

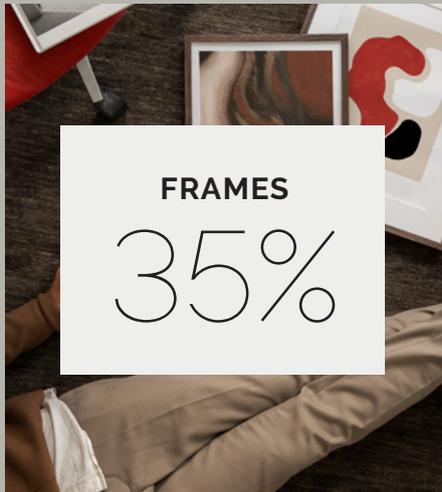
DESENIIO GROUP



REPORT ON THE
FOURTH QUARTER 2022



Market leading product assortment of about 9,000 affordable and trendy designs of which a significant share is proprietary to Desenio.



Frames are offered in various wooden and metal finishes in the same sizes as posters.



Other accessories include products such as mat boards, picture ledges, art clips, and other printed products.

Who we are

Desenio is the leading e-commerce company within affordable wall art in Europe, with a growing presence in North America. We offer our customers a unique and curated assortment of about 9,000 designs as well as frames and accessories in 35 countries via 44 local websites. With a proven strategic playbook for geographic expansion, we're steadily expanding to new markets. We create first order profitability through a social media and search driven customer acquisition model.

WHAT WE STAND FOR

Desenio Group's business model is based on a simple but ambitious mission; we help our customers to create beautiful homes through affordable wall art, designed solely for our customers, based on current trends. We have a disruptive approach to a large global design category with significant expected growth, providing industrial and data driven creativity at scale, generating proprietary designs.

OUR WORKPLACE CULTURE

Familiarity in a truly global environment is at the heart of Desenio Group's workplace culture. As a workforce comprising many nationalities, we leverage our collective understanding of local markets, while at the same time uniting in one common set of values and goals. We Stand Together as one team, Lead by Example and take individual initiative, have persistent Customer Dedication, and make sure to Always be Closing any task we start.

AGILE ORGANIZATION

We adapt our organization to prevailing market conditions to be ready and take advantage of future growth potential. The focus is on ensuring cash flow and profitability.

NEW FRONTIERS

In addition to profitability, we also focus on selectively breaking new ground in future key markets, such as North America. The team there has taken shape and continues to grow and we opened a logistics center on site during the third quarter of 2022.

SUMMARY

Adjusted EBITA margin increased to 16.2% despite lower sales in the quarter compared to the same quarter last year. Positive cash flow from operating activities of SEK 23.9 million in the quarter.

FOURTH QUARTER

- Net sales decreased 11.7% to SEK 282.1 (319.4) million.
- Gross margin for the quarter was 85.6% (82.3%).
- Operating result amounted to SEK 36.6 (38.9) million, corresponding to an operating margin of 13.0% (12.2%).
- Adjusted EBITA was SEK 45.6 (48.9) million, corresponding to an adjusted EBITA margin of 16.2% (15.3%).
- Result before tax was SEK 22.4 (23.5) million.
- Cash flow from operating activities amounted to SEK 23.9 (37.2) million.
- Earnings per share was SEK 0.05 (0.10) before dilution and SEK 0.05 (0.10) after dilution.

JANUARY-DECEMBER

- Net sales decreased 21.4% to SEK 964.9 (1,227.2) million.
- Gross margin for the period was 84.0% (82.2%).
- Operating result amounted to SEK 52.8 (143.0) million, corresponding to an operating margin of 5.5% (11.7%).
- Adjusted EBITA was SEK 101.9 (201.5) million, corresponding to an adjusted EBITA margin of 10.6% (16.4%).
- Result before tax was SEK -14.6 (76.7) million.
- Cash flow from operating activities amounted to SEK 25.0 (26.3) million.
- Earnings per share was SEK -0.15 (0.40) before dilution and SEK -0.15 (0.38) after dilution.
- For the full year 2022, the Board proposes no ordinary dividend.

FINANCIAL SUMMARY

SEKm unless otherwise indicated	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - 31 Dec 2022	Jan 1 - 31 Dec 2021	Change
Net sales	282.1	319.4	-11.7%	964.9	1,227.2	-21.4%
Net sales growth, %	-11.7	-5.6	-6.1 pp	-21.4	25.4	-46.8 pp
Gross margin, %*	85.6	82.3	3.2 pp	84.0	82.2	1.8 pp
EBITA*	45.6	47.8	-4.5%	88.7	178.3	-50.2%
EBITA margin, %*	16.2	15.0	1.2 pp	9.2	14.5	-5.3 pp
Adjusted EBITA*	45.6	48.9	-6.6%	101.9	201.5	-49.4%
Adjusted EBITA margin, %*	16.2	15.3	0.9 pp	10.6	16.4	-5.9 pp
Earnings per share	0.05	0.10	-47.7%	-0.15	0.40	-138.1%
Cash flow from operating activities	23.9	37.2	-35.6%	25.0	26.3	-5.0%
Net debt*	999.0	978.2	2.1%	999.0	978.2	2.1%
Visits, '000	19,086	24,771	-22.9%	75,577	104,636	-27.8%
Orders, '000	543	692	-21.6%	1,891	2,520	-25.0%
Active Customers, '000*	3,312	3,777	-12.3%	3,312	3,777	-12.3%

* The figure is an Alternative Performance Measure (APM) and is described in definitions

CEO'S COMMENTS

The market for wall art was stable during the fourth quarter 2022, in line with the previous quarter. Demand, however, was at a lower level compared to Q4 2021. This was reflected in Desenio's net sales, which decreased by 12%. At the same time, it is encouraging that our adjusted EBITA continued to rise in relation to sales; from 13% in Q1, -5% in Q2, 13% in Q3 to 16% in Q4. The profitability for the quarter was higher than the corresponding period in 2021, despite marketing costs being five percentage points higher. The development shows that the cost savings and the streamlining of inventory management and distribution we implemented have yielded results.



During the first half of 2022, we operated in an environment that was unpredictable due to external factors and which mainly affected sales negatively. To handle the decline, we announced in June 2022 an annual reduction of our salary costs of SEK 32 million. The lower cost level was visible already in the third quarter but was countered by higher costs of marketing. We see signs that the competition in online marketing is decreasing, but are at the same time humbled by the fact that it is too early to predict how it will affect our costs. We navigate this changing landscape with cost control and daily adaptation of our marketing.

Fulfillment, i.e., the cost of inventory management and distribution, decreased in share of sales despite lower volumes, from 29.1% in Q4 2021 to 27.8% in Q4 2022. The improvement is explained by lower shipping costs, which despite higher fuel prices and wages decreased as a result of our investments in an efficient logistics structure with warehouses close to our customers. However, cost per order for the inventory management is at the same level as in 2021 but will decrease as sales volumes increase.

Net sales during the fourth quarter decreased by 12% to SEK 282 million and by 21% to SEK 965 million for the full year 2022, compared with the corresponding periods of the previous year. However, the conversion rate and the average order value during the fourth quarter rose compared to the fourth quarter of 2021. Net sales during the fourth quarter developed in line with the market development in our main European markets. In the Nordics, net sales fell by 6%, core markets in Europe fell by 8% and the rest of Europe fell by 22%. The rest of the world increased by 4%. In North Amer-

ica net sales increased by approximately 7% compared to the fourth quarter 2021. We assess that over time the market has the potential to form a significant part of our sales.

Adjusted EBITA for the fourth quarter amounted to SEK 45.6 (48.9) million and to SEK 101.9 (201.5) million for 2022, corresponding to an adjusted EBITA margin of 16.2% (15.3 %) and 10.6% (16.4%) respectively. The operating result, EBIT, for the corresponding periods amounted to SEK 36.6 (38.9) million and SEK 52.8 (143.0) million, corresponding to an operating margin of 13.0% (12.2%) and 5.5% (11.7%) respectively. The operating cash flow during the fourth quarter amounted to SEK 24 (37) million. Cash and cash equivalents amounted to SEK 156 million at the end of the year.

The uncertainty we lived with during 2022 will continue during 2023 as a result of rising interest rates, inflation and the ongoing war. However, we stand strong thanks to our market-leading position, where we are gradually expanding our product range. The combination of our efficient operations, highly motivated employees and a cost level that is balanced in relation to current sales levels makes us well equipped for growth.

Finally, I want to thank all our co-workers for your never-ending commitment during and after a difficult 2022. I am incredibly proud of you and the work you do to take Desenio Group further on the success journey we have set out together!

FREDRIK PALM
President and CEO

THE GROUP'S DEVELOPMENT

NET SALES

Fourth quarter

Net sales in the quarter decreased 11.7% to SEK 282.1 (319.4) million.

January-December

Net sales during the period decreased by 21.4% to SEK 964.9 (1,227.2) million.

PROFITABILITY AND MARGINS

Fourth quarter

The gross margin for the quarter increased to 85.6% (82.3%), driven by higher sales prices, stable purchase prices, lower shipping costs, and exchange rate effects compared to the corresponding quarter last year.

Total operating costs were lower in absolute terms compared to the previous year's quarter. The largest change was the fulfilment costs, where the cost ratio went from 29.1% in relation to net sales to 27.8% as a result of our investments in an efficient logistics structure with warehouses closer to the customers. In relation to net sales, marketing expenses were 24.3% last year and 29.2% (excluding depreciation of the Poster Store customer database of SEK 8.3 million) in the quarter, due to an increased investment in marketing, including in North America. Items affecting comparability amounted to SEK 0 (1.1) million.

Operating profit (EBIT) for the quarter amounted to SEK 36.6 (38.9) million. Adjusted EBITA during the quarter amounted to SEK 45.6 (48.9) million and the adjusted EBI-

TA margin amounted to 16.2% (15.3%) compared with the previous year.

January-December

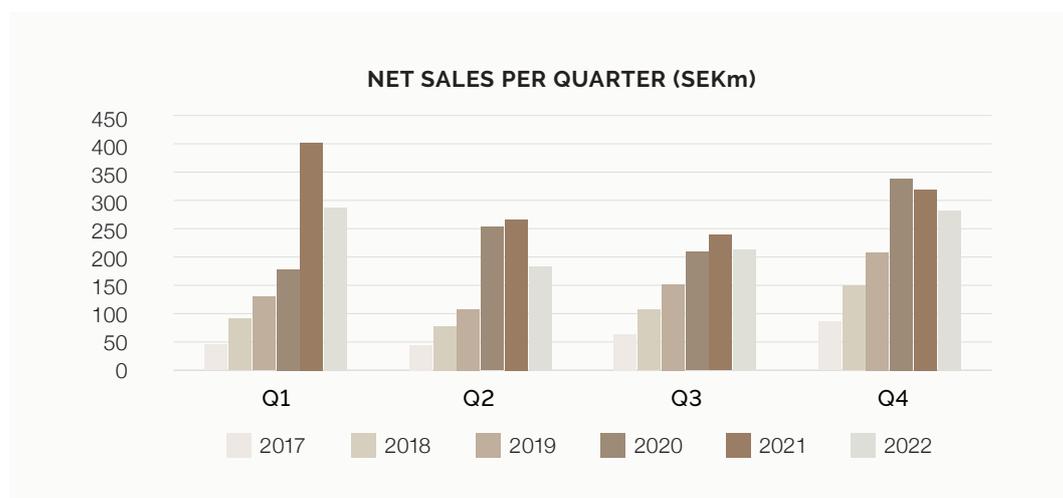
The gross margin for the period increased to 84.0% (82.2%), driven by sales price increases, stable purchase prices, lower shipping costs and exchange rate effects.

Operating profit (EBIT) for the period amounted to SEK 52.8 (143.0) million. Adjusted EBITA in the period amounted to SEK 101.9 (201.5) million and the adjusted EBITA margin amounted to 10.6% (16.4%). The change is explained by lower net sales and that costs were lower in absolute terms but higher in relation to net sales. In relation to net sales, marketing costs were 23.5% the previous year and 28.0% (excluding depreciation of the Poster Store customer database) during the current period. Items affecting comparability amounted to SEK 13.2 (23.2) million and related to the warehouse move in the first quarter 2022, redundancies in the second quarter of 2022 and costs for the listing process in quarter one to four of 2021, which have been deducted from adjusted EBITA.

CASH FLOW AND FINANCIAL POSITION

Fourth quarter

Cash flow from operating activities amounted to SEK 23.9 (37.2) million for the quarter. Income tax was positive mainly as a result of refunded tax for the income year 2021 of SEK 22.6 million.



Sales follow a seasonal pattern, where sales in quarter one usually corresponds to just over 20% of the year's total sales, quarter two just under 20%, quarter three about 25% and quarter four around 35%.

Cash flow from changes in working capital was SEK -23.4 million. Inventories decreased in the quarter with SEK 9.7 million after the inventory increase, due to the regular preparation for the high season, in quarter three. A decrease in current liabilities such as accounts payable and accrued liabilities reduced the cash flow with SEK 33.2 million.

January-December

Cash flow from operating activities amounted to SEK 25.0 (26.3) million for the period. Tax paid of SEK -26.8 million refers to payment of the remaining parts of corporation taxes for the income year 2020 of SEK -37.5 million, paid preliminary taxes for the income year 2022 of SEK -13 million, and offset by 22.6 million of refunded tax for the income year 2021.

Cash flow from changes in working capital was SEK 0.8 (-72.2) million, with inventories decreased by SEK 17.3 million during the period and the changes in current receivables / liabilities decreased cash flow by net SEK 16.5 million.

INVESTMENTS

Fourth quarter

Net investments in tangible assets in the quarter was SEK 8.4 (6.7) million related to equipment in the warehouses in Czech Republic and the US. Investments in intangible assets were SEK 0 (0) million.

The previous year's lease investment of SEK 5.2 million concerned the lease agreement for the warehouse in the Czech Republic.

January-December

Net investments in tangible assets in the period were SEK 13.9 (7.5) million related to equipment in the warehouses in the Czech Republic and the US. Investments in lease assets of SEK 0.9 million refers to a payment in quarter one in order to leave a rental agreement earlier. Investments in intangible assets were SEK 3.1 (0) million, which mainly consists of investments in the websites and ERP-system.

The previous year's investment concerned the lease for the warehouse in the Czech Republic with the amount of SEK 51.0 million and an office lease of SEK 8.1 million.

FINANCIAL POSITION AND FINANCING

As of 31 December 2022, equity amounted to SEK 238.5 million, compared to SEK 260.7 million at the beginning of the period.

As of 31 December 2022, cash and cash equivalents amounted to SEK 155.7 million compared to 162.2 million at the beginning of the year. Net debt amounted to SEK 999.0 million per 31 December 2022 compared to SEK 978.2 million at the beginning of the period.

Desenio Group AB (publ) issued a Senior Secured bond in December 2020 totalling SEK 1,100 million in connection with the acquisition of Poster Store. The bond bears a floating interest rate of STIBOR 3m +5,5% and matures in December 2024. Maximum amount of the bond is SEK 1,800 million. The bond has no current covenants except when raising new debt or, for example, in the event of a share dividend.

Borrowing costs for the bond are amortized by SEK 2.2 million per quarter until December 2024. The amount is included in interest expenses and is non-cash flow affecting.

OTHER INFORMATION

SIGNIFICANT EVENTS JANUARY - DECEMBER

The logistics centre for North America opened in September. In June a cost savings program was implemented and the non-recurring cost amounted to SEK 10.7 million.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred after the end of the period that are expected to have a substantial effect on the Desenio Group.

DIVIDEND

For the full year 2022, the Board proposes no ordinary dividend.

AUDIT REPORT

This report has not been reviewed by the auditors.

OWNERSHIP AND SHARES

Desenio Group AB's (publ) share is listed on the First North Growth Market under the symbol DSNO and has the ISIN code SE0015657853.

At the last trading day of the period, the share price was SEK 2.92. The highest closing price, SEK 26.54, was quoted in January and the lowest closing price, SEK 1.52, was quoted in September. During the period, 200,885,118 shares were traded.

As of 31 December, Desenio Group had 3,489 shareholders, of which the largest were Verdane (25.2%), MBHB Holding AB (9.9%), and Hars Holding AB (9.5%).

As of 31 December, the number of issued shares was 149,082,510 after 4,971,400 shares were issued in the second quarter. All shares were ordinary shares.

NUMBER OF EMPLOYEES

The average number of employees during the year was 177 and during the quarter 166, which also includes employees at the warehouses.

RISKS AND UNCERTAINTIES

The Group's significant risk and uncertainty factors include financial risks such as market risk (consisting of currency risk and interest rate risk), credit risk and liquidity risk, as well as operational and business risks. For more information on risks and risk management, please refer to Desenio's annual report for 2021.

ALTERNATIVE PERFORMANCE MEASURES (APM)

In this quarterly report, Desenio reports certain performance measures, including key figures which are not defined in ac-

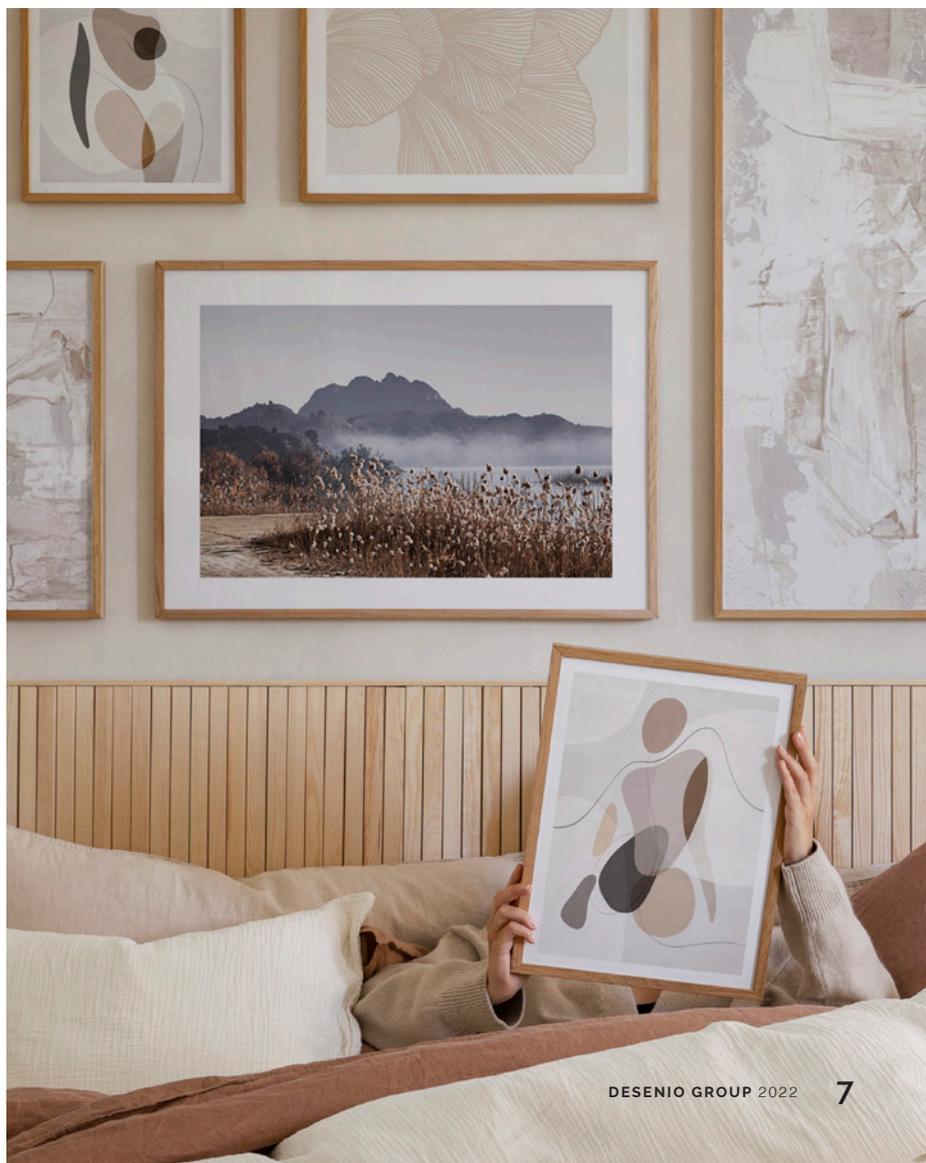
cordance with IFRS. The company believes that these key figures are an important complement, as they enable a better evaluation of the company's financial trends. These financial ratios shall not be considered independent or considered to replace performance ratios that have been calculated in accordance with IFRS. In addition, such key figures, as defined by Desenio, should not be compared with other key figures with similar names used by other companies. This is because the above key figures are not always defined in the same way and other companies can calculate them in a different way than Desenio.

Adjusted EBIT is exclusive of cost items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities. Items affecting comparability include transaction-related costs 2021, warehouse relocation costs 2022, and termination costs 2022.

The measure Adjusted EBITA is relevant to give an indication of the Company's underlying results generated by operating activities.

Other definitions of alternative performance measures can be found in the section Definitions of performance measures.

SEKm unless otherwise indicated	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - 31 Dec, 2022	Jan 1 - 31 Dec, 2021
EBIT	36.6	38.9	52.8	143.0
Amortizations	9.0	8.9	35.9	35.3
EBITA	45.6	47.8	88.7	178.3
One-off costs	0.0	1.1	13.2	23.2
Adjusted EBITA	45.6	48.9	101.9	201.5
Non-current liabilities			1,083.0	1,074.3
Non-current lease liabilities			52.1	51.4
Current lease liabilities			19.6	14.7
Cash and cash equivalents			-155.7	-162.2
Net debt			999.0	978.2



FINANCIAL SUMMARY

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEKm unless otherwise indicated	Oct 1 - Dec 31 2022	Oct 1 - Dec 31 2021	Jan 1 - 31 Dec 2022	Jan 1 - 31 Dec 2021
Net sales	282.1	319.4	964.9	1,227.2
Cost of goods sold	-40.7	-56.3	-154.4	-219.0
Gross profit	241.4	263.0	810.5	1,008.2
Operating costs				
Fulfilment costs	-78.5	-93.0	-287.0	-345.2
Marketing costs	-90.8	-85.8	-294.7	-321.9
Admin & other costs	-29.1	-47.3	-164.8	-196.9
Other operating income	-2.3	10.8	8.0	16.8
Other operating costs	-4.2	-8.8	-19.2	-18.1
Operating profit	36.6	38.9	52.8	143.0
Financial income and expenses				
Financial income	8.1	9.2	13.6	9.2
Financial costs	-22.4	-24.6	-80.9	-75.5
Net financial items	-14.2	-15.4	-67.3	-66.3
Profit/loss before tax	22.4	23.5	-14.6	76.7
Income tax	-14.3	-8.5	-7.8	-19.5
Profit/loss for the period	8.1	15.0	-22.3	57.2
EARNINGS PER SHARE				
Basic	0.05	0.10	-0.15	0.40
Diluted	0.05	0.10	-0.15	0.38
Number of outstanding shares at the end of the reporting period				
- basic (SEK)	149,082,510	144,111,110	149,082,510	144,111,110
Average number of outstanding shares				
- basic (SEK)	149,082,510	144,111,110	147,107,759	143,562,962
- diluted (SEK)	149,082,510	149,970,433	147,107,759	149,787,145

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - IN SUMMARY

SEKm unless otherwise indicated	31 Dec, 2022	31 Dec, 2021
Goodwill	834.3	834.3
Trademarks	429.0	429.0
Other intangible assets	39.3	73.1
Tangible assets	21.9	11.1
Right-of-use assets	65.9	64.9
Financial assets	7.6	6.8
Inventories	74.0	91.3
Current receivables	20.5	30.9
Cash and cash equivalents	155.7	162.2
Total assets	1,648.2	1,703.6
Equity	238.5	260.7
Provisions	95.0	103.4
Non-current liabilities	1,083.0	1,074.3
Non-current lease liabilities	52.1	51.4
Current lease liabilities	19.6	14.7
Current liabilities	160.0	199.1
Total equity and liabilities	1,648.2	1,703.6



CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	Oct 1 - Dec 31,	Oct 1 - Dec 31,	Jan 1 - 31 Dec	Jan 1 - 31 Dec
	2022	2021	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL				
Profit after financial items	22.4	23.5	-14.6	76.7
Adjustments for non-cash items	3.3	14.1	65.5	46.8
Paid income tax	21.6	-8.8	-26.8	-25.0
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	47.3	28.9	24.2	98.5
CASH FLOW FROM CHANGES IN WORKING CAPITAL				
Changes in inventory	9.7	-20.1	17.3	-37.6
Changes in current assets	0.2	-8.5	11.5	20.4
Changes in current liabilities	-33.2	36.9	-28.0	-55.0
Cash flow from changes working capital	-23.4	8.3	0.8	-72.2
CASH FLOW FROM OPERATING ACTIVITIES	23.9	37.2	25.0	26.3
CASH FLOW FROM INVESTING ACTIVITIES				
Investments in fixed assets	-8.4	-12.1	-13.9	-66.6
Investments in intangible assets	0.0	0.0	-3.1	0.0
Investments in lease assets	8.9		-0.9	
Change in financial assets	-1.8	0.3	-0.4	-1.0
Acquisition of subsidiaries, net liquidity effect	0.0	0.0	0.0	-213.8
Cash flow from investing activities	-1.2	-11.8	-18.3	-281.5
CASH FLOW FROM FINANCING ACTIVITIES				
Change in provisions	0.0	0.0	-1.8	0.0
Warrants	0.0	0.0	0.0	6.3
Change of loans	0.0	1.2	0.0	48.8
Repayment and interest for lease liability	-2.8		-11.4	
Dividend paid to the parent company's shareholders	0.0	0.0	0.0	-285.1
Cash flow from financing activities	-2.8	1.2	-13.2	-230.0
Cash flow for the period	19.9	26.6	-6.5	-485.2
Currency exchange gains/losses in cash and cash equivalents	0.0	0.0	0.0	0.0
Cash and cash equivalents beginning of period	135.8	135.6	162.2	647.4
CASH AND CASH EQUIVALENTS END OF PERIOD	155.7	162.2	155.7	162.2

The classification of IFRS 16-related items was changed in quarter four 2022, which affects the figures for quarter four 2022 and the comparison figures since retroactive adjustments have not been carried out.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm unless otherwise indicated	Oct 1 - Dec 31,	Oct 1 - Dec 31,	Jan 1 - 31 Dec	Jan 1 - 31 Dec
	2022	2021	2022	2021
Opening balance	230.3	245.3	260.7	186.2
Total comprehensive income for the period	8.1	15.0	-22.3	57.2
New share issue, net	-	-	0	296.0
Warrants	-	-	0	6.4
Dividend	-	-	-	-285.1
Translation difference	0.1	0.4	0.1	0.0
Closing balance	238.5	260.7	238.5	260.7

GROUP KEY PERFORMANCE INDICATORS (KPIs)

SEKm unless otherwise indicated	Oct 1 - Dec 31,	Oct 1 - Dec 31,	Change	Jan 1 - 31 Dec	Jan 1 - 31 Dec	Change
	2022	2021		2022	2021	
Net sales	282.1	319.4	-11.7%	964.9	1,227.2	-21.4%
Net sales growth, %	-11.7	-5.6	-6.1 pp	-21.4	25.4	-46.8 pp
Gross margin, %*	85.6	82.3	3.2 pp	84.0	82.2	1.8 pp
Fulfilment cost ratio %*	27.8	29.1	-1.3 pp	29.7	28.1	1.6 pp
Marketing cost ratio, %*	29.2	24.3	5.0 pp	27.1	23.5	3.6 pp
Admin & other cost ratio, %*	10.3	14.8	-4.5 pp	17.1	16.0	1.0 pp
Operating profit (EBIT)	36.6	38.9	-5.8%	52.8	143.0	-63.1%
Operating profit (EBIT) margin %	13.0	12.2	0.8 pp	5.5	11.7	-6.2 pp
EBITA*	45.6	47.8	-4.5%	88.7	178.3	-50.2%
EBITA margin, %*	16.2	15.0	1.2 pp	9.2	14.5	-5.3 pp
Adjusted EBITA*	45.6	48.9	-6.6%	101.9	201.5	-49.4%
Adjusted EBITA margin, %*	16.2	15.3	0.9 pp	10.6	16.4	-5.9 pp
EBITDA*	50.3	48.2	4.4%	108.4	180.3	-39.9%
Earnings per share	0.05	0.10	-47.7%	-0.15	0.40	-138.1%
Cash flow from operating activities	23.9	37.2	-35.6%	25.0	26.3	-5.0%
Capital expenditures**	8.4	6.7	25.6%	17.1	7.5	127.8%
Net debt*	999.0	978.2	2.1%	999.0	978.2	2.1%
Visits, '000	19,086	24,771	-22.9%	75,577	104,636	-27.8%
Orders, '000	543	692	-21.6%	1,891	2,520	-25.0%
Average Order Value, SEK	541	474	14.1%	526	498	5.6%
Active Customers, '000*	3,312	3,777	-12.3%	3,312	3,777	-12.3%

* The figure is an Alternative Performance Measure (APM) and is described in definitions.

** Excluding leases.

PARENT COMPANY INCOME STATEMENT

SEKm unless otherwise indicated	Oct 1 - Dec 31,	Oct 1 - Dec 31,	Jan 1 - 31 Dec	Jan 1 - 31 Dec
	2022	2021	2022	2021
Net sales	3.0	4.2	11.5	7.6
Cost of goods sold	0.0	0.0	0.0	0.0
Gross profit	3.0	4.2	11.5	7.6
Operating costs				
Fulfilment costs	0.2	0.0	0.0	0.0
Marketing costs	0.0	-0.3	0.0	-0.4
Admin & other costs	-5.8	-9.1	-21.2	-39.9
Other operating income	-4.9	0.1	0.0	0.1
Other operating costs	0.0	-0.1	0.0	-0.2
Operating profit	-7.5	-5.2	-9.7	-32.8
Financial income and expenses				
Financial income	5.8	0.1	5.8	0.1
Financial expenses	-21.6	-18.0	-79.6	-68.2
Net financial items	-15.8	-17.9	-73.8	-68.2
Group contributions	100.9	207.3	100.9	207.3
Profit/loss before tax	77.6	184.2	17.4	106.4
Income tax	-14.0	-25.2	-14.0	-25.2
Profit/loss for the period	63.6	159.0	3.4	81.2

PARENT COMPANY STATEMENT OF FINANCIAL POSITION – IN SUMMARY

SEKm unless otherwise indicated	31 Dec	31 Dec
	2022	2021
Tangible assets	0.1	0.1
Financial assets	1,406.3	1,406.3
Currents receivables	111.5	80.0
Cash and cash equivalents	9.5	17.6
Total assets	1,527.3	1,504.0
Equity	413.9	410.5
Provisions	0.0	0.0
Non-current liabilities	1,083.0	1,074.3
Current liabilities	30.4	19.2
Total equity and liabilities	1,527.3	1,504.0

1. ACCOUNTING PRINCIPLES

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act. 2021 was Desenio's first year reporting according to IFRS (EU) and a full account of the groups accounting principles and details about the transitions to IFRS can be found in the annual report.

Disclosures in accordance with IAS 34. 16A are disclosed not only in the financial statements and their notes but also in other parts of the interim report.

The Interim Financial Statements or the Parent Company have been prepared in accordance with Chapter 9 Interim report in the Annual Accounts Act.

2. OPERATING SEGMENTS AND DISAGGREGATION OF REVENUE

The Group's operations are reviewed by geography as a basis for segments. The review includes net sales, cost of

goods sold and operating costs. The operating segments consist of the Nordics, Core Europe (DE, FR, NL, UK), Rest of Europe and Rest of the World. Operating expenses include fulfilment and marketing costs and certain costs are allocated according to an allocation key. Other include other costs, depreciation and amortizations.

3. EQUITY

The number of shares and votes changed in the second quarter due to the exercise of warrants in the long-term incentive program 2017/2022. The exercise period began on 1 April 2022 and lasted until 31 May 2022. All outstanding warrants were exercised, which meant 4,971,400 new shares and votes. Thus, there are a total of 149,082,510 shares and votes in the company.

At the Annual General Meeting on 12 May 2022, it was decided to introduce a long-term incentive program for employees within the Desenio Group. A maximum of 1,130,000 warrants may be issued and each warrant gives the right to subscribe for one new share, to the price SEK 12.59, in the company from 10 June 2025 to 10 September 2025.

INCOME STATEMENT PER SEGMENT JANUARY - DECEMBER 2022

SEKm unless otherwise indicated	Nordics	Core Europe	Rest of Europe	Rest of World	Other	Total
Net sales	221.9	476.3	195.4	71.3	0,0	964.9
Cost of goods sold	-37.4	-75.0	-32.3	-9.7	0,0	-154.4
Gross profit	184.5	401.3	163.1	61.7	0.0	810.5
Operating costs	-124.1	-263.2	-102.9	-58.2	-209.3	-757.7
Operating profit	60.4	138.1	60.2	3.5	-209.3	52.8
Net financial items					-67.3	-67.3
Profit/loss before tax	60.4	138.1	60.2	3.5	-276.7	-14.6

INCOME STATEMENT PER SEGMENT JANUARY - DECEMBER 2021

SEKm unless otherwise indicated	Nordics	Core Europe	Rest of Europe	Rest of World	Other	Total
Net sales	262.5	653.2	238.2	67.1	6.3	1,227.3
Cost of goods sold	-48.9	-117.8	-44.2	-8.1	0.0	-219.0
Gross profit	213.6	535.4	194.0	59.0	6.3	1,008.3
Operating costs	-111.3	-357.3	-147.1	-43.0	-206.5	-865.3
Operating profit	102.3	178.1	46.9	16.0	-200.2	143.0
Net financial items					-66.3	-66.3
Profit/loss before tax	102.3	178.1	46.9	16.0	-266.5	76.7

Stockholm, 15 February 2023

Alexander Hars
Chairman of the board

Martin Blomqvist
Board member

Max Carlsén
Board member

Sarah Kauss
Board member

Cecilia Marlow
Board member

Nathalie du Preez
Board member

Jakob Tolleryd
Board member

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**CORPORATE IDENTITY
NUMBER: 559107-2839**



A webcast - in English – will be held at 09.00 CET. Fredrik Palm, CEO, and Kristian Lustin, CFO, will present the Quarterly Report.

If you wish to participate via webcast, please use the link <https://ir.financialhearings.com/desenio-group-q4-2022/register> Via the webcast you can ask written questions.

If you wish to participate via teleconference, please register on the link <https://conference.financialhearings.com/teleconference/?id=5009997>

After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

FINANCIAL CALENDAR

Interim Report January - March 2023: 27 April 2023

Annual Report 2022: 4 May 2023

Annual General Meeting 2022: 25 May 2023

Interim Report January - June 2023: 14 July 2023

Interim Report January - September 2023: 26 October 2023

Interim Report January - December 2023: 15 February 2024

FINANCIAL REPORTS

The interim reports are available on the website:

www.deseniogroup.com

FNCA Sweden AB is the company's certified adviser.

This is information that Desenio Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out in the press release concerning this report, at 07.00 CET on 15 February 2023.

DEFINITIONS OF PERFORMANCE MEASURES

PERFORMANCE MEASURE	DEFINITION	JUSTIFICATION FOR USAGE
Active customers	Number of customers who have completed at least one order during the previous 24-month period.	This key figure measures the Company's ability to attract and retain customers.
Administration and other cost ratio, %	Operating expenses plus other operating income, less costs for goods sold, external handling and distribution costs and external marketing costs divided by net sales, expressed as a percentage.	This key figure gives the Company an indication of external costs, per krona earned, which are not attributable to handling and distribution costs or marketing costs and is thus an indication of the efficiency of the Company's operations.
Marketing cost ratio, %	Marketing cost (excluding acquisition related depreciation and amortization) divided by net sales, expressed as a percentage.	This key figure enables the Company to measure how efficient its marketing activities are and thus constitutes an indication of how efficient the Company's operations are.
Fulfilment cost ratio, %	Fulfilment cost (excluding acquisition related depreciation and amortization), divided by net sales, expressed as a percentage.	This is a key figure and gives the Company an indication of how much of the costs for each krona earned in net sales derives from handling and distribution, and thus constitutes an indication of how efficient the Company's operations are.
Number of visits ('000)	The number of series of page requests from the same device/source during the measurement period (regardless of which device is used).	This key figure enables the Company to measure its scope and customer activity.
Number of orders ('000)	Number of orders placed during the measurement period, adjusted for cancellations and returns.	Number of orders is a key figure used to measure customer engagement.
Gross margin, %	Gross profit (net sales minus costs of goods sold) divided by net sales, expressed as a percentage.	The gross margin provides an overview of the product margin generated by the current operations.
EBIT margin, %	Operating profit (EBIT) divided by net sales, expressed as a percentage.	Operating margin provides an overview of the result that has been generated by operating activities.
EBITA	Operating profit with add-back of depreciation and write-downs on intangible assets.	EBITA provides an overall picture of profit generated by the business with the reversal of depreciation and write-downs on acquisition-related intangible assets.
EBITA-margin, %	EBITA as a percentage of net sales.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.
EBITDA	Profit before financial items, tax and depreciation and write-downs.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.

DEFINITIONS OF PERFORMANCE MEASURES CONT.

PERFORMANCE MEASURE	DEFINITION	JUSTIFICATION FOR USAGE
Average order value (AOV)	Transaction-based net sales divided by the number of orders during the measurement period. Average order value is minus discounts, excluding VAT and after returns.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.
Capital expenditures	Investments in tangible and intangible fixed assets, excluding financial fixed assets.	This key figure gives the Company a picture of investments. Including capitalized leasing contracts.
Adjusted EBIT	EBIT excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	Adjusted EBIT is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities.
Adjusted EBIT-margin, %	Adjusted EBIT divided by net sales, expressed as a percentage.	Adjusted EBIT margin is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities.
Adjusted EBITA	EBITA excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	The measure is relevant to give an indication of the Company's underlying results generated by operating activities excluding items affecting comparability.
Adjusted EBITA-margin, %	Adjusted EBITA divided by net sales, expressed as a percentage.	The measure is relevant for giving an indication of the Company's underlying profit as a share of net sales, which is generated by operating activities excluding items affecting comparability.
Adjusted EBITDA	EBITDA excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	Adjusted EBITDA is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities before depreciation.
Net sales growth, %	Annual growth in net sales, expressed as percentage.	This key figure enables the company to compare its growth rate in between different periods and with market as a whole and competitors.
Net debt/net cash	Interest-bearing liabilities reduced by cash and cash equivalents.	Net debt / net cash is a key figure that shows the Company's total indebtedness.





DESENIO GROUP