Non-controlling interests		-	-

Consolidated statement of financial position

	Note	30 Apr 2025	30 Apr 2024
ASSETS			
Non-current assets			
Intangible assets			
Capitalised expenses for software development	18	137	79
Trademarks	19	0	0
Goodwill	19	110	118
Total intangible assets		**247**	**196**
Property, plant and equipment			
Right-of-use assets	11	5,022	5,237
Work in progress	20	130	-
Equipment, tools, fixtures and fittings	21	469	458
Total property, plant and equipment		**5,621**	**5,695**
Financial assets			
Other financial assets		9	0
Total non-current financial assets		**9**	**0**
Deferred tax assets	30	225	209
Total non-current assets		**6,101**	**6,100**
Current assets			
Inventories	23	3,000	2,622
Trade receivables	24	15	16
Other current receivables	25	21	49
Prepaid expenses and accrued income	26	117	140
Cash and cash equivalents		99	171
Total current assets		**3,252**	**2,997**
TOTAL ASSETS		**9,353**	**9,097**

MSEK	Note	30 Apr 2025	30 Apr 2024
EQUITY AND LIABILITIES			
Equity			
Share capital	27	5	5
Other contributed capital	28	1	1
Reserves	29	–148	–17
Retained earnings incl. net profit for the year		1,885	1,605
Total equity attributable to Parent Company shareholders		**1,743**	**1,593**
Non-current liabilities			
Deferred tax liabilities	30	144	131
Liabilities to credit institutions	32	-	20
Lease liabilities	11	4,546	4,740
Other non-current liabilities	4	-	36
Total non-current liabilities		**4,690**	**4,927**
Current liabilities			
Liabilities to credit institutions	32	173	20
Lease liabilities	11	936	905
Trade payables		816	724
Current tax liabilities		44	23
Provisions	33	25	23
Other current liabilities	34	225	204
Accrued expenses and deferred income	35	701	678
Total current liabilities		**2,920**	**2,577**
Total liabilities		**7,610**	**7,504**
TOTAL EQUITY AND LIABILITIES		**9,353**	**9,097**

Consolidated statement of changes in equity

MSEK	Share capital	Other contributed capital	Reserves	Retained earnings incl. net profit for the year	Total equity
Opening balance, 1 May 2023	**5**	**1**	**–54**	**1,323**	**1,275**
Net profit for the year				408	408
Other comprehensive income			36		36
Total comprehensive income			**36**	**408**	**445**
Dividends to shareholders				–105	–105
Long-term incentive plan				1	1
Repurchase of own shares				–22	–22
Total transactions with shareholders				**–126**	**–126**
Closing balance, 30 April 2024	**5**	**1**	**–17**	**1,605**	**1,593**
Opening balance, 1 May 2024	**5**	**1**	**–17**	**1,605**	**1,593**
Net profit for the year				476	476
Other comprehensive income			–131		–131
Total comprehensive income			**–131**	**476**	**345**
Dividends to shareholders				–174	–174
Long-term incentive plan				3	3
Repurchase of own shares				–24	–24
Exercise of warrants	0			0	0
Total transactions with shareholders	**0**			**–196**	**–196**
Closing balance, 30 April 2025	**5**	**1**	**–148**	**1,885**	**1,743**

Consolidated statement of cash flows

	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Cash flow from operating activities			
Operating profit (EBIT)		853	753
Adjustments for non-cash items:			
Amortisation/depreciation	11, 17, 18, 21	965	941
Disposals		0	1
Other		21	-
Provisions	33	5	2
Interest received	13	16	13
Interest paid	14	–255	–241
Income tax paid		–96	–111
Cash flow from operating activities before changes in working capital		**1,510**	**1,358**
Cash flow from changes in working capital			
Decrease (+)/increase (–) in inventories		–420	–9
Decrease (+)/increase (–) in operating receivables		33	–76
Decrease (–)/increase (+) in operating liabilities		0	123
Net change in working capital		–387	38
Cash flow from operating activities		**1,123**	**1,396**

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Investing activities			
Investments in intangible assets	18, 19	–80	–35
Investments in property, plant and equipment	20	–316	–130
Deposit for customs bond		–9	-
Cash flow from investing activities		**–405**	**–166**
Financing activities			
Repurchase of own shares		–24	–22
New share issue including related costs		0	–
Net change in overdraft facility		136	–380
Repayment of borrowings		–20	–18
Repayment of lease liabilities		–708	–712
Dividends to shareholders		–174	–105
Cash flow from financing activities	36	**–791**	**–1,238**
Cash flow for the year		**–73**	**–7**
Cash and cash equivalents at start of year		171	182
Exchange rate difference in cash and cash equivalents		1	–4
Cash and cash equivalents at end of year		**99**	**171**

Parent Company income statement

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net sales	5	9,867	9,153
Cost of goods sold		–6,403	–5,971
Gross profit		**3,464**	**3,182**
Sales expenses		–2,704	–2,555
Administrative expenses		–295	–324
Other operating income	6	235	202
Other operating expenses	7	–179	–129
Operating profit (EBIT)	8–13	**521**	**377**
Financial items			
Finance income	13	23	22
Finance expenses	14	–36	–34
Profit after financial items		**508**	**365**
Appropriations	15	–87	–51
Profit before tax		**421**	**314**
Tax on profit for the year	16	–96	–69
Net profit for the year		**325**	**245**

Parent Company statement of comprehensive income

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net profit for the year		**325**	**245**
Other comprehensive income Items that may be reclassified to profit or loss			
Cash flow hedges		–90	27
Other comprehensive income, net after tax		**–90**	**27**
Total comprehensive income		**236**	**271**
Attributable to:			
Parent Company shareholders		236	271
Non-controlling interests		0	0

Parent Company balance sheet

MSEK	Note	30 Apr 2025	30 Apr 2024
ASSETS			
Non-current assets			
Intangible assets			
Capitalised expenses for software development	18	135	74
Total intangible assets		**135**	**74**
Property, plant and equipment			
Work in progress	20	130	
Equipment, tools, fixtures and fittings	21	284	247
Total property, plant and equipment		**414**	**247**
Financial assets			
Participations in Group companies	22	77	77
Deferred tax assets	30	20	1
Other non-current receivables		9	
Total financial assets		**107**	**78**
Total non-current assets		**656**	**399**
Current assets			
Inventories etc.	23		
Goods in transit		300	241
Inventories		2,103	1,778
Total inventories		**2,404**	**2,019**
Current receivables			
Trade receivables	24	11	13
Receivables from Group companies		114	174
Current tax assets		–8	15
Other current receivables	25	12	40
Prepaid expenses and accrued income	26	187	175
Total current receivables		**316**	**417**
Cash and bank balances		49	65
Total current assets		**2,769**	**2,501**
TOTAL ASSETS		**3,424**	**2,900**

MSEK	Note	30 Apr 2025	30 Apr 2024
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	27	5	5
Statutory reserve		1	1
Total restricted equity		**6**	**6**
Non-restricted equity			
Retained earnings		783	824
Net profit for the year		325	245
Total non-restricted equity		**1,108**	**1,068**
Total equity		**1,114**	**1,074**
Untaxed reserves	31	**696**	**609**
Non-current liabilities			
Deferred tax liabilities		0	4
Total non-current liabilities		**0**	**4**
Current liabilities			
Liabilities to credit institutions	32	237	-
Trade payables		712	614
Provisions	33	25	23
Other current liabilities	34	78	67
Accrued expenses and deferred income	35	563	508
Total current liabilities		**1,614**	**1,213**
TOTAL EQUITY AND LIABILITIES		**3,424**	**2,900**

Parent Company statement of changes in equity

	Restricted equity		Non-restricted equity		
MSEK	Share capital	Statutory reserve	Retained earnings	Net profit for the year	Total equity
Opening balance, 1 May 2023	**5**	**1**	**766**	**157**	**929**
Transfer of previous year's profit			157	–157	0
Net profit for the year				245	245
Other comprehensive income			27		27
Total comprehensive income	**0**	**0**	**184**	**88**	**271**
Dividends to shareholders			–105		–105
Long-term incentive plan			1		1
Repurchase of own shares			–22		–22
Total other contributed capital			**–126**		**–126**
Closing balance, 30 April 2024	**5**	**1**	**824**	**245**	**1,074**
Opening balance, 1 May 2024	**5**	**1**	**824**	**245**	**1,074**
Transfer of previous year's profit			245	–245	0
Net profit for the year				325	325
Other comprehensive income			–90		–90
Total comprehensive income			**155**	**81**	**236**
Dividends to shareholders			–174		–174
Long-term incentive plan			3		3
Repurchase of own shares			–24		–24
Exercise of warrants	0		-		0
Total other contributed capital	**0**		**–196**		**–196**
Closing balance, 30 April 2025	**5**	**1**	**783**	**325**	**1,115**

Parent Company statement of cash flows

	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Cash flow from operating activities			
Operating profit (EBIT)		523	353
Adjustments for non-cash items:			
Depreciation/amortisation	8, 9	104	97
Provisions		4	2
Other		19	1
Interest received	13	3	–22
Interest paid	14	–18	34
Income tax paid		–74	–58
Cash flow from operating activities before changes in working capital		**561**	**407**
Cash flow from changes in working capital			
Decrease (+)/increase (–) in inventories		–385	16
Decrease (+)/increase (–) in trade receivables		2	3
Decrease (–)/increase (+) in other current receivables		56	–69
Decrease (–)/increase (+) in trade payables		104	84
Decrease (–)/increase (+) in other current liabilities		–34	46
Cash flow from operating activities		**304**	**485**

MSEK	Note	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Investing activities			
Investments in intangible assets	18	–80	–37
Investments in property, plant and equipment	20.21	–251	–69
Deposit for customs bond		–9	-
Cash flow from investing activities		**–340**	**–106**
Financing activities			
Change in overdraft facility		218	–294
Dividends to shareholders		–174	–105
Repurchase of own shares		–24	–22
New share issue including related costs		0	-
Cash flow from financing activities		**19**	**–421**
Cash flow for the year		**–17**	**–41**
Cash and cash equivalents at start of year		**65**	**106**
Cash and cash equivalents at end of year		**48**	**65**

Notes

Note 1
General information

Rusta AB (publ) with corporate identity number 556280-2115 is a Swedish limited liability company registered on the Nasdaq stock exchange in Stockholm. Rusta AB (publ) is the Parent Company in the Group with its registered office in Upplands Väsby in Sweden. The address of the head office is Kanalvägen 12, SE-194 05 Upplands Väsby, Sweden. The Parent Company is a retail company that markets and sells products to end consumers via a network of stores and an online sales channel. The stores are run under the name RUSTA and are located in Sweden, Norway, Finland and Germany. As of 30 April 2025, there were 225 stores. All stores in the Group are wholly owned, with operations
conducted in leased premises. The online sales channel is available in Sweden and Finland.
Rusta offers the market a wide assortment of functional home and leisure products that provide value for money for many people. Seasonal products and specially designed articles mean that the
assortment in stores is constantly being renewed. Purchasing is mainly sourced
through direct imports from Asia and Europe or directly from manufacturers in Sweden.

As of 30 April 2025, the Group consists of Baforber AB and its subsidiary Bruksbo i Uppsala KB, Rusta Retail AS in Norway, Rusta Retail GmbH in Germany, Rusta Retail Finland OY and its subsidiaries Rusta Group OY and Rusta Suomi OY, Rusta Transportation GmbH in Germany, representative offices in Vietnam, China and Türkiye, and a liaison office in India.

The Annual Report and consolidated financial statements were approved by the Board of Directors on 21 August 2025. The income statement and balance sheet for the Group and the Parent Company will be subject to adoption at the Annual General Meeting on 19 September 2025.

Note 2
Significant accounting policies

This report contains Rusta's consolidated financial statements and has been prepared in accordance with the Annual Accounts Act, the Swedish Corporate Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups and IFRS (International Financial Reporting Standards) Accounting Standards and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The Parent Company's functional currency is Swedish kronor, which is also the Group's presentation currency. All amounts are stated in SEK million (MSEK) unless otherwise stated. In the annual report, items have been measured at cost, apart from certain financial instruments, which have been measured at fair value. The Parent Company prepares its accounts in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The preparation of financial statements in conformity with IFRS requires the use of some critical accounting estimates. It also requires management to make certain assessments in applying the Group's accounting policies. The areas involving a high degree of assessment or complexity, or areas where assumptions and estimates are of material significance to the consolidated financial statements are disclosed in Note 3.

The significant accounting policies applied when these consolidated financial statements were prepared are set out below.

New and amended standards applied by the Group

The new standards, amendments or interpretations to be applied for the first time for the financial year beginning 1 May 2025 are not deemed to have a material impact on the Group's financial statements.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company Rusta AB (publ) and the companies over which the Parent Company has a controlling interest (subsidiaries). A controlling interest means that the Group controls a company when it is exposed to, or has the right to variable returns from its involvement in the company and has the ability to affect those returns through its power over the company.

Subsidiaries are included in the consolidated financial statements from the date on which a controlling interest is transferred to the Group. They are deconsolidated from the date on which the controlling interest ceases.

The accounting policies for subsidiaries have been adjusted as required to ensure consistency with the Group's accounting policies. All intra-Group transactions, balances and unrealised gains and losses attributable to intra-Group transactions have been eliminated in the preparation of the consolidated financial statements.

Segment reporting

Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Group's Chief Executive Officer (CEO), who is responsible for allocating resources and assessing segment performance. According to the internal reporting, the entire cost of renting premises is recognised as an operating expense, which is different from the external accounting where the interest component is included in net financial items. This difference is shown in the reconciliation in Note 5 under the heading "Group adjustments regarding IFRS 16." Rusta's operations are divided into three segments: Sweden, Norway and Other markets. Other markets include Finland, Germany and Online. Revenue and the costs attributable to the specific market are reported for each segment. The division into segments is based on Rusta's level of establishment in each market. For Rusta, Sweden and Norway are mature, established markets with historically strong, good profitability and Rusta has a good knowledge of them. Operations in Finland and Germany as well as Online are grouped under the common segment Other markets. In Other markets, Rusta is still partly operating in project form as these are relatively new markets, but where profitability is expected to increase in the long term as awareness of the market increases.

Business combinations

Business combinations are recognised using the acquisition method.

The purchase consideration for the business combination is measured at fair value at the acquisition date, which is calculated as the total of the fair values on the acquisition date for assets paid, incurred or assumed liabilities and issued equity shares in exchange for control over the acquired business. Acquisition-related expenses are recognised in profit or loss when they arise. The identifiable acquired assets and assumed liabilities, along with contingent assets, are recognised at fair value at the acquisition date.

For business combinations where the sum of the consideration exceeds the fair value at the acquisition date of identifiable acquired net assets, the difference is recognised as goodwill in the statement of financial position.

Revenue

Sales of goods

The Group's sales consist mainly of cash sales in Rusta's own stores, as well as sales online.

Revenue, measured at selling price excluding value-added tax

Note 2, continued

and reduced to reflect any discounts, is recognised when control of sold goods transfers to the customer, which for in-store sales takes place when the customer pays for the goods at checkout. For online sales, the sale is recognised when the goods have left our distribution centre.

The Group offers a returns policy that allows customers to return transferred goods. The anticipated effect of returns is recognised through revenue initially being reduced by the expected refund, which is calculated based on historical data, as well as a refund provision. The right of return of goods is recognised as an asset corresponding to the inventory value, reduced by expected fees incurred in the recovery of the goods, if applicable.

The Group's loyalty programme, "Club Rusta," offers members a right of return for 360 days, which is taken into account when calculating the refund provision.

For purchases of gift vouchers, the entire amount is initially recognised in other current liabilities and is only recognised as revenue when the gift voucher is used in store, or when its period of validity has expired.

Interest income

Interest income is recognised, allocated over the term, using the effective interest method. Effective interest is the rate at which the net present value of all future inward and outward payments during the fixed interest period is equal to the carrying amount of the receivable.

Leases

When a contract is entered into, the Group assesses whether the contract is – or contains – a lease. A contract is – or contains – a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at its cost, which comprises the lease liability's initial amount in addition to lease payments paid at or prior to commencement plus any initial direct costs. The right-of-use asset is depreciated on a straight line basis from the commencement date until whichever is the earlier of the end date of the asset's useful life and the end of the lease term, which is normally deemed by the Group to be the end of the lease term. Right-of-use assets are impaired in accordance with the same policies as property, plant and equipment, and intangible assets, see separate policies below.

The lease liability, which is divided into long-term and short-term components, is initially valued at the current amount of the remaining lease payments during the assessed lease term. The lease term comprises the non-cancellable period in addition to any extension periods in the lease if it is deemed reasonably certain on the commencement date that these will be exercised.

Lease payments are normally discounted by the Group's incremental borrowing rate, which, in addition to the Group's credit risk, reflect the lease's term, currency and the quality of the underlying asset intended as security. The lease liability encompasses the current value of fixed lease payments and variable lease payments that depend on an index or an interest rate initially measured using the index or interest rate as of the commencement date.

The value of the liability is increased by the rate of interest for each period and reduced by the lease payments. The interest expense is calculated by multiplying the value of the liability with the discount rate.

The lease liability for the Group's premises that have rents that are calculated based on indexation is calculated on the basis of the rent applicable at the end of each reporting period. In connection with rent indexation, the liability is adjusted by a corresponding amount of the right-of-use asset's carrying amount. Similarly, the value of the liability and asset are adjusted in connection with any reassessment of the lease term. This occurs in connection with the final expiry date of the previously assessed lease term for leases pertaining to the rental of premises having passed, alternatively when significant events occur or there is a significant change in circumstances that is within the Group's control and that affects the current assessment of the lease term.

The Group presents right-of-use assets and lease liabilities as separate items in the statement of financial position.

For leases that have a lease term of 12 months or less or with an underlying asset of a low value, below SEK 50,000, no right-of-use asset or lease liability is recognised. Lease payments for these leases are recognised as costs on a straight line basis over the duration of the lease term.

These principles for revenue recognition are applied to determine whether a sale and leaseback transaction should be recognised as a sale. When the transaction meets the criteria to be classified as a sale, the right of use arising from the leaseback transaction is measured at the proportion of the previous carrying amount of the asset that continues to be maintained by the Group. Thus, only profits or losses relating to the rights transferred to the buyer/lessor are recognised.

Foreign currency

Items included in the financial statements for the various units in the Group are recognised in the currency of the primary economic environment in which the respective entity chiefly operates (functional currency). All amounts in the consolidated financial statements are translated into Swedish kronor (SEK), which is the Parent Company's functional currency and the Group's presentation currency. Transactions in foreign currencies are translated in the respective unit to the unit's functional currency at the exchange rates that apply on the transaction date. At each balance sheet date, monetary items in foreign currency are translated at the closing day rate. Non-monetary items in a foreign currency are translated at the exchange rate that applied on the day the value was established. Non-monetary items measured at historical cost in a foreign currency are not translated. Foreign exchange gains and losses attributable to loans and cash equivalents are recognised in profit or loss as finance income or expenses. All other foreign exchange gains and losses are recognised in the item "Other operating income" or "Other operating expenses" in the income statement. As the transactions constitute hedges that meet the criteria for hedge accounting of cash flows, gains/losses are recognised in other comprehensive income. In the preparation of the consolidated financial statements, the assets and liabilities of foreign subsidiaries are translated into Swedish kronor at the closing day rate. Income and expense items are translated at the average rate for the period, unless the exchange rate has fluctuated considerably during the period, in which case the exchange rate on the transaction date is used instead. Any translation differences arising are recognised in "Other comprehensive income" and transferred to the Group's foreign currency translation reserve. On disposal of a foreign subsidiary, such translation differences are recognised in profit or loss as part of capital gains. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of these operations and are translated at the closing day rate. Foreign exchange differences are recognised in other comprehensive income.

Employee benefits

Employee benefits in the form of salaries, bonuses, paid holiday, paid sickness leave, etc., as well as pensions, are recognised as they are earned. Post-employment pensions and other benefits are classified as defined-contribution or defined-benefit pension plans. The Group has defined-contribution pension plans as well as defined-benefit pension plans with Alecta, which, according to UFR 10, are reported as defined-contribution plans (see Note 12).

Defined-contribution plans

For defined-contribution plans, the company pays fixed fees to a separate, independent legal entity and is under no obligation to pay additional contributions. The Group's earnings are charged with costs as the benefits are earned, which normally coincides with the point at which premiums are paid. Commitments regarding defined-contribution plans are recognised as a personnel cost in profit or loss when they arise.

Note 2, continued

Share-based incentive plans

Rusta has share-based remuneration plans in the form of long-term incentive plans for the CEO and key employees in the Group. The cost for the incentive plan is recognised based on the fair value per share right at the time of allotment and the expected number of shares that will be earned. This remuneration is recognised as a personnel cost during the vesting period with a corresponding increase in equity. To the extent that the vesting conditions in the plan are linked to continued ownership of the investment shares, these are taken into account when determining the fair value of the share rights.

Performance terms and service terms affect the personnel cost during the vesting period by changing the number of shares that are ultimately expected to be earned at the end of the plan. At the end of each reporting period, the Group reassesses its assessments of how many shares are expected to be earned based on the performance terms and service terms. When allotment of shares takes place, social security contributions must be recognised in certain countries for the value of the employee's benefit. The Group continuously recognises a liability for social security costs for this remuneration. The liability is revalued on an ongoing basis and is based on the fair value of the share-based remuneration on the balance sheet date accrued over the vesting period.

Taxes

Tax expenses consist of the sum of current tax and deferred tax.

Current tax

Current tax is calculated based on taxable earnings for the period. Taxable earnings differ from recognised earnings in the income statement, as they have been adjusted for non-taxable income and non-deductible expenses, as well as for revenue and costs that are taxable or deductible in other periods. The Group's current tax liability is calculated in accordance with the tax rates that have been decided or announced at the balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the taxable value used to calculate the taxable profit. Deferred tax is recognised using the balance sheet method. Deferred tax liabilities are recognised for essentially all taxable temporary differences, and deferred tax assets are recognised for essentially all deductible temporary differences to the extent it is likely that the amounts may be utilised against future taxable surpluses. Deferred tax liabilities and tax assets are not recognised if the temporary difference is attributable to goodwill, or if it arises as a result of a transaction that constitutes the initial recognition of an asset or liability (that is not a business combination), and that, at the time of the transaction, affects neither the recognised nor the taxable profit.

Deferred tax liabilities are recognised for taxable temporary differences attributable to investments in subsidiaries, except in cases where the Group is able to control the point at which the temporary differences are reversed and it is unlikely that such a reversal will occur in the foreseeable future. The deferred tax assets that are attributable to deductible temporary differences regarding such investments are only recognised to the extent it is likely that the amounts may be utilised against future taxable surpluses, and it is likely that such utilisation will occur in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the close of each accounting period and reduced to the extent it is no longer probable that sufficient taxable surpluses will be available for use, completely or partly, against the deferred tax asset.

Deferred tax is calculated in accordance with the tax rates that are expected to apply for the period in which the asset is recovered or the liability settled, based on the tax rates (and tax laws) that have been decided upon or announced at the balance sheet date.

Deferred tax assets and tax liabilities are then offset, as they relate to income tax that is charged by the same authority and the Group intends to settle the tax at a net amount.

Current and deferred tax for the period

Current and deferred tax are recognised as cost or income items in the income statement, except when the tax relates to transactions that have been recognised in other comprehensive income or directly against equity. In such cases, the tax should also be recognised in other comprehensive income or directly against equity. For current and deferred tax arising on recognition of business combinations, the tax effect will be recognised in the acquisition calculation.

Pillar Two

The Group is subject to the OECD's Global Anti-Base Erosion Model Rules (Pillar Two) and applies the exemption in IAS 12 regarding the recognition and disclosures on deferred tax assets and liabilities related to the OECD pillar two income taxes. Under this legislation, the Group must pay top-up tax on the difference between the effective tax rate calculated in accordance with the GloBE rules for each jurisdiction and the minimum rate of 15%. All companies in the Group have an effective tax rate exceeding 15%. The Group continuously evaluates its tax exposure and works together with tax specialists on the Pillar Two regulations.

Dividends to shareholders

Dividends to shareholders are recognised for the period in which the dividend was resolved by the company's shareholders. Dividends paid are recognised against retained earnings under equity.

Earnings per share

Earnings per share before dilution is calculated based on the profit for the year attributable to Parent Company shareholders and the weighted average number of shares outstanding. Earnings per share after dilution is calculated based on the profit for the year attributable to Parent Company shareholders and the weighted average number of shares outstanding after dilution. Dilutive effects arise from stock option programs and long-term incentive plans issued to employees. Stock option programs and long-term incentive plans have a dilutive effect when the average share price during the period exceeds the exercise price.

Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and any impairment.

The cost comprises the purchasing price, expenses directly attributable to the asset to put it into place and condition to be utilised, and estimated expenses for dismantling and removing the asset and restoring the site or area where it is located. Subsequent expenses are only included in the asset or recognised as a separate asset when it is probable that future economic benefits that can be attributed to the item flow to the Group, and that the cost of can be reliably measured. All other expenses for repairs and maintenance and subsequent expenses are recognised in profit or loss in the period in which they arise. Costs relating to the start-up and opening of new stores, such as store and warehouse furnishings and other equipment, e.g., alarms, signs, etc., as well as the establishment team's costs in the form of travel and personnel costs, are capitalised.

Depreciation of property, plant and equipment is expensed so that the asset's value less estimated residual value at the end of its useful life is depreciated on a straight-line basis over its estimated useful life as follows:

Equipment, tools, fixtures and fittings	5–7 years
Warehouse automation	10 years
Computers, IT equipment	3–5 years

Estimated useful lives and residual values are reviewed at least at the end of each accounting period, and the effects of any changes to assessments are recognised prospectively.

The carrying amount of an item of property, plant or equipment is derecognised from the statement of financial position upon

Note 2, continued

disposal or sale or when no future financial benefits are expected from the asset's use, disposal or sale. The gain or loss arising on the disposal or sale of the asset, comprising the difference between any net income from the sale and its carrying amount, is recognised in profit or loss in the period in which the asset is derecognised from the statement of financial position.

Intangible assets

Separately acquired intangible assets

Intangible assets with determinable useful lives that have been acquired separately are recognised at cost less accumulated amortisation and any accumulated impairment. Intangible assets are amortised on a straight-line basis over the estimated useful life of the asset, which is estimated at five years. Estimated useful lives are reviewed at least at the end of each financial year, and the effects of any changes to assessments are recognised prospectively.

Internally generated intangible assets – Capitalised expenses for software development

Internally generated intangible assets derived from the Group's software development are only recognised if the following conditions are met:

- it is technically feasible to complete the intangible asset and use or sell it,
- the company's intention is to complete the intangible asset and use or sell it,
- there is potential to use or sell the intangible asset,
- the company shows how the intangible asset will generate probable future economic benefits,
- there are adequate technical, economic and other resources in place to complete the development process and to use or sell the intangible asset, and
- the expenses pertaining to the intangible asset during its development can be reliably calculated.

If it is not possible to recognise any internally generated intangible asset, the development expenses are recognised as a cost in the period in which they arise.

After initial recognition, internally generated intangible assets are recognised at cost less accumulated amortisation and any accumulated impairment. Capitalised expenses for software development are amortised on a straight-line basis over an estimated useful life of five years.

Intangible assets that have been acquired in a business combination

Intangible assets that have been acquired in a business combination are identified and recognised separately from goodwill when they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets comprises their fair value at the acquisition date.

After initial recognition, intangible assets acquired in a business combination are recognised at cost less accumulated amortisation and any accumulated impairment, in the same manner as separately acquired intangible assets.

Disposals and sales

An intangible asset is derecognised from the statement of financial position upon disposal or sale or when no future economic benefits are expected from the asset's use, disposal or sale. The gain or loss arising on the derecognition of an intangible asset from the statement of financial position, comprising the difference between the amount received from the sale and the asset's carrying amount, is recognised in profit or loss when the asset is derecognised from the statement of financial position.

Impairment of property, plant and equipment, intangible assets and right-of-use assets

At each balance sheet date, the Group analyses the carrying amounts for property, plant and equipment, intangible assets, and right-of-use assets to determine whether there is any indication that these assets have decreased in value. If this is the case, the asset's recoverable amount is calculated to determine the value of any impairment. Where it is not possible to calculate the recoverable amount for an individual asset, the Group calculates the recoverable amount for the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives (including goodwill) and intangible assets that are not yet ready for use are test annually for impairment, or when there is an indication that it might be impaired. The Group's goodwill is tested at a level corresponding to the Finnish business.

The recoverable amount is the higher of the fair value less sales expenses and value in use. When calculating value in use, estimated future cash flows are discounted to present value at a pre-tax discount rate that reflects current market estimates of the time value of money and the risks associated with the asset (or cash-generating unit).

If the recoverable amount of an asset (or cash-generating unit) is established at a lower value than the carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to the recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss is subsequently reversed, the asset's (cash-generating unit's) carrying amount increases to the revalued recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been established had the asset (cash-generating unit) not been impaired in previous years. A reversal of an impairment loss is recognised directly in profit or loss. However, impairment of goodwill is never reversed.

Financial instruments

The Group's financial assets primarily consist of cash and cash equivalents, trade receivables and forwards to the extent that these have a positive value. Financial liabilities primarily consist of liabilities to credit institutions, trade payables, liabilities to suppliers as the result of a corporate restructuring process in Finland, and forwards to the extent that these have a negative value.

The Group applies the "hold to collect" business model. Financial assets and financial liabilities are initially measured at fair value plus/minus transaction costs, with the exception of items that are measured at fair value through profit or loss, in which case transaction costs are recognised as costs in profit or loss.

In subsequent accounting, the Group's financial assets, with the exception of derivatives in the form of electricity and currency forwards, are recognised at amortised cost using the effective interest method. This value is reduced through impairments for expected credit losses to the extent that these are not insignificant. Impairment of trade receivables is recognised in operating expenses. Since cash and cash equivalents and trade receivables have an insignificant maturity, these amounts are not discounted, but are based on nominal amounts. See below for information on forwards.

The Group's financial liabilities, with the exception of derivatives in the form of electricity and currency forwards, are recognised in subsequent accounting at amortised cost using the effective interest method. As trade payables have an insignificant maturity, these amounts are not discounted, but are based on nominal amounts. Contingent considerations arising from mergers, where applicable, are measured at fair value through profit or loss.

Hedge accounting

As a matter of principle, the Group hedge accounts for any currency forward contracts used for hedging the purchase of foreign currency within the framework of 'cash flow hedging.' The entire fair value of a derivative that constitutes the hedging instrument is classified as a non-current asset or liability when the hedged item's remaining tenor is in excess of 12 months, and as a current asset or liability when the hedged item's remaining tenor is less than 12 months.

To the extent that derivatives are not hedge accounted, these are measured at fair value through profit or loss. Derivatives that are not in a hedging relationship but that are used for hedging business-related transactions are always classified as current assets or current liabilities.

Note 2, continued

Cash flow hedging entails the effective part of the change in fair value of the derivative instrument being recognised in other comprehensive income and accumulated in the hedging reserve in equity. The ineffective portion of the currency fluctuation is immediately recognised in profit or loss as other income or other expenses. Derivatives are always measured at fair value in the statement of financial position.

The hedged product purchases lead to the recognition of a non-financial asset in the form of inventories. Amounts accumulated in equity are transferred from equity and included in the cost of the asset. These amounts added to assets are subsequently recognised in profit or loss as costs of goods sold.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and recognised with a net amount in the balance sheet only when there is a legally enforceable right to offset and an intention to settle the items on a net basis, or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

The Group's cash and cash equivalents in the statement of financial position and the statement of cash flows include cash and bank balances, as well as other current liquid investments that can easily be converted into cash and are exposed to a negligible risk of changes in value. No investments with a maturity in excess of three months from the date of acquisition are classified as cash and cash equivalents. Utilisation of overdraft facilities is recognised in the balance sheet as current liabilities to credit institutions.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using weighted average prices. The cost of goods consists of the cost of purchasing the goods, such as freight and customs costs. Borrowing costs are not included, nor is the shipping cost for goods sent from the distribution centre to the stores, this shipping cost is recognised as a sales expense. Inventories consist of the items sold in Rusta's stores and online. Net realisable value is the estimated selling price in operating activities, less applicable variable sales expenses. Inventories were impaired after valuation of obsolete goods that are unsaleable. An obsolescence assessment is carried out for each individual product group.

The cost may also include transfers from equity of any gain/loss from cash flow hedging that fulfils the conditions for hedge accounting, and that are attributable to the purchase of goods in foreign currency.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

The amount allocated to a provision is the best estimate of what is required to settle the existing obligation at the balance sheet date, taking into account risks and uncertainties associated with the obligation. When a provision is calculated by estimating the payments that are expected to be required to settle the obligation, the carrying amount should correspond to the present value of these payments.

When part of, or the entire amount required to settle a provision is expected to be paid by a third party, the remuneration shall be recognised separately as an asset in the statement of financial position when it is virtually certain that it will be received if the company settles the obligation and the amount can be reliably calculated.

Guarantees and returns

Provisions for guarantees and returns are recognised at the point of sale of the products in question, based on company management's best estimate of the cost of settling the Group's commitment.

Accounting policies for the Parent Company

The Parent Company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Corporate Reporting Board. Application of RFR 2 means that the Parent Company as far as possible applies all EU endorsed IFRS standards within the framework of the Annual Accounts Act and Pension Obligations Vesting Act, taking into account the connection between accounting and taxation. The differences between the accounting policies of the Parent Company and the Group are detailed below:

RFR 2

Rusta prepares the consolidated financial statements in accordance with IFRS, while the Parent Company applies RFR 2 Accounting for Legal Entities.

Classifications and presentation

The Parent Company's income statement and balance sheet have been prepared in accordance with the format set by the Annual Accounts Act. The difference to IAS 1 Presentation of Financial Statements, which is applied for the consolidated financial statements, mainly concerns reporting of finance income and expenses, non-current assets, equity and the presentation of provisions as a separate heading.

Subsidiaries

Investments in subsidiaries are recognised at cost in the Parent Company's financial statements. Acquisition-related costs for subsidiaries, which are expensed in the consolidated financial statements, are included as a portion of the cost of investments in subsidiaries.

Pensions

The Parent Company's pension obligations have been calculated and recognised based on the Swedish Pension Obligations Vesting Act. Application of the Swedish Pension Obligations Vesting Act is a condition for the right to make deductions for tax purposes.

Taxes In the Parent Company, untaxed reserves are recognised inclusive of deferred tax liability. In the consolidated financial statements however, untaxed reserves are divided into deferred tax liability and equity.

Financial instruments

The Parent Company has chosen not to apply IFRS 9 for financial instruments. However, parts of the principles in IFRS 9 are still applicable – such as for impairment, recognition/derecognition and the effective interest method for interest income and interest costs.

In the Parent Company, non-current financial assets are measured at cost less any impairment and current financial assets are measured according to the lowest value principle. For financial assets recognised at amortised cost, the impairment rules in IFRS 9 are applied.

Leasing

The Parent Company does not apply IFRS 16, in accordance with the exemption set out in RFR 2. As lessee, lease payments are recognised as a cost on a straight line basis over the lease term and are thus not recognised as right-of-use assets and lease liabilities in the balance sheet.

Other information

The financial statements are stated in SEK million (MSEK) unless otherwise stated. Rounding may result in some tables not totalling exactly correctly.

Note 3 Significant estimates and judgments

The preparation of financial statements and the application of various accounting standards are based in part on management's judgments or on assumptions and estimates that are considered reasonable under the prevailing circumstances. These assumptions

Note 3, continued

and estimates are usually based on historical experience but also on other factors, including expectations of future events.

With other assumptions and estimates, the result may be different and the actual outcome will, by definition, rarely correspond to the estimate made. The assumptions and estimates made by Rusta in the 2024/25 financial statements that have had the greatest impact on earnings as well as assets and liabilities are discussed below.

Inventories

Inventories are valued at the lower of cost and net realisable value. The size of the net realisable value comprises judgements of future selling prices and inventory turnover, taking into account price reductions. The actual outcome of future selling prices may differ from judgments made.

Goodwill and trademarks

Goodwill is measured at cost less any accumulated impairment. Valuations of trademarks and life expectancy are calculated on the basis of market position and market status as well as expected developments and profitability. Several estimates and assumptions about future conditions were made when determining the recoverable amount of cash-generating units to assess the potential need for impairment of goodwill or trademarks. More information is provided in Note 19.

Right-of-use assets and lease liabilities

The Group's real estate leasing consists mainly of the rental of store premises, as well as the rental of warehouse and office facilities. The leases are recognised as right-of-use assets and a corresponding liability as of the date of possession.

The value of the asset and the liability is dependent on several assumptions, such as the interest rate that discounts the liability to present value and the judgement of the probability of exercising extension options. Changes in assumptions and judgments may result in significant differences in the Group's value of the right-of-use asset and the lease liability. The calculation of present value is based on an incremental borrowing rate determined on the basis of country, term and the creditworthiness of each unit. The weighted average incremental borrowing rate applied is 4.4% (4.3). The option of extending a lease is only included in the length of the lease if it is reasonably certain to assume that the lease will be extended (or not terminated). The judgment is reviewed if there is a significant event or change in circumstances that affects this judgment and the change is within the control of the lessee. More information is provided in Note 11.

Note 4
Financial risk management and financial instruments

Through its operations, the Group is exposed to various kinds of financial risks, including market risks, liquidity risks and credit risks. Market risks mainly comprise interest rate risk and currency risk. The company's Board of Directors has ultimate responsibility for the exposure to, management and follow-up of the Group's financial risks. The Board may decide to temporarily deviate from the established financial policy.

Market risks

Currency risks

Currency risk is the risk that fair values or future cash flows may fluctuate owing to changes in foreign exchange rates. Exposure to currency risk is mainly derived from payment flows in foreign currency, known as transaction exposure, and from the translation of balance sheet items in foreign currency and the translation of foreign subsidiaries' income statements and balance sheets into the Group's presentation currency, which is Swedish kronor, known as balance exposure.

The Group's outflows are mainly in SEK, USD, EUR, CNY and GBP, while the Group's inflows are mainly in SEK and NOK. The Group is therefore affected by changes to the exchange rates for these currencies.

Transaction exposure is reduced by the use of derivatives and specific forward contracts. In the financial year 2019/20, the Group began to apply hedge accounting for purchases, cash flows or similar in USD. The risk management strategy is based on the Group's finance policy that at least 40% of purchases of goods in USD in the next nine months must be hedged through the use of forward contracts.

The effectiveness of a hedge is evaluated when the hedging relationship is entered into. The hedged item and hedging instrument are evaluated on an ongoing basis to ensure that the relationship meets the requirements. When the Group hedges purchases of foreign currency, hedging relationships are entered into whereby critical terms in the hedging instrument exactly match the terms of the hedged item. In this way, a qualitative evaluation of the effectiveness of the relationship has been made. If changed conditions affect the terms of the hedged item to such an extent that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to evaluate effectiveness. When hedging foreign currency purchases, ineffectiveness may arise if the timing of the forecasted transaction changes compared to what was initially estimated. Ineffectiveness may also arise if the credit risk attributable to Sweden or the derivative counterparty changes. The effective part of changes in the fair value of derivative instruments that are identified as cash flow hedges and that meet the conditions for hedge accounting are recognised in other comprehensive income.

No ineffectiveness was recognised during the year.

The effects of hedge accounting on the impact of the risk of currency fluctuations on the Group's financial position and earnings are set out below:

Parent Company and Group currency forwards	30 Apr 2025	30 Apr 2024
Carrying amount (current assets), MSEK	-	19
Carrying amount (current liabilities), MSEK	–100	-
Nominal amount	838	766
Maturity date	May 2025 –Nov 2025	May 2024 –Nov 2024
Hedge ratio[1]	1:1	1:1
Change in discounted forward rate for hedging instruments outstanding since the hedging relationship began	–100	19
Change in value of the hedged item used to determine ineffectiveness	–100	19
Weighted average of hedging instruments outstanding (incl. forward points)	SEK 10.76: USD 1	SEK 10.58: USD 1

1) Currency forward contracts are in the same currency as it is forecast it is highly likely future goods purchases will take place in (USD), which means the hedge ratio is 1:1.

Balance exposure is attributable to the translation of foreign subsidiaries' net assets into the consolidation currency Swedish kronor (SEK). There are foreign subsidiaries in Norway (NOK), Germany (EUR) and Finland (EUR), and there is the Indian Liaison Office (INR) and Representation Office in Vietnam and China (VND, USD and CNY). The Group is affected when the income statements of foreign subsidiaries are translated into SEK. According to the Group's guidelines, the balance exposure is not hedged.

The Group's transaction exposure is attributable to the transla-

Note 4, continued

tion of balance sheet items into foreign currency; the risk relates mainly to trade payables:

	30 Apr 2025		30 Apr 2024	
Trade payables	**Currency**	**MSEK**	**Currency**	**MSEK**
USD	12	122	8	87
EUR	8	93	10	117
CNY	19	28	18	25

For sensitivity analysis, see below.

Since there is no significant difference between the Group's and the
Parent Company's exposure to market risks, the
sensitivity analysis below applies both to the Parent Company and to the Group.

	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Effect on profit after tax in MSEK		
USD +/–10%	+/–15	+/–7
EUR +/–10%	+/–8	+/–9
CNY +/–10%	+/–4	+/–2

Trade payables on the balance sheet date in each material currency and effect on earnings of +/-10% exchange rate fluctuation.

Interest rate risk

The Group has interest-bearing financial assets and liabilities whose changes linked to market interest rates affect earnings and cash flow from operating activities. Interest rate risk is the risk of changes in general interest rate levels having a negative impact on the Group's net earnings. The Group is primarily exposed to interest rate risk through its overdraft facility. Borrowing is carried out at a variable rate and exposes the Group to interest rate risk, which is partly neutralised by cash at a variable rate. There is also a long-term restructuring loan in Finland that was added in connection with the acquisition of Hong Kong Oy in May 2018. The loan runs until the end of the 2025/26 financial year and is subject to a fixed interest rate of 3.5–4.0%.

For sensitivity analysis, see below. According to the Group's guidelines, the interest rate risk is not hedged.

Interest

	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Effect on profit after tax in MSEK, interest rate +1%/–1%	+/–2	+/–2

Interest expense for each financial year and effect on earnings of +/–1% change in interest rate.

Liquidity and financing risk

Liquidity risk refers to the risk that the Group has difficulty meeting its commitments with regard to the Group's financial liabilities. Financing risk is the risk of the Group being unable to secure sufficient financing at a reasonable cost. To reduce the liquidity risk and financing risk, the aim is always to have a liquidity reserve to cover foreseen and unforeseen payments. There shall always be a liquidity reserve to ensure payment of committed and projected payments for the foreseeable future (at least 24 months). The liquidity reserve is expressed as 1) Operating liquidity defined as bank balances and bank deposits and 2) Unutilised bank account credits. The term allocation of contractual payment obligations related to the Group's financial liabilities is presented in the tables below. This information shows that the Group's liabilities essentially fall due within 12 months. The Group's non-current liabilities consist primarily of restructuring debt that existed at the time of the acquisition of Hong Kong OY in May 2018. The restructuring debt consists partly of liabilities to credit institutions, Danske Bank and Varma, that is subject to an interest rate of 3.5–4.0%, and partly of liabilities to suppliers that is interest-free. Both parts are subject to repayments on two occasions each year and extend no longer than the end of the 2025/26 financial year. The debt to suppliers is recognised in other non-current liabilities. The amounts in these tables are not discounted values and where applicable they also include interest payments, which means that it is not possible to reconcile these amounts against the amounts recognised in the balance sheets. Interest payments are established based on the conditions that apply at the balance sheet date. Amounts in foreign currency are translated into SEK at the exchange rates that apply at the balance sheet date. The Group's borrowing from banks is subject to terms (covenants) which Rusta fulfils in full.

30 Apr 2025	Within 3 months	3–12 months	1–3 years	3–5 years	Over 5 years	Total
Liabilities to credit institutions	163	9	-	-	-	173
Trade payables	815	2	-	-	-	816
Other non-current liabilities	-	-	-	-	-	-
Other current liabilities	242	–17	-	-	-	225
Total	**1,220**	**–6**	**0**	**-**	**-**	**1,214**

30 Apr 2024	Within 3 months	3–12 months	1–3 years	3–5 years	Over 5 years	Total
Liabilities to credit institutions	10	10	21	-	-	41
Trade payables	717	7	-	-	-	724
Other non-current liabilities	-	-	37	-	-	37
Other current liabilities	204	-	-	-	-	204
Total	**931**	**17**	**57**	**-**	**-**	**1,005**

Note 4, continued

Credit and counterparty risk
Credit risk relates to the risk that the counterparty in a transaction causes a loss to the Group by failing to fulfil its contractual obligations. The Group's exposure to credit risk is relatively limited as sales generally do not occur against an invoice and the trade receivables are not significant amounts. To limit the Group's credit risk, a credit assessment is carried out for each new customer. The financial positions of major customers are also monitored continually to identify any warning signals at an early stage.

The trade receivables are spread across several customers and no single customer accounts for a significant portion of total trade receivables. Neither are the trade receivables concentrated to a specific geographical area. The Group therefore deems the concentration risks to be limited. For cash and cash equivalents and current investments, Nordic banks and financial institutions are the counterparties, which are rated above A- by Standard & Poor©. The Group deems that cash and cash equivalents have low credit risk based on the counterparties' external credit ratings.

Classification of financial instruments
Carrying amounts for financial assets and financial liabilities by measurement category in accordance with IFRS 9 are shown in the following table.

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Financial assets				
Derivatives used for hedging purposes	-	19	-	19
Fair value through profit or loss				
– derivative instruments	0	0	0	0
Amortised cost				
– trade receivables	15	16	11	13
– receivables from Group companies	-	-	114	174
– other current receivables	1	1	1	1
– cash and cash equivalents	99	171	49	65
Total financial assets	**115**	**207**	**174**	**273**
Financial liabilities				
Derivatives used for hedging purposes	100	-	100	-
Fair value through profit or loss				
– derivative instruments	0	0	0	0
Amortised cost				
– other non-current liabilities	0	36	-	-
– liabilities to credit institutions	173	41	237	0
– trade payables	816	724	712	614
– other current liabilities	225	204	78	67
Total financial liabilities	**1,214**	**1,005**	**1,026**	**682**

No reclassifications have occurred between the above measurement categories during the period.

Fair value measurement of financial instruments
Financial assets and financial liabilities measured at fair value in the balance sheet only include derivative instruments in the form of electricity and currency forwards. For other financial assets and financial liabilities valued at amortised cost, the carrying amounts are deemed to be a good approximation of the fair values since the term and/or fixed interest is short-term and the borrowing is in parity with current market interest rates, which means that discounting based on current market conditions is not expected to have any significant impact. The long-term loan related to the reconstruction program in Finland from the acquisition of Hong Kong Oy in May 2018. The loan is subject to a fixed interest rate of 3.5–4.0% and runs until the end of the 2025/26 financial year.

Financial assets and financial liabilities measured at fair value in the balance sheet are classified in one of three levels based on the information used to determine the fair value. The electricity and currency forwards are valued based on observable information regarding exchange rates on the balance sheet date and market interest rates for remaining terms. The electricity and currency forwards are at Level 2 in the fair value hierarchy. At the balance sheet date, 30 Apr 2025, there were 23 (15) derivative instruments (currency forwards) in USD. The Group continually

Note 4, continued

hedges parts of its product purchases from mainly Asia in USD.

There have been no significant transfers between the levels during the periods.

Fair value levels

Level 1: The fair value of financial instruments that are traded on an active market (such as listed derivatives and share-based securities) is based on quoted market prices at the balance sheet date. The quoted market price used for the Group's financial assets is the current bid price.

Level 2: The fair value of financial assets that are not traded on an active market (e.g. OTC derivatives) is determined using valuation techniques that rely as much as possible on market information while using company-specific information as little as possible. All types of material input data required for the fair value evaluation of an instrument are observable.

Level 3: Where one or more types of material input data are not based on observable market information. This applies, for example, to unlisted instruments.

Management of capital risk

The Group's target for management of capital is to ensure the Group's ability to continue its operations to generate a reasonable return for the shareholders and benefit to other stakeholders.

The Group follows up the capital structure on the basis of the net debt/equity ratio. The net debt/equity ratio is calculated as net debt divided by equity. Net debt is calculated as liabilities to credit institutions less cash and cash equivalents.

At the end of the financial year, the net debt/equity ratio was:

The net debt/equity ratio varies considerably due to Rusta's seasonal sales. Rusta has four seasons, of which the two best-selling seasons are summer (April – August) and the Christmas season (November – December). Stocks are built up prior to these seasons and the overdraft facility is utilised, after which revenue is received and use of credit is reduced. The debt/equity ratio is therefore high ahead of the summer, but low following Christmas sales.

Definition of net debt/equity ratio:

The Group's net debt/equity ratio = Liabilities to credit institutions – cash and cash equivalents / equity.
The Parent Company's net debt/equity ratio = overdraft facility – cash and cash equivalents / equity + 78% of untaxed funds.

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Liabilities to credit institutions	173	41	237	0
Minus cash and cash equivalents	–99	–171	–49	–65
Net debt	**74**	**–130**	**188**	**–65**
Total equity	1,743	1,593	1,657	1,549
Net debt/equity ratio	**4%**	**–8%**	**11%**	**–4%**

Note 5
Revenue and operating segments

Net sales mainly come from cash sales in stores and online and relate to the sale of goods to external customers and are reported in the accounting currency SEK. The transaction price becomes due for immediate payment when the customer receives the goods and pays at checkout, at which point the control of the goods is transferred to the customer and the revenue is recognised in connection with this. The Group applies a returns policy which gives the customer the right to return the goods within 30 days as standard and within 365 days for registered purchases as a member of Club Rusta. Historical data is used to assess the size of returns at the time of sale. As the size of the returns has been stable in recent years, it is very likely that a significant reversal of revenue will not occur. The Group recognises a refund liability under provisions. The Group's undertaking to repair or replace broken products in accordance with normal warranty rules is recognised as a provision, see Note 33.

The Group has a customer loyalty program, Club Rusta. As a member of Club Rusta, the customer is offered a 365-day right of return and unique offers and discounts, but at present does not receive points for purchases made, and thus there are no additional provisions related to Club Rusta other than the refund provision regarding the right of return.

The Group's Group management evaluates the Group's operations both from a product and geographical perspective and has identified the following three segments: Sweden, Norway and Other markets.

Revenue and the costs attributable to the specific market are reported for each segment. The division into segments is based on Rusta's level of establishment in each market. For Rusta, Sweden and Norway are mature, established markets with historically strong, good profitability and Rusta has a good knowledge of them. Operations in Finland and Germany as well as Online are grouped under the common segment Other markets. In Other markets, Rusta is still partly operating in project form as these are relatively new markets, but where profitability is expected to increase in the long term as awareness of Rusta increases. For EBITA excl. IFRS 16, the total cost for leases is reported as an operating expense, which differs from the consolidated statement of profit or loss where the interest component is included in net financial items.

Costs for the common central functions are reported separately and consist of the company's central staff and sourcing functions. Effects of IFRS 16 leases are not allocated to the segments but are reported separately on the Group adjustments row.

Segment reporting

	Group	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net sales per segment		
Sweden	6,863	6,381
Norway	2,528	2,349
Other markets	2,438	2,386
Total net sales from external customers	**11,828**	**11,116**

Internal net sales invoiced from central functions amount to MSEK 2,949 (2,739) for the year and are eliminated in their entirety in the consolidated financial statements.

	Group	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
EBITA excl. IFRS 16 per segment		
Sweden	1,233	1,075
Norway	280	273
Other markets	29	9
EBITA excl. IFRS 16 per segment	**1,542**	**1,356**
Central functions	–875	–765
EBITA excl. IFRS 16	**667**	**591**
Group adjustments regarding IFRS 16	186	170
EBITA	**853**	**761**
EBITA margin, %	7.2%	6.8%
Depreciation of acquisition-related assets, not allocated to segments	-	–8
EBIT	**853**	**753**
EBIT margin, %	7.2%	6.8%
Financial items, net	–239	–227
Profit before tax	**615**	**525**

Note 5, continued

	Group	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net sales per country		
Sweden	7,020	6,525
Norway	2,531	2,351
Finland	1,994	1,924
Other countries	284	316
Total net sales	**11,828**	**11,116**

	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Non-current assets per country		
Sweden	4,144	3,966
Norway	802	715
Finland	777	968
Other countries and Group-wide assets	381	451
Total non-current assets	**6,103**	**6,100**

In the geographical information, net sales are reported based on where the customers are located, while non-current assets are based on where the facilities are located. In Sweden, a portion of net sales relates to Online sales reported in "Other markets."

	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Net sales per category		
Sale of goods, stores	11,626	10,939
Sale of goods, online	202	177
Total net sales	**11,828**	**11,116**

Information on purchases and sales within the Rusta Group

	Group	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Sales as % of total net sales	28%	29%
Purchases as % of cost of goods sold	37%	38%
Purchases as % of sales expenses	3%	3%
Purchases as % of administrative expenses	7%	0%
Sales as % of other operating income	0%	0%
Purchases as % of other operating expenses	0%	0%

Note 6
Other operating income

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Exchange gains	182	157	170	145
Other income	67	58	65	57
Total	**248**	**215**	**235**	**202**

Note 7
Other operating expenses

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Exchange losses	–191	–142	–179	–129
Total	**–191**	**–142**	**–179**	**–129**

Note 8
Costs by type of expense

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Raw materials and consumables	–6,733	–6,283	–6,403	–5,971
Cost of employee benefits	–1,961	–1,901	–1,339	–1,282
Cost of premises	–275	–223	–1,019	–674
Depreciation	–965	–941	–104	–97
Other	–1,099	–1,089	–536	–826
Total cost of goods sold, sales and administration	**–11,033**	**–10,436**	**–9,402**	**–8,850**

Note 9 Depreciation/amortisation by function

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Intangible assets				
Sales expenses	–12	–16	–11	–6
Administrative expenses	–9	–11	–9	–11
	–21	**–27**	**–19**	**–17**
Property, plant and equipment				
Sales expenses	–939	–909	–80	–75
Administrative expenses	–4	–5	–4	–5
	–944	**–914**	**–84**	**–80**

Note 10 Information on remuneration to auditors

Audit assignment refers to the examination of the annual report and accounting records as well as the administration by the Board and the CEO, other tasks related to the duties of the company's auditors and consultation or other services that may result from observations noted during such examinations or implementation of such other tasks. All other tasks are defined as other assignments.

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
PwC				
audit assignment	–5	–4	–2	–2
audit-related services	–1	–1	–1	–1
tax consultancy	–1	–1	–1	–1
other services	–1	–16	–1	–16
Total	**–7**	**–21**	**–4**	**–19**

Most of the amount for "other services" for the 2023/24 financial year relates to IPO-related services in connection with Rusta's IPO.

Note 11 Leasing

The Group's leases comprise primarily real estate leases, but there are also a number of other assets such as vehicles, trucks and various office equipment. No leases contain covenants or other limitations beyond the security over the leased asset.

Right-of-use assets

	Group	
Right-of-use assets per category	**30 Apr 2025**	**30 Apr 2024**
Real estate	4,966	5,187
Other assets	56	49
Closing balance	**5,022**	**5,237**

	Group	
Depreciation for the year	**1 May 2024–30 Apr 2025**	**1 May 2023–30 Apr 2024**
Real estate	770	746
Other assets	14	16
Total	**784**	**762**

Additional right-of-use assets during 2024/25 amounted to MSEK 425 (244). This amount includes the acquisition value of newly acquired right-of-use assets during the year.

Lease liabilities

	Group	
Maturity analysis – lease liabilities	**30 Apr 2025**	**30 Apr 2024**
0–6 months	490	476
7–12 months	485	467
1–2 years	932	915
2–5 years	2,130	2,224
>5 years	2,633	2,860
Total	**6,669**	**6,944**

	Group	
Amounts recognised in profit or loss	**2024/25**	**2023/24**
Depreciation of right-of-use assets	–784	–762
Interest on lease liabilities	–242	–228
Variable lease payments not included in the valuation of lease liabilities	–33	–33
Income from sub-leasing of right-of-use assets	–33	5
Costs for short-term leases	0	0
Costs for low value leases, non-short-term leases of low value	–1	–1

	Group	
Amounts recognised in the statement of cash flows	**2024/25**	**2023/24**
Total cash outflows attributable to leases	1,005	967

The above cash outflow includes amounts for leases recognised as lease liabilities, as well as amounts payable for variable lease payments, short-term leases and low value leases.

As of 30 April 2025, the Group had signed agreements for premises, with possession expected to be taken during the next three financial years. The Group's commitment for these agreements amounts to MSEK 728.

Real estate leasing

The Group's real estate leasing consists mainly of the rental of retail premises, as well as the rental of warehouse and office facilities. Lease agreements for office premises ordinarily have terms ranging from 3 to 20 years. These agreements normally include an option to extend the agreement, usually by a period of 3 years at a time. In those cases where the Group is reasonably certain that such an option for extension will be exercised, this period is included in the lease term. The options may only be exercised by the lessee and not by the lessor. The lease term is determined upon the date that the lease commences, and the Group usually includes one extension period in the lease term at this time if the standard contract duration is 24 months or less. The average remaining lease term on 30 April 2024 for the Group's real estate agreements is 6 years (6 years).

Many of the Group's real estate leases contain lease payments that are based on changes to local price indices such as the CPI. The levels of these fees are normally updated once a year and are taken into account when calculating the lease liability on an ongoing basis. In addition, many real estate leases include sales-based rent as well as fees pertaining to property taxes imposed on the lessor. These amounts are set on an annual basis and are not included in the valuation of the lease liability. The cost of these fees is shown above under "Variable lease payments not included in the valuation of lease liabilities."

Other leases

The Group's other leases relating to recognised right-of-use assets and lease liabilities consist of, for example, vehicles, trucks and equipment used in retail premises. Options for extension in relation to these agreements only occur to a negligible extent. In addition to this, there are also some leases of low value and short-term leases in place for things such as basic office equipment. In the case of these leases, no right-of-use asset or lease liability is recognised.

On the balance sheet date, the Parent Company had outstanding commitments in the form of minimum lease payments under non-cancellable leases, with maturities as set out below:

	Parent Company	
	30 Apr 2025	**30 Apr 2024**
Within one year	590	562
Between 1 and 5 years	1,949	1,940
Later than 5 years	2,231	2,414
Total	**4,769**	**4,916**

Note 12
Number of employees, salaries, other remuneration and social security costs

	1 May 2024–30 Apr 2025		1 May 2023–30 Apr 2024	
	Number of employees	**Men, %**	**Number of employees**	**Men, %**
Parent Company				
Sweden	1,875	36%	1,753	36%
China	62	55%	64	52%
India	15	57%	15	53%
Vietnam	11	67%	12	58%
Türkiye	3	80%	1	100%
Total in the Parent Company	**1,966**	**37%**	**1,845**	**36%**
Subsidiaries				
Norway	1,046	37%	950	39%
Finland	782	24%	749	26%
Germany	172	33%	183	32%
Total in subsidiaries	**2,000**	**32%**	**1,882**	**33%**
Total in the Group	**3,966**	**35%**	**3,727**	**35%**

	Group		Parent Company	
	30 Apr 2025	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Gender distribution among senior executives at balance sheet date				
Women:				
Board members	2	2	2	2
Other members of company management incl. CEO	5	5	5	5
Men:			6	
Board members	6	5	4	5
Other members of company management incl. CEO	4	4		4
Total	**17**	**16**	**17**	**16**

Pensions

The Parent Company's costs relating to defined-contribution pension plans amount to MSEK 62 (44).

The commitments for retirement pensions and family pensions for white-collar staff in Sweden are secured through an insurance policy with Alecta. In accordance with a statement from the Swedish Corporate Reporting Board, UFR 10, this is a multi-employer defined-benefit plan. For financial years for which the company has not had access to the kind of information that would enable it to recognise this plan in the accounts as a defined-benefit plan, a pension plan in accordance with ITP 2 that is secured through an insurance policy with Alecta will be recognised as a defined-contribution plan. The contributions for the year for pension insurance policies in accordance with ITP 2 taken out with Alecta amounted to MSEK 13 (7). The Group's level of participation in the ITP 2 plan is a marginal proportion of the total fees relating to the plan. Expected fees relating to the ITP 2 plan during the next financial year amount to MSEK 11. Alecta's surplus may be distributed to the policyholders and/or the insured parties. As of 31 December 2024, Alecta's surplus in the form of the collective funding ratio was 162% (158).The collective funding ratio consists of the market value of Alecta's assets as a percentage of the insurance obligations calculated according to Alecta's actuarial assumptions, which do not conform to IAS 19. Information is available on Alecta's website.

Remuneration of senior executives

Guidelines

Fees are paid to the Board of Directors in accordance with the resolution of the general meeting for board and committee work. The general meeting has resolved on the following guidelines regarding remuneration to company management, including the CEO, applicable for the 2023/24 and 2024/25 financial years: The company shall offer total remuneration on market terms that enables these senior executives to be attracted, recruited and retained. Compensation consists of fixed salary, pension and other benefits, which together constitute the individual's total remuneration. The fixed base salary, in SEK per month, shall take into account the individual's area of responsibility and level of experience. The retirement age for company management, including the CEO, is 65. All of them shall have a right to pension under the ITP plan or upon agreement in an amount equivalent to 35% of the gross salary. Otherwise, there is a bonus model that is evaluated annually. This bonus model is re-evaluated each year based on budgeted earnings as the goal.

Note 12, continued

	1 May 2024–30 Apr 2025		1 May 2023–30 Apr 2024	
	Salaries and other remuneration	**Social security costs (of which pension costs)**	**Salaries and other remuneration**	**Social security costs (of which pension costs)**
Parent Company – Board and CEO	11	5 (1)	13	4 (1)
Parent Company – Other employees	904	363 (57)	777	300 (65)
Subsidiaries	512	95 (48)	418	83 (45)
Total Group	**1,426**	**463 (106)**	**1,208**	**348 (111)**

1 May 2024–30 Apr 2025	Salary/fees*	Variable remuneration	Other benefits	Pension costs	Total
Chair of the Board, Erik Haegerstrand	1.1	-	-	-	1.1
Board member, Anders Forsgren[5]	0.6	-	-	-	0.6
Board member, Björn Forssell	0.6	-	-	-	0.6
Board member, Claes Eriksson	0.5	-	-	-	0.5
Board member, Maria Edsman	0.5	-	-	-	0.5
Board member, Victor Forsgren[3]	0.5	-	-	-	0.5
Board member, Ann-Sofi Danielsson	0.5	-	-	-	0.5
Board member, Claus Juel-Jensen[4]	0.3	-	-	-	0.3
CEO, Göran Westerberg	6.0	2.8	0.2	1.3	10.3
Other senior executives (8 persons)	15.7	0.6	0.6	5.5	22.4
Total	**26.2**	**3.4**	**0.8**	**6.8**	**32.7**

1) Refers to fixed remuneration.
2) Includes costs for LTIP.
3) Victor Forsgren is also an employee of Rusta AB (publ) and has received salary from Rusta in addition to director's fees. Information on other remuneration in addition to director's fees is provided in Note 37.
4) Elected on 13 January 2025 and received proportional remuneration for the period.
5) During the year, Anders Forsgren received a consultancy fee of MSEK 0.1 for strategic advisory services for implementing the company's business strategy. The consultancy fee is consistent with the remuneration guidelines adopted by the Annual General Meeting. This is presented in Note 38.

1 May 2023–30 Apr 2024	Salary/fees*	Variable remuneration	Other benefits	Pension costs	Total
Chair of the Board, Erik Haegerstrand	1.1	-	-	-	1.1
Board member, Anders Forsgren	0.5	-	-	-	0.5
Board member, Björn Forssell	0.5	-	-	-	0.5
Board member, Claes Eriksson	0.5	-	-	-	0.5
Board member, Maria Edsman	0.5	-	-	-	0.5
Board member, Victor Forsgren[3]	0.5	-	-	-	0.5
Board member, Ann-Sofi Danielsson	0.6	-	-	-	0.6
CEO, Göran Westerberg	5.5	3.4	0.2	1.3	10.4
Other senior executives (8 persons)	13.3	1.6	0.5	4.7	20.1
Total	**22.9**	**5.0**	**0.6**	**6.0**	**34.6**

1) Refers to fixed remuneration.
2) Includes costs for LTIP.
3) Victor Forsgren is also an employee of Rusta AB (publ) and has received salary from Rusta in addition to director's fees. Information on other remuneration in addition to director's fees is provided in Note 38.

Note 12, continued

Long-term incentive plan

Decision on long-term incentive plans

LTIP 2023

The Annual General Meeting held on 1 September 2023 resolved to introduce a long-term incentive plan (LTIP 2023) for senior executives and other key employees within the Group. The aim was to create conditions for retaining and recruiting competent staff to the Group, providing competitive remuneration and uniting the interests of shareholders, senior executives and key employees.

The plan covers up to 39 employees divided into four categories: Group management excluding the CEO (8 persons), key employees in management functions (5 persons), employees with significant responsibilities (6 persons) and employees with specific responsibilities (20 persons). The investment amounts vary between SEK 30,000 and SEK 90,000 depending on the category.

Participation requires the participant to hold own shares that are allocated as savings shares in the plan. Provided that the savings shares are retained during the vesting period of three years and that the participant remains employed, the participant will receive 0.5 matching shares per savings share and, when performance requirements are fulfilled, receive a maximum of five additional performance shares per savings share.

The performance targets for the 1 May 2023–30 April 2026 periods include: threshold level of the EBITA margin of at least 6.7% for the 2025/26 financial year, average annual EBITA growth (22–32% for minimum-full allocation, 50% weighted) and average annual LFL growth (3.5–5.5% for minimum-full allocation, 50% weighted). The maximum number of shares that can be allocated is 204,794 shares.

LTIP 2024

The Annual General Meeting held on 20 September 2024 resolved to introduce a long-term share and performance based incentive plan (LTIP 2024) for the company's CEO, members if Group management and certain other key employees in the Rusta Group. The principle motive is to align the interests of the Group management and other key employees with the interests of the shareholders in order to ensure maximum long-term value growth and to promote shareholding in the company.

The plan encompasses 41 employees divided into five categories: The CEO (1 person), Group management excluding the CEO as well as CEOs and sales managers (12 persons), key employees in management functions (2 persons), employees with significant responsibilities (8 persons) and employees with specific responsibilities (18 persons). The investment amounts vary between SEK 30,000 and SEK 2,720,000 for the CEO.

The structure of the plan follows the same principle as LTIP 2023 with savings shares, matching shares (0.5 per savings share, except for the CEO) and performance shares (maximum 5 per savings share, 7 for the CEO). The performance targets for the 1 May 2024–30 April 2027 periods include: threshold level of the adjusted EBITA margin of at least 5% for the 2026/27 financial year, average annual adjusted EBITA growth (9–19% for 20–100% allocation, 50% weighted) and average annual LFL growth (3–5% for 20–100% allocation, 50% weighted).

The maximum number of shares in Rusta that can be transferred under LTIP 2024 is limited to 516,241, corresponding to approximately 0.34% of all shares and votes in the company. Based on the assumption of a 50% increase in the share price, the estimated cost is expected to amount to approximately MSEK 53.6, of which MSEK 17.2 comprises social security costs.

Measures to secure delivery

In order to secure the company's commitments under both plans, the annual general meetings authorised the Board to acquire and transfer own shares and to transfer own shares to the participants of each plan.

LTIP 2023

The number of outstanding matching and performance-based share rights for LTIP 2023 amounts to 163,396. The cost for the incentive plan is recognised based on the fair value per share right at the time of allotment, amounting to SEK 41.06, and the expected number of shares that will be earned. The fair value is also adjusted for participants who do not retain their holding of savings shares during the term of the incentive plan. For performance-based shares, the company also evaluates the probability that the performance targets will be achieved when the compensation cost is calculated. The total cost in 2024/25 for the incentive plan (LTIP 2023) excluding social security contributions was MSEK 0.3.

LTIP 2024

The number of matching and performance-based share rights outstanding for LTIP 2024 amounts to 414,376. The cost for the incentive plan is recognised based on the fair value per share right at the time of allotment, amounting to SEK 69.20, and the expected number of shares that will be earned. The fair value is also adjusted for participants who do not retain their holding of savings shares during the term of the incentive plan. For performance-based shares, the company also evaluates the probability that the performance targets will be achieved when the compensation cost is calculated. The total cost in 2024/25 for the incentive plan (LTIP 2024) excluding social security contributions was MSEK 2.5.

Share rights

Share rights in LTIP	LTIP 2023	LTIP 2024	Total
Opening number of share rights in incentive plans	188,613	-	188,613
New share rights		457,836	
Other changes	−25,217	−43,460	−68,677
Closing number of share rights in incentive plans	**163,396**	**414,376**	**577,772**

Stock option program – CEO

For information about the CEO's stock option program, see Note 38.

Severance pay

The employment contracts for members of company management include stipulations regarding notice of termination. According to these contracts, employment can normally cease at the request of the employee with a minimum notice period of six months, and at the request of the company with a maximum notice period of twelve months. The Board and/or CEO shall be entitled to depart from these guidelines in individual cases if they deem there to be special circumstances to do so.

Note 13 Finance income

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Interest income	16	13	23	22
Total finance income	**16**	**13**	**23**	**22**

The Parent Company's finance income includes intra-Group interest income of MSEK 8 (10).

Note 14 Finance expenses

	Group		Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Interest costs, bank	–13	–12	–36	–34
Interest costs, lease liabilities	–242	–228	-	-
Bank costs	0	–1	–1	–1
Total finance expenses	**–255**	**–241**	**–36**	**–34**

The Parent Company's finance expenses include intra-Group interest costs of MSEK -25 (-24).

Note 15 Appropriations

	Parent Company	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Change in tax allocation reserve	–58	–68
Depreciation in excess of plan	–29	17
Group contributions paid	–1	0
Total	**–87**	**–51**

Note 16 Taxes

Current tax	Group 1 May 2024–30 Apr 2025	Group 1 May 2023–30 Apr 2024	Parent Company 1 May 2024–30 Apr 2025	Parent Company 1 May 2023–30 Apr 2024
Current tax on profit for the year	–125	–116	–96	–69
Total current tax	**–125**	**–116**	**–96**	**–69**

Deferred tax	Group 1 May 2024–30 Apr 2025	Group 1 May 2023–30 Apr 2024	Parent Company 1 May 2024–30 Apr 2025	Parent Company 1 May 2023–30 Apr 2024
Deferred tax attributable to temporary differences	13	23	1	0
Deferred tax revenue in the year's capitalised tax value in tax loss carry-forwards	–9	–14	-	-
Untaxed reserves	–18	–10	-	-
Total deferred tax	**–14**	**–1**	**1**	**0**
Income tax	**–139**	**–117**	**–96**	**–69**

Reconciliation of effective tax rate	Group 1 May 2024–30 Apr 2025	Group 1 May 2023–30 Apr 2024	Parent Company 1 May 2024–30 Apr 2025	Parent Company 1 May 2023–30 Apr 2024
Profit before tax	**615**	**525**	**421**	**314**
Tax calculated according to Swedish tax rate 20.6% (20.6%)	127	108	87	65
Tax effect of non-deductible expenses	3	1	3	1
Tax effect of non-taxable income	0	0	0	0
Tax effect of income/expenses that are taxable but are not included in the reported profit	1	1	1	2
Deficit for which no deferred tax asset has been recognised	0	0	-	-
Difference in foreign tax rates	1	6	-	-
Adjustment regarding previous years	5	–1	5	1
Other	2	0	-	-
Reported tax	**139**	**117**	**96**	**69**
Effective tax rate	22.6%	22.3%	22.7%	22.1%

Income tax in Sweden is calculated at 20.6% of taxable profit for the year. Tax in other jurisdictions is calculated at the rate that applies for the jurisdiction in question. A reconciliation between recognised earnings and tax expense for the year is presented below.

Note 17
Earnings per share

	Group	
	1 May 2024–30 Apr 2025	1 May 2023–30 Apr 2024
Earnings per share before dilution, SEK		
Earnings per share before dilution	3.1	2.7
Earnings per share after dilution, SEK		
Earnings per share after dilution	3.1	2.7

Calculation of the numerators and denominators used in the above calculations of earnings per share is stated below

Earnings per share before and after dilution		
Profit for the period attributable to Parent Company shareholders	476	408
Total number of shares, thousand	153,529	151,793
Weighted average number of shares before dilution, thousand[1]	151,998	151,764
Weighted average number of shares after dilution, thousand[1]	153,167	151,177

1) Excluding shares owned by Rusta.

Note 18
Capitalised expenses for software development

	Group		Parent Company	
Deferred tax	**30 Apr 2025**	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Opening accumulated cost	162	124	146	109
Adjustment	–5	-	-	-
Acquisitions of the year	80	37	80	37
Disposals	–7	0	0	–1
Exchange differences	–1	0	–	–
Closing accumulated cost	**229**	**162**	**226**	**146**
Opening accumulated amortisation	–83	–62	–71	–53
Adjustment	5	-	-	-
Amortisation for the year	–21	–21	–19	–19
Disposals	7	0	0	1
Exchange differences	0	0	-	-
Closing accumulated amortisation	**–91**	**–83**	**–91**	**–71**
Closing carrying amount	**137**	**79**	**135**	**74**

Note 19 Goodwill and trademarks

	Group	
Goodwill	**30 Apr 2025**	**30 Apr 2024**
Opening carrying amount	118	113
Exchange differences	–8	4
Closing carrying amount	**110**	**118**

Recognised goodwill amounted to MSEK 110 (118) and relates to the Finnish business acquired in May 2018. The change in the carrying amount of goodwill relates entirely to the change in exchange rate between the years.

Impairment testing for goodwill

The recognised goodwill value is tested on an annual basis. Each year during the fourth quarter, the Group tests whether goodwill requires impairment. The recognised goodwill totalling MSEK 110 (118) is entirely attributable to Rusta Finland OY, which was assessed to be the cash-generating unit in the Finnish group. The recoverable amount of the cash-generating unit was determined based on calculation of the value in use. This calculation is based on the estimated future cash flows based on the business plan for Rusta Finland OY and forecasts for the period 2025–2029 prepared by Group management and approved by the Board of Directors. Material assumptions used to calculate the value in use:

- Forecasted EBITDA margin
- Growth rate for extrapolating cash flows beyond the forecast period
- Discount rate (WACC) applied to estimated future cash flows

Management's forecasts are based on historical experience as well as external information about market growth, etc. Forecasts are prepared based on a number of key assumptions regarding future growth and operating margin. The calculated recoverable amount is set against the book value. Cash flows beyond the five-year period, i.e., after 2029, are extrapolated using an estimated growth rate of 2% corresponding to a weighted average growth rate that is in accordance with the Riksbank's inflation target and that is in line with the industry's sustainable growth. When discounting expected future cash flows, an average cost of capital (WACC) before tax has been used, currently 11.6% (12.8).

The average cost of capital has been based on the following assumptions:

- Risk-free interest rate: Ten-year treasury bond rate
- The market's assessed risk premium for the cash-generating unit
- Beta value: Fixed beta value for Rusta

The test shows that the recoverable amount exceeds the book value. Sensitivity analyses show that a change in the discount rate of +1 percentage points or a decrease in the EBITDA margin by 1 percentage points does not change the outcome of the test for the Group.

	Group	
Trademarks	**30 Apr 2025**	**30 Apr 2024**
Opening accumulated cost	55	51
Exchange differences	4	4
Closing accumulated cost	**59**	**55**
Opening accumulated amortisation	–55	–43
Amortisation for the year	-	–8
Exchange differences	–4	–4
Closing accumulated amortisation	–59	–55
Closing carrying amount	**0**	**0**

Trademarks related to the acquisition of the Finnish business in May 2018 have been fully amortised as of 30 Apr 2024.

Note 20 Work in progress

Rusta AB (publ), the Parent Company, made investments of MSEK 130 in an ongoing automation project at the distribution centre in Norrköping during the financial year. The total investment is expected to amount to about MSEK 300 and is scheduled to be commissioned in the 2025/26 financial year.

Note 21
Equipment, tools, fixtures and fittings

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Opening accumulated cost	1,430	1,302	891	834
Acquisitions	184	127	122	69
Disposals	–52	–16	–24	–12
Exchange differences	–39	17	1	0
Closing accumulated cost	**1,523**	**1,430**	**990**	**891**
Opening accumulated depreciation	–972	–829	–643	–576
Disposals	52	15	23	11
Depreciation for the year	–160	–150	–84	–79
Exchange differences	26	–9	1	-
Closing accumulated cost	**–1,054**	**–972**	**–703**	**–643**
Closing carrying amount	**469**	**458**	**287**	**247**

Note 22
Participations in Group companies

Group	Corp. ID no.	Reg. office	30 Apr 2025 Share of capital, %	30 Apr 2024 Share of capital, %
Rusta Retail AS	912597636	Norway	100%	100%
Rusta Retail GmbH	HRB 140437	Germany	100%	100%
Baforber AB	556477-1011	Uppsala	100%	100%
Bruksbo i Uppsala KB[1]	916672-6597	Uppsala	100%	100%
Rusta Retail Finland OY	2906403-2	Finland	100%	100%
Rusta Transportation GmbH	HRB 22638	Germany	100%	100%
Rusta Finland Group OY	1710083-3	Finland	100%	100 %
Rusta Finland OY	0750466-6	Finland	100%	100 %

Note 22, continued

	Parent Company	
	30 Apr 2025	30 Apr 2024
Opening carrying amount	77	77
Share of profit in limited partnerships	-	-
Shareholder contributions paid	0	0
Closing carrying amount	**77**	**77**

Parent Company	Share of capital, %	Share of voting rights, %	Number of participations/ shares	Book value 30 Apr 2025	Book value 30 Apr 2024
Rusta Retail AS	100%	100%	30,000	0	0
Rusta Retail GmbH	100%	100%	1	16	16
Baforber AB	100%	100%	1,000	11	11
Bruksbo i Uppsala KB[1]	100%			0	0
Rusta Retail Finland OY	100%	100%	2,500	50	50
Rusta Transportation GmbH	100%	100%	1	0	0
Total				**77**	**77**

1) Rusta owns 100% through Baforber AB.

Parent Company
The item Participations in Group companies has changed as a result of the changes described above.

Note 23 Inventories

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Goods in transit	300	241	300	241
Inventories	2,700	2,381	2,103	1,778
Total inventories	**3,000**	**2,622**	**2,404**	**2,019**

The carrying amount of inventories in the Parent Company and the Group includes a provision for obsolescence of MSEK 56 (60).

Note 24
Trade receivables

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Trade receivables, gross	17	16	13	13
Provision for bad debts	–2	0	–2	-
Total trade receivables, net	**15**	**16**	**11**	**13**

Management considers the carrying amount for trade receivables, net after provision for bad debts, to be consistent with the fair value.

Note 25
Other current receivables

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Rent deposit	1	1	1	1
Tax account with Swedish Tax Agency	20	47	11	39
Other items	0	1	1	1
Total	**21**	**49**	**12**	**40**

Note 26
Prepaid expenses and accrued income

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Prepaid rent	-	-	93	88
Prepaid other costs for properties	9	13	6	11
Prepaid IT costs	39	23	39	23
Prepaid personnel costs	17	17	12	12
Prepaid insurance	13	10	11	7
Derivative instruments for hedging purposes	-	19	-	19
Other items	39	58	27	16
Total	**117**	**140**	**187**	**175**

Note 27 Share capital, number of shares and dividends per share

The share capital and the number of shares and votes changed during the year after 1,736,169 shares were subscribed for through the exercise of series 2020:1 warrants. The share capital increased SEK 57,872.3 and amounted to SEK 5,117,632 (5,059,760) on 30 April 2025. The number of shares increased 1,736,169 shares and on 30 April 2025, the number of shares issued was 153,528,969 (151,792,800), with a quotient value of approximately SEK 0.03 (0.03). There is only one share class and all shares have equal rights.

Treasury shares	30 Apr 2025	30 Apr 2024
Opening number of treasury shares	267,333	-
Acquisitions for the year[1]	310,000	267,333
Closing number of treasury shares	**577,333**	**267,333**

1) From 17 January 2025 to 24 January 2025, Rusta AB (publ) ("Rusta") repurchased a total of 310,000 own shares for a total amount of MSEK 24. The repurchase is part of the repurchase programme comprising a maximum of 310,000 shares, which Rusta announced on 16 January 2025 and which concluded with the final purchase on 24 January 2025. All share repurchases were conducted on Rusta's behalf by Carnegie Investment Bank AB (publ) on Nasdaq Stockholm. After the above share repurchases, Rusta's holding of treasury shares on 30 April 2025 amounted to 577,333 shares. The total number of shares in Rusta is 153,528,969. The goal of the repurchase programme is to meet the obligations that arise with the introduction of Rusta's incentive plan (LTIP 2024), meaning to hedge the delivery of performance and matching shares to participants and hedge social security costs that may arise within the framework of LTIP 2024.

Dividends per share

During the financial year, dividends paid totalled MSEK 174 (105), which corresponds to SEK 1.15 (0.69) per share.
At the Annual General Meeting on 19 September 2025, a dividend of SEK 1.45 per share will be proposed for the 2024/25 financial year, totalling MSEK 222.

Note 28 Other contributed capital – Group

Other contributed capital is comprised of statutory reserves.

Note 29 Reserves – Group

The item consists of translation differences attributable to the translation of foreign subsidiaries. This item also comprises cash flow hedges as the company applies hedge accounting policies.

The translation reserve refers to currency translation differences when translating foreign operations to SEK, which are recognised in other comprehensive income.

	Group		
Group	**Hedge accounting**	**Currency translation**	**Total reserves**
As of 1 May 2023	**–12**	**–42**	**–54**
Hedging cost reclassified to inventories	15	-	15
Deferred tax	–3	-	–3
Net transferred, recognised in profit or loss	**12**	**-**	**12**
Revaluation – gross, recognised in other comprehensive income	34	-	34
Deferred tax, recognised in other comprehensive income	–7	-	–7
Other exchange differences, recognised in other comprehensive income	–	9	9
Net recognised in other comprehensive income	**27**	**9**	**36**
As of 30 April 2024	**15**	**–32**	**–17**
As of 30 April 2024	**15**	**–32**	**–17**
Hedging cost reclassified to inventories	–18	-	–18
Deferred tax	4	-	4
Net transferred, recognised in profit or loss	**–15**	**-**	**–15**
Revaluation – gross, recognised in other comprehensive income	–113	-	–113
Deferred tax, recognised in other comprehensive income	23	-	23
Other exchange differences, recognised in other comprehensive income		–41	–41
Net recognised in other comprehensive income	**–90**	**–41**	**–131**
As of 30 April 2025	**–75**	**–73**	**–148**

Note 30
Deferred tax

Temporary differences exist in cases where the carrying amounts and taxable values of assets or liabilities differ. The Group's and Parent Company's temporary differences have resulted in deferred tax liabilities and deferred tax assets with regard to the following items.

	Group		Parent Company	
Deferred tax assets	**30 Apr 2025**	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Amounts recognised for temporary differences attributable to:				
Lease liabilities	1,136	1,168	-	-
Tax loss carry-forwards	66	79	-	-
Cash flow hedges, temporary differences, inventories	19	0	19	0
Internal gains	19	18	-	-
Other temporary differences	6	6	0	0
Total deferred tax assets	**1,247**	**1,272**	**20**	**1**
Amounts offset against deferred tax liabilities pursuant to offsetting rules	–1,021	–1,063	-	-
Net deferred tax assets	**226**	**209**	**20**	**1**

Gross changes	Lease liabilities	Tax loss carry-forwards	Cash flow hedges, temporary differences, inventories	Internal gains	Temporary differences	Total
As of 1 May 2023	**1,149**	**90**	**3**	**8**	**-**	**1,250**
Recognised in profit or loss	19	–11	-	10	6	24
Recognised in other comprehensive income	-	-	–3	0	-	–3
As of 30 April 2024	**1,168**	**79**	**0**	**18**	**6**	**1,271**
Recognised in profit or loss	–32	–13	-	1	0	–44
Recognised in other comprehensive income	-	-	19	-	-	19
As of 30 April 2025	**1,136**	**66**	**19**	**19**	**6**	**1,246**

Deferred tax assets include MSEK 66 (79) pertaining to loss carry-forwards for the business in Finland. These loss carry-forwards are attributable to deficits that existed at the time of the acquisition of Hong Kong OY in May 2018. It is the Group's assessment that the tax loss carry-forwards recognised as of the balance sheet date will be able to be utilised against future taxable profits. The tax loss carry-forwards in Finland can be rolled over for 10 years from the time at which the deficit arose.

Note 30, continued

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Amounts recognised for temporary differences attributable to:				
Right-of-use assets	–1,021	–1,063	-	-
Cash flow hedges, temporary differences, inventories	-	–4	-	–4
Trademarks	-	-	-	-
Untaxed reserves	–144	–127	-	-
Total deferred tax liabilities	**–1,165**	**–1,194**	**-**	**–4**
Amounts offset against deferred tax liabilities pursuant to offsetting rules	1,021	1,063	-	-
Net deferred tax liabilities	**–144**	**–131**	**-**	**–4**

Gross changes	Right-of-use assets	Trademarks	Cash flow hedges, temporary differences, inventories	Untaxed reserves	Total
As of 1 May 2023	**–1,051**	**1**	**0**	**–116**	**–1,167**
Recognised in profit or loss	–12	–1	0	–10	–23
Recognised in other comprehensive income	-	-	–4	-	–4
As of 30 April 2024	**–1,063**	**0**	**–4**	**–126**	**–1,194**
Recognised in profit or loss	42	-	0	–18	25
Recognised in other comprehensive income	-	-	4	-	4
As of 30 April 2025	**–1,021**	**-**	**0**	**–144**	**–1,165**

Note 31 Untaxed reserves

	Parent Company	
	30 Apr 2025	30 Apr 2024
Depreciation in excess of plan	180	151
Provision for tax allocation reserve	516	458
Total	**696**	**609**

Note 32
Liabilities to credit institutions

	Group		Parent Company	
Non-current	**30 Apr 2025**	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Non-current portion of restructuring loan Finland	-	21	-	-
Total liabilities to credit institutions	**-**	**21**	**-**	**-**

In Finland there is a restructuring loan owed to Danske Bank and Vurma that is subject to an interest rate of 3.5–4.0%.

Rusta acquired Hong Kong OY in May 2018, which was a company in reconstruction, but the acquisition took over previous restructuring debts that are being repaid according to plan and extend until the end of the 2025/26 financial year and is reported in full as a current liability as of 30 April 2025.

	Group		Parent Company	
Current	**30 Apr 2025**	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Current portion of restructuring loan Finland	19	20	-	-
Utilised overdraft facility	154	-	237	-
Total current liabilities to credit institutions	**173**	**20**	**237**	**-**

The overdraft facility is subject to market interest rates, and the interest rate for the financial year was 3.3–5.7% (4.9–6.5).
The Group's borrowing from banks is subject to terms (covenants) which Rusta fulfils in full.

Total liabilities to credit institutions	**173**	**41**	**237**	**-**
Overdraft facility				
Approved overdraft facility Danske Bank & DnB	800	800	800	800
Utilised import letters of credit	–27	–23	–27	–23
Other utilised overdraft facilities	–154	-	–237	-
Total available to utilise	**619**	**777**	**537**	**777**

Note 33 Provisions

	Group		
	Warranty provision	Refund provision	Total
As of 1 May 2023	**14**	**8**	**22**
Additional provisions	15	8	23
Reversal of unutilised amounts	–2	–3	–5
Utilised during the year	–11	–5	–16
As of 30 April 2024	**16**	**8**	**24**
Additional provisions	15	8	23
Reversal of unutilised amounts	–2	–3	–5
Utilised during the year	–12	–5	–17
As of 30 April 2025	**17**	**8**	**25**

	Parent Company		
	Warranty provision	Refund provision	Total
As of 1 May 2023	**14**	**8**	**22**
Additional provisions	15	8	23
Reversal of unutilised amounts	–2	–3	–5
Utilised during the year	–11	–4	–16
As of 30 April 2024	**16**	**8**	**24**
Additional provisions	15	8	23
Reversal of unutilised amounts	–7	–3	–10
Utilised during the year	–8	–5	–13
As of 30 April 2025	**16**	**8**	**25**

Note 34
Other current liabilities

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Reported VAT	181	157	72	60
Current portion of restructuring liability Finland	34	36	-	-
Gift vouchers	8	8	5	5
Other items	1	3	1	2
Total	**225**	**204**	**78**	**67**

Note 35
Accrued expenses and deferred income

	Group		Parent Company	
	30 Apr 2025	30 Apr 2024	30 Apr 2025	30 Apr 2024
Accrued salaries	151	182	125	146
Accrued holiday pay	189	166	130	124
Accrued social security contributions	125	160	97	87
Accrued shipping costs	44	20	44	20
Accrued electricity costs	7	5	5	3
Rent discounts received	-	-	51	54
Derivatives measured at fair value	100	-	100	-
Other items	85	145	12	74
Total	**701**	**678**	**563**	**508**

Note 36
Change in liabilities attributable to financing activities

		Cash flows		Non-cash items			
	Opening balance, 1 May 2023	Borrowings/repayments/ change in overdraft facility	Repayment leasing	New and terminated leases[1]	Exchange differences	Other changes[2]	Closing balance, 30 April 2024
Liabilities to credit institutions							
–Borrowings	57	18	-	-	2	-	41
–Overdraft facility	381	–377	-	-	–4	-	–
Lease liabilities	5,465	–	–712	240	67	585	5,645
Total liabilities attributable to financing activities	**5,902**	**–394**	**–712**	**240**	**65**	**585**	**5,686**

		Cash flows		Non-cash items			
	Opening balance, 1 May 2024	Borrowings/repayments/ change in overdraft facility	Repayment leasing	New and terminated leases[1]	Exchange differences	Other changes[2]	Closing balance, 30 April 2025
Liabilities to credit institutions							
–Borrowings	41	–20	-	-	–2	-	19
–Overdraft facility	-	136	-	-	18	-	154
Lease liabilities	5,645	-	–723	428	–116	247	5,482
Total liabilities attributable to financing activities	**5,686**	**148**	**–723**	**428**	**–132**	**247**	**5,654**

1) Regular repayments on lease liabilities (part of the rental payments) are classified as cash flow in financing activities. However, the current year's increase in lease liabilities due to new leases, etc., is not classified as cash flow.
2) Other changes include non-cash changes, including accrued interest costs presented in operating activities in the cash flow statement when they are paid.

Note 37
Pledged assets and contingent liabilities

Pledged assets

	Group		Parent Company	
	30 Apr 2025	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Floating charges	615	615	615	615
Total	**615**	**615**	**615**	**615**

Contingent liabilities

	Group		Parent Company	
	30 Apr 2025	**30 Apr 2024**	**30 Apr 2025**	**30 Apr 2024**
Customs guarantees	44	39	25	19
Rental guarantees	64	55	-	-
Supplier guarantees, Rusta Finland OY	5	5	-	-
Parent Company guarantee to subsidiaries for lease of premises	59	52	59	52
Total	**172**	**151**	**84**	**71**

Note 38
Transactions with related parties

Transactions between the company and its subsidiaries, which are related parties to the company, have been eliminated on consolidation and disclosures on these transactions are therefore not provided in this Note. The other related parties identified are senior executives and members of the Board of Directors and their family members.

Disclosures on transactions between the Group and other related parties are presented below.

	Group		Parent Company	
Purchase of services	**1 May 2024–30 Apr 2025**	**1 May 2023–30 Apr 2024**	**1 May 2024–30 Apr 2025**	**1 May 2023–30 Apr 2024**
Consultancy fee in addition to Board assignments	0	-	0	-
Salary-related remuneration to Board	1	2	1	2
Family members of senior executives	0	0	0	0
Total	**1**	**2**	**1**	**2**

Transactions refer to salary-related remuneration to a Board member who is also an employee of Rusta AB (publ), invoiced consultancy fees to a Board member in addition to the fixed director's fees and salary-related remuneration to family members of senior executives. Transactions with related parties took place on market terms.

Loans/liabilities to related parties

There are no loans to related parties for the 2024/25 financial year.

Warrant program 2020:1

In 2021, the Board of Directors, with the support of an authorisation from an extraordinary general meeting held on 7 January 2021, decided to implement a long-term incentive plan in the form of a warrant program for the CEO. The program encompassed a total of 11,382 series 2020:1 warrants.

The warrants were issued at market value (SEK 713 per warrant) in accordance with an external valuation. The subscription period was from 1 December to 31 December 2024. All of the warrants had been exercised at the end of the subscription period.

Taking into account recalculation in accordance with the terms of the program – due to such factors as the share spilt and extraordinary dividend – exercise of subscription for a total of 1,736,169 new shares resulted in a quotient value of approximately SEK 0.03 per share. Accordingly, the company received a capital contribution and the share capital increased SEK 57,872.30.

Following the completion of the program, the total number of shares
outstanding in the company amounted to 153,528,969.

Remuneration of senior executives

Further information on remuneration of senior executives is presented in Note 12.

Note 39
Appropriation of profits

Parent Company	
The profits at the disposal of the Annual General Meeting are as follows (SEK):	
Retained earnings	783,144,538
Net profit for the year	325,395,988
	1,108,540,526
The Board of Directors proposes that the profits be appropriated so that SEK 1.45 per share be paid to shareholders as a dividend:	
Total	221,779,872
To be carried forward	886,760,654
	1,108,540,526

Dividends totalling MSEK 174 were paid during the 1 May 2024–30 Apr 2025 financial year.

Note 40
Significant events after the end of the financial year

On 10 June 2025, Rusta announced that CEO Göran Westerberg had informed the company of his intention to leave his position no later than 30 June 2026. The Board of Directors has initiated a recruitment process to appoint his successor.

In June 2025, after the end of the financial year, Rusta was granted permission by Swedish Customs to establish a bonded warehouse at the distribution centre in Norrköping (more information is available on page 75).

Approval of financial statements

The Board of Directors and the CEO hereby certify that the Annual Report has been prepared in accordance with the Annual Accounts Act and RFR 2 and gives a true and fair view of the company's position and results, and that the Directors' Report gives a fair overview of the development of the company's operations, position and results and describes material risks and uncertainties that the company faces.

The Board of Directors and the CEO hereby certify that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and give a true and fair view of the Group's position and results, and that the Directors' Report for the Group gives a fair overview of the development of the Group's operations, position and results and describes material risks and uncertainties faced by the companies in the Group.

Upplands Väsby, 21 August 2025

Erik Haegerstrand
Chair of the Board

Anders Forsgren
Board member

Björn Forssell
Board member

Claes Eriksson
Board member

Maria Edsman
Board member

Victor Forsgren
Board member

Ann-Sofi Danielsson
Board member

Claus Juel-Jensen
Board member

Göran Westerberg
Chief Executive Officer

Our auditor's report was submitted on 21 August 2025
Öhrlings PricewaterhouseCoopers AB

Cesar Moré
Authorised Public Accountant

Auditor's Report

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

To the general meeting of the shareholders of Rusta AB (publ), corporate identity number 556280-2115

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Rusta AB (publ) for the fiscal year 1 May 2024–30 April 2025 except for the corporate governance statement on pages 84-93. The annual accounts and consolidated accounts of the company are included on pages 73-136 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 parent company and the group as of 30 April 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 30 April 2025 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 84-93. 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 income statement and report of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee 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.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Completeness in revenue recognition and cash handling The group's total sales during the fiscal year were 11 828 MSEK. Rusta recognizes revenue when all performance obligations are assessed to have been fulfilled. Sales in Rusta consist of a large number of transactions in multiple integrated systems for the financial reporting. There is a risk for errors in individual sales transactions or incorrect configurations between system integrations. Sales occur in Sweden, Finland, Norway and Germany mainly through direct sales in stores, and to a smaller extent, through online sales. Rusta describes the applied accounting principles for revenue recognition and the related risks in the section on risk assessment and control activities on page 77 and disclosure 5 on segment accounting. The store sales are mainly made through card payments but also to a certain extent through cash payments. Cash payments imply an inherent risk in the manual processes relating to closeouts of cash registers and cash handling. The revenue of the group comprises a significant part of the financial reports along with the related risks, making completeness in revenue recognition and cash handling a key audit matter in the audit of Rusta.	Our audit included but was not limited to the following activities: • Audit of the group's processes and design of controls related to revenue recognition and cash handling • Analytical procedures of the recognized revenue and reconciliation of the total revenue on individual sale level matched to inventory transactions using data analytics tools • Audit of the group's analysis and controls of changes in gross margins • Assessment of the cash routines in a sample of stores across the group • Assessment of whether adequate accounting principles have been applied and whether required disclosures have been included in the financial statements
Valuation of inventory The group recognizes a total inventory value of 3 000 MSEK as per 30 April 2025. Inventory comprises a significant part of the group's total assets and is based on a large number of articles in the stores in Sweden, Norway, Finland, Germany and at the central warehouse in Sweden. Inventory is valued based on the lowest of purchase price and net realizable value. The valuation of inventory is correlated to a high degree of estimation and judgment by management, mainly related to obsolescence, and calculation and allocation of overhead costs. The group's inventory entails extensive transaction volumes and a complexity as a result of the spread and quantity of inventory articles over a large number of inventory sites. Our assessment is therefore that inventory is a key audit matter in the audit of Rusta. Rusta describes the applied accounting principles for inventory in the section on risk assessment and control activities on page 77, management estimates in disclosure 3 and the accounting principles for inventory in disclosure 2.	Our audit included but was not limited to the following activities: • Audit of the group's processes and design of controls related to inventory and purchasing • Assessment of the estimates and calculations and allocations of overhead costs • Assessment of the method for valuation of inventory in accordance with the lowest value principle and the applied model for obsolescence • Data analytics over inventory transactions in order to ensure completeness • Participation in a selection of inventory observations in stores as well as the central warehouse in Sweden • Assessment of whether adequate accounting principles have been applied and whether required disclosures have been included in the financial statements

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 1–71 and 141–146. The other information also includes the remuneration report that we received before the date of this audit report. 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 Director's 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 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, 3 av 6 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Rusta AB (publ) for the fiscal year ended 30 April 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 Director's 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' 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 4 av 6 liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for ABC AB (publ) for the fiscal year ended 30 April 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Rusta AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 84-93 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing 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 Annual Accounts Act for Credit Institutions and Securities Companies/ the Annual Accounts Act for Insurance Companies.

Öhrlings PricewaterhouseCoopers AB, was appointed auditor of Rusta AB (publ) by the general meeting of the shareholders on 20 September 2024 and has been the company's auditor since before 1994. As per the Audit Regulation (537/2014) transition rules, Öhrlings PricewaterhouseCoopers AB can therefore not be reappointed after the fiscal year which ends on 30 April 2043.

Stockholm 21 August 2025
Öhrlings PricewaterhouseCoopers AB

Cesar Moré
Authorized Public Accountant

Other Information

Multi-year overview

MSEK	2024/25	2023/24	2022/23	2021/22	2020/21
Net sales	11,828	11,116	10,202	9,490	8,633
Gross profit	5,095	4,833	4,187	4,012	3,638
EBITA	853	761	529	821	636
Operating profit (EBIT)	853	753	518	814	628
Profit before tax	615	525	341	671	504
Income tax	–139	–117	–79	–56	–103
Net profit for the year	**476**	**408**	**261**	**615**	**401**
Net sales growth, %	6.4	9.0	7.5	9.9	17.0
LFL growth, %	2.6	4.6	2.5	5.1	7.0
Gross margin, %	43.1	43.5	41.0	42.3	42.1
EBITA margin, %	7.2	6.8	5.2	8.7	7.4
EBIT margin, %	7.2	6.8	5.1	8.6	7.3
Balance sheet					
Assets					
Non-current assets	6,101	6,100	5,970	5,018	4,988
Inventories	3,000	2,622	2,593	2,815	1,802
Other current assets	153	204	109	184	102
Cash and cash equivalents	99	171	182	170	66
Total assets	**9,353**	**9,097**	**8,855**	**8,187**	**6,958**
Equity and liabilities					
Equity	1,743	1,593	1,275	1,262	989
Non-current interest-bearing liabilities	4,546	4,760	4,668	3,779	3,548
Non-current non-interest-bearing liabilities	144	167	186	220	200
Current interest-bearing liabilities	1,109	925	1,234	1,139	916
Other current liabilities	1,811	1,652	1,492	1,786	1,306
Total equity and liabilities	**9,353**	**9,097**	**8,855**	**8,187**	**6,958**

MSEK	2024/25	2023/24	2022/23	2021/22	2020/21
Net debt	5,555	5,515	5,720	4,749	4,398
Net debt excl. IFRS16	74	–130	255	223	504
Return on equity, %	27.3	25.6	20.5	48.8	40.6
Equity/assets ratio, %	18.6	17.5	14.4	15.4	14.2
Equity/assets ratio excl. IFRS 16, %	45.0	46.2	37.6	34.5	32.3
Data per share					
Equity per share, SEK	11.5	10.5	8.4	8.3	6.5
Earnings per share before dilution, SEK	3.1	2.7	1.7	4.1	2.7
Dividend per share, SEK	1.45 [1]	1.15	0.69	1.00	2.63
Number of shares	151,998	151,793	151,793	151,793	151,793

1) The Board of Directors proposes a dividend of SEK 1.45 per share to the Annual General Meeting on 19 September 2025.

The share

On 19 October 2023, the shares in Rusta were admitted to trading on Nasdaq Stockholm.

Development of the Rusta share since the IPO on 19 October 2023

The share and share development for the 2024/25 financial year
The price of the Rusta share increased 5.5% to SEK 79.86 (75.7) as of 30 April 2025. The highest share price for the 2024/25 financial year was SEK 93.00 and the lowest share price was SEK 62.00. Rusta's total market capitalisation on 30 April 2025 amounted to MSEK 12,261.

Share capital
The share capital and the number of shares and votes changed during the year after 1,736,169 shares were subscribed for through the exercise of series 2020:1 warrants. The share capital increased SEK 57,872.3 and amounted to SEK 5,117,632 as of 30 April 2025. The number of shares increased with 1,736,169 shares and on 30 April 2025, the number of shares issued was 153,528,969, with a quotient value of approximately SEK 0.03. There is only one share class and all shares have equal rights.

Shareholders
As of 30 April 2025, the number of shareholders in Rusta amounted to 14,569. The ten largest shareholders' holdings corresponded to 84.94% of the votes and capital. The proportion of foreign shareholders was 17.1%.

Repurchase of shares
The company's holdings of own shares amounted to 577,333 as of 30 April 2025, corresponding to approximately 0.4% of the total number of shares. Treasury shares do not provide entitlement to dividends and are not entitled to vote.

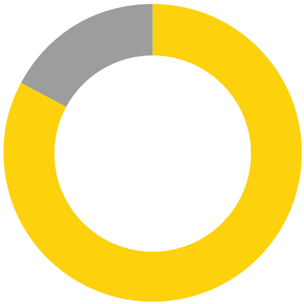
Dividend policy
Rusta aims to distribute 30–50% of net profit for each financial year as dividends, taking into account Rusta's financial position.

Proposed dividend
The Board of Directors proposes a dividend of SEK 1.45 (1.15) per share. The proposed dividend amounts to approximately MSEK 222, which corresponds to approximately 47% of net profit for the year.

Information
We strive to provide the stock market with clear and up-to-date information. Financial information is provided primarily in the annual report, the year-end report and in three interim reports. Prior to the publication of the reports, the company maintains a silent period for approximately 30 days. Rusta's annual report is distributed via the Group's website, where it is possible to subscribe to Rusta's financial reports. More information about Rusta's share, owners and analysts and more can be found at investors.rusta.com.

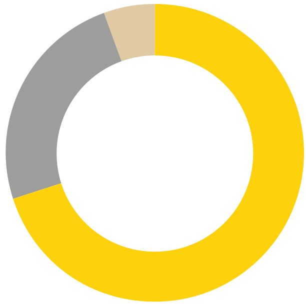
Shareholder	Number of shares	Capital and votes, %
Öngal i Uppsala invest AB	45,356,981	29.54
Aforber Invest AB	41,064,404	26.75
Sven-Olof Kulldorf	9,734,338	6.41
Fidelity Investments (FMR)	7,872,046	5.13
Capital Group	7,408,415	4.83
Handelsbanken Fonder	5,459,321	3.56
Göran Westerberg	4,323,472	2.82
Tredje AP-fonden	3,673,627	2.39
AB Företagsledare Rego	2,809,052	1.85
T. Rowe Price	2,558,737	1.67
Total 10 largest shareholders	**130,260,393**	**84.94**
Other (incl. treasury shares)	23,268,576	15.06
Total shares	**153,528,969**	**100.00**

Country distribution



Sweden 82.9%
Foreign owners 17.1%

Owner type distribution



Private owners 70.0%
Fund companies 24.5%
Others (incl. treasury shares) 5.5%

(Source: Modular Finance)

More information about Rusta's share, owners and analysts and more can be found at investors.rusta.com.

Definitions and glossary

Key ratio	Definition
Net sales growth, %	Growth in net sales. Net sales in current period divided by net sales in the comparative period.
Currency effect, %	The increase/decrease in profit/loss line items for the period attributable to the effects of exchange rate fluctuations divided by profit/loss line items in the comparative period recalculated to the foreign exchange rate applicable for the comparative period.
LFL growth, %	Change in comparable sales between the current and comparative periods, where comparable sales are sales in comparable stores that have been operational throughout the entire current and comparative period. For a store to be classified as comparable, it must have been open for a full financial year.
Net sales growth excl. currency effects, %	Net sales growth adjusted for currency effects.
LFL growth excl. currency effects, %	LFL growth adjusted for currency effects.
Items affecting comparability	Income and expense items recognised separately as a result of their nature and their amounts. All included items are bigger and significant during certain periods, or non-existent in other periods.
Gross profit	Net sales less the cost of goods sold including the inbound cost of the goods.
Gross margin, %	Gross profit divided by net sales.
Operating profit (EBIT)	Earnings before financial items and taxes.
EBITA	Operating profit before amortisation and impairment of intangible assets arising in connection with business combinations.
EBITA excl. IFRS 16	Operating profit before amortisation and impairment of intangible assets arising in connection with business combinations, adjusted for the effects of IFRS 16. The effect of IFRS 16 on EBITA is that the total cost for leases is recognised as an operating expense, which differs from the consolidated statement of profit or loss where the interest component is included in net financial items.
Adjusted EBITA	EBITA excluding items affecting comparability.
Operating profit margin (EBIT margin), %	Operating profit (EBIT) divided by net sales.
EBITA margin, %	EBITA divided by net sales.
Adjusted EBITA margin, %	EBITA excluding items affecting comparability divided by net sales.

Key ratio	Definition
EBITDA	Earnings before tax, financial items, depreciation and amortisation.
EBITDA margin, %	EBITDA divided by net sales.
Working capital	Current assets less current liabilities.
Net debt	Total current and non-current interest-bearing liabilities less cash and cash equivalents.
Net debt excl. IFRS 16	Total current and non-current interest-bearing liabilities excluding lease liabilities recognised in accordance with IFRS 16 and less cash and cash equivalents.
Net debt excl. IFRS 16 / EBITDA excl. IFRS 16, LTM	Net debt excl. IFRS 16 divided by adjusted EBITDA excl. IFRS 16 for the last twelve months.
Equity/assets ratio, %	Total equity divided by total assets.
Equity/assets ratio excl. IFRS 16, %	Total equity divided by total assets excluding lease liabilities recognised in accordance with IFRS 16. Right-of-use assets recognised in accordance with IFRS 16 are included in total assets and not adjusted for.
Return on equity, %	Profit for the last twelve months in relation to shareholder's equity.

Operating ratios	Definition
Number of loyalty club members	The number of unique individuals who actively opt to be members of the Rusta membership club "Club Rusta."
Number of customers	The number of visitors to Rusta's stores or Rusta's Online webstore.

2025 Annual General Meeting

Rusta's 2025 Annual General Meeting will take place on Friday, 19 September 2025 in Upplands Väsby.

Shareholders who wish to have a matter addressed by the Annual General Meeting must submit their proposals to the company no later than 1 August 2025 by e-mail to: investors@rusta.com or by post to:
Rusta AB (publ)
Att: Årsstämma
Box 5064
SE-194 05 Upplands Väsby

Financial calendar

Report/information	Period	Date
Interim report Q1 2025/26	1 May 2025–31 Jul 2025	11 Sep 2025
2025 Annual General Meeting	1 May 2024–30 Apr 2025	19 Sep 2025
Interim report Q2 2025/26	1 Aug 2025–31 Oct 2025	9 Dec 2025
Interim report Q3 2025/26	1 Nov 2025–31 Jan 2026	12 Mar 2026
Year-end report Q4 2025/26	1 May 2025–30 Apr 2026	9 Jun 2026

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Produced by Rusta in collaboration with Année Advisory.
All images: Rusta.


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Vardagar 10-20