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"Our main priority for 2024 is to strengthen our profitability, and it is therefore gratifying that in the first quarter, as in the fourth quarter of 2023, we succeeded in improving our profitability compared with the same period last year, despite a challenging market. Thanks to the robust measures we took in 2023 to adapt our business to a tough market situation, we are in a better position than we were a year ago and have thus laid the foundation to continue to implement our strategy and improve our profitability going forward."

*Gustaf Öhrn,
President and CEO*

Q1 2024

BHG Group AB (publ)
Nasdaq Stockholm

Interim report: 1 January-31 March 2024

Improved profitability in a continued challenging market

– For the second consecutive quarter, we improved our profitability compared with last year – our strategy to boost our long-term competitiveness is working and delivering results

HIGHLIGHTS

1 January-31 March

- Net sales declined -23.3% to SEK 2,008.8 million (2,617.5). Organic growth was -13.9%
- Adjusted gross profit amounted to SEK 534.7 million (641.3), corresponding to an adjusted gross margin of 26.6% (24.5)
- Adjusted EBIT amounted to SEK -0.6 million (-68.9), corresponding to an adjusted EBIT margin of -0.0% (-2.6)
- Cash flow from operating activities amounted to SEK -110.8 million (210.8)
- Earnings per share amounted to SEK -0.38 (-0.66) before dilution and SEK -0.38 (-0.66) after dilution

FINANCIAL SUMMARY

Key events during the first quarter and after the period

- On 11 January, BHG announced it was strengthening its market-leading position in the Premium Living business unit by Nordic Nest acquiring the KitchenTime brand and consolidating LampGallerian.
- On 5 March, it was announced that two of BHG's current businesses, Hemfint Kristianstad AB with the site hemfint.se and Arc E-Commerce AB with the site Out11.se, were being consolidated. At the same time, Trendrum AB with the site trendrum.se is being acquired. Together they will form Hemfint Group. The acquisition of Trendrum AB was later approved at BHG's Extraordinary General Meeting on 2 April.
- On 26 March, it was announced that BHG was extending and adapting its existing financing agreement to reflect a stronger balance sheet and a new market situation.
- On 28 March, BHG published an invitation to its very first Capital Markets Day on 14 May at Nordic Nest in Kalmar.
- At BHG's Extraordinary General Meeting on 2 April, Pernille Fabricius was elected to the Board of Directors and the acquisition of Trendrum AB was approved.

SEKm (if not otherwise stated)	Jan-Mar		Δ	Jan-Dec
	2024	2023		2023
Net sales	2,008.8	2,617.5	-23.3%	11,790.2
Gross profit	534.7	641.3	-106.6	2,921.1
Gross margin (%)	26.6	24.5	2.1 p.p.	24.8
Adjusted gross profit*	534.7	641.3	-106.6	2,944.8
Adjusted gross margin (%)	26.6	24.5	2.1 p.p.	25.0
Adjusted EBIT*	-0.6	-68.9	68.4	96.7
Adjusted EBIT margin (%)	-0.0	-2.6	2.6 p.p.	0.8
Operating income	-23.7	-100.1	76.4	-1,374.2
Operating margin (%)	-1.2	-3.8	2.6 p.p.	-11.7
Net profit for the period	-65.6	-116.0	50.4	-1,542.5
Earnings per share before dilution, SEK	-0.38	-0.66	0.28	-8.73
Earnings per share after dilution, SEK	-0.38	-0.66	0.28	-8.73
Cash flow from operating activities	-110.8	210.8	-321.7	1,550.2
Net debt (+) / Net cash (-)	1,376.7	1,429.3	-52.6	1,129.7

* Refer to "Relevant reconciliations of non-IFRS alternative performance measures (APMs)" on page 29 of this report for a more detailed description.

Comments by Gustaf Öhrn

President and CEO, BHG Group

Our main priority for 2024 is to improve our profitability. It is therefore gratifying that in the first quarter, as in the fourth quarter of 2023, we succeeded in significantly improving our profitability compared with the same period last year, despite a weak market. Thanks to the robust measures we took in 2023 to adapt our business to a challenging market situation – a substantial reduction in inventories, lower costs and a number of structural changes to streamline our operations – we are in better shape now than we were a year ago and have thus laid the foundation to continue to implement our strategy and improve our profitability.

2023 was characterised by difficult market conditions, and demand in the first quarter of 2024 remained sluggish. We are delighted to say that we are seeing the first signs of a number of positive macro indicators, such as stabilised inflation, indications of interest rate cuts and an increase in the number of housing transactions. At the same time, consumers have less disposable income now than a year ago. Our unchanged assessment is that the market will be challenging in 2024 and that demand will not pick up until consumers start to regain confidence and see a real impact on their finances in the form of higher disposable income.

During the first quarter, our international expansion initiatives continued to progress well, primarily in Premium Living driven by Nordic Nest. At the same time, our sales continued to be negatively impacted by weak demand in capital-intensive and renovation-related product categories, such as doors, windows, bathrooms and furniture, as a result of weaker consumer purchasing power and the continued low volume of housing transactions.

Our main priority for 2024 is to improve our profitability. We will do this by working every day to give our customers the best deals and the best shopping experience and by focusing on three main areas:

- **Efficiency:** Continuing to streamline and automate inventory handling and developing the use of artificial intelligence in customer service, content and marketing.
- **Consolidation:** Continuing to simplify our structure and streamline through economies of scale from continued consolidation.
- **Growth initiatives:** Growth initiatives in existing platforms. We see opportunities for cost-efficient growth through international expansion, by selling our range in new marketplaces and by expanding the product range.

We will focus on these three areas in all three of our business areas – Home Improvement, Value Home and Premium Living – but with different initiatives adapted to each business model and customer segment. In Home Improvement, we will focus on our most important consolidation in 2024: building a Nordic organisation and a Nordic DIY powerhouse that will provide increased scale and ultimately an improved customer offering. In the first quarter, we also announced that we are strengthening Value Home through further consolidation in order to enhance our scale and synergies. The international expansion of Premium Living is continuing to progress well, and sales growth in markets outside the Nordic region was significantly higher than in the Nordic region in the first quarter.

In the first quarter, we also announced that we were extending and adapting our existing financing agreement to reflect our stronger balance sheet and a new market situation. With this new agreement, we have reduced our costs and found a solution that is better adapted to the current market situation and our M&A strategy.

On 14 May, we will be hosting our first ever Capital Markets Day! We look forward to telling the market more about our operations and strategy going forward.

Looking back at the first quarter, I am pleased to note that the robust measures we took in 2023 have had a substantial effect on our profitability and that we are continuing to implement our strategy in order to increase our scalability and synergy utilisation. Our strategy remains firm, and when the market recovers, we will be in an excellent position to further strengthen our market-leading position, customer offering and profitability.

Malmö, 25 April 2024

Gustaf Öhrn,
President and CEO, BHG Group



Condensed consolidated information

SEKm (if not otherwise stated)	Jan-Mar			Jan-Dec
	2024	2023	Δ	2023
Net sales	2,008.8	2,617.5	-23.3%	11,790.2
Gross profit	534.7	641.3	-106.6	2,921.1
Gross margin (%)	26.6	24.5	2.1 p.p.	24.8
Adjusted gross profit*	534.7	641.3	-106.6	2,944.8
Adjusted gross margin (%)	26.6	24.5	2.1 p.p.	25.0
Adjusted EBITDA*	93.3	60.0	33.2	578.9
Adjusted EBITDA margin (%)	4.6	2.3	2.3 p.p.	4.9
Adjusted EBIT*	-0.6	-68.9	68.4	96.7
Adjusted EBIT margin (%)	-0.0	-2.6	2.6 p.p.	0.8
Items affecting comparability	-	-5.9	5.9	-1,372.5
Operating income	-23.7	-100.1	76.4	-1,374.2
Operating margin (%)	-1.2	-3.8	2.6 p.p.	-11.7
Net profit for the period	-65.6	-116.0	50.4	-1,542.5
Cash flow from operating activities	-110.8	210.8	-321.7	1,550.2
Total order value	2,079.4	2,660.7	-21.8%	11,930.0
Orders (thousands)	851	1,016	-16.3%	4,716
Average order value (SEK)	2,445	2,619	-174	2,529

* Refer to "Relevant reconciliations of non-IFRS alternative performance measures (APMs)" on page 29 of this report for a more detailed description.

** As a result of changes in the regulations for the processing of personal data and changes in tools from third-party providers for collecting online traffic, the data collected during the quarter is not comparable to the corresponding period last year. We therefore no longer present data for online traffic ("Number of visits") and conversion rate as it would give a misleading and incorrect picture of the development over time.

COMMENTS ON THE RESULT FOR THE PERIOD

The first quarter of the year

The year began with a continued cautious market. While a number of key macro factors are moving in the right direction, we expect there to be a lag before they have a substantial positive impact on demand. Moreover, consumers continue to have less disposable income now than a year ago. Sales in the first quarter were also negatively affected by calendar effects as Easter fell in March.

Our initiatives to achieve geographic expansion outside our companies' home markets and in certain product categories are continuing to progress well. At the same time, we continued to see a trend of weak underlying demand in several renovation-intensive product categories, particularly capital-intensive categories such as doors, windows, floors and furniture.

We succeeded in reducing our fixed costs and maintaining a good gross margin during the quarter, which means that we improved our profitability significantly compared with last year, despite a weak market.

- The Group's net sales amounted to SEK 2,008.8 million (2,617.5) for the quarter. Total growth amounted to -23.3% and organic growth to -13.9%.
- Adjusted EBIT amounted to SEK -0.6 million (-68.9) for the quarter, corresponding to an adjusted EBIT margin of -0.0% (-2.6).
- Inventory increased SEK 111.7 million in the first quarter.

- Cash flow from operating activities amounted to SEK -110.8 million (210.8) in the quarter, in line with our usual seasonal variation whereby we pay accounts payable from the fourth quarter, which is significant in terms of volume, and build up inventory for the high season in the second quarter.
- Total interest-bearing liabilities at the end of the quarter amounted to SEK 2,750.2 million, SEK 1,506.7 million lower than in the same period last year.

Efficient organisation and action plan to strengthen profitability and cash flow

Our top priority for 2024 is to improve our profitability. Thanks to the measures we took in 2023, we have improved our position compared with a year ago. We have discontinued unprofitable operations, lowered our costs and reduced our inventories. Our efforts to strengthen our profitability will continue in 2024, mainly prioritising three focus areas: efficiency, consolidation and growth initiatives.

Efficiency

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

In the first quarter, we saw improvements in our fulfilment costs as a result of the significant inventory reduction we completed in 2023. We have successfully reduced our warehouse space, created the conditions for more efficient warehouse operations and can now manage our inventory

with fewer staff. Furthermore, the ongoing warehouse automation project in Nordic Nest is progressing according to plan and has entered the second of three phases. While large parts of the automation project have yet to be completed, we are seeing continuous improvements in efficiency. We also reduced our last-mile costs, partly through better Group-wide agreements with our shipping partners.

Consolidation

Continuing to simplify our structure and streamline through economies of scale from continued consolidation.

During the first quarter, we strengthened the Value Home business area through further consolidation. Two of BHG's current businesses, Hemfint Kristianstad AB with the site hemfint.se and Arc E-Commerce AB with the site Out11.se, are being consolidated. At the same time, Trendrum with the site trendrum.se is being acquired. Together they will form Hemfint Group. This consolidation is also expected to generate synergies through increased joint purchasing and, over time, by merging warehouses and logistics flows.

During the first quarter, we continued to work on creating a Nordic organisation for our Home Improvement business area, led by Bygghemma. This work will continue over the coming 18 months and is expected to deliver significant savings and synergies.

In Premium Living, we worked on the consolidation of KitchenTime during the first quarter after acquiring the brand and inventory in January. KitchenTime's site has been migrated to Nordic Nest's technical platform and went live in early April. Furthermore, the work to consolidate LampGallerian into Nordic Nest's platform began.

Growth initiatives

We see opportunities for cost-efficient growth through international expansion, entering new marketplaces and expanding the product range.

During the first quarter, our initiatives to achieve geographic expansion outside our companies' home markets continued to progress well, mainly driven by Premium Living and Nordic Nest.

Extension of existing financing agreement

BHG has reached an agreement concerning an extension of its existing financing agreement with its current creditors. The agreement was extended until May 2026 with an option for a further one-year extension. The extension option is conditional on BHG obtaining lender approval. When the financing agreement enters into force, BHG's total credit line in the facilities will amount to SEK 2,300 million. The credit facilities will thus be reduced from SEK 3,300 million in the current agreement. The reduction of the available credit facility was carried out taking into consideration the Group's improved balance sheet, the new market situation and our adjusted acquisition strategy.

Under the new financing agreement, BHG will gradually return to its previous financial covenants with respect to its leverage ratio and interest coverage ratio, returning to the covenant levels in the previous financing agreement by 31 March 2026. During the period from the commencement of the financing agreement until 31 March 2026, a liquidity covenant also applies.

Financial impact of restructuring programme

SEKm	Jan-Mar	Jan-Mar 2023				Jan-Dec 2023			
	2024	Reported		Reported		Reported		Reported	
	Reported	Reported	Adj. divested companies *	excl. divested companies *	Reported	Adj. divested companies *	excl. divested companies *		
Net sales	2,008.8	2,617.5	-297.1	2,320.4	11,790.2	-1,023.1	10,767.2		
Adjusted gross profit	534.7	641.3	-89.6	551.7	2,944.8	-304.5	2,640.4		
Adjusted gross margin (%)	26.6	24.5	30.1	23.8	25.0	29.8	24.5		
Adjusted EBITDA	93.3	60.0	-6.1	53.9	578.9	-18.8	560.1		
Adjusted EBITDA margin (%)	4.6	2.3	2.1	2.3	4.9	1.8	5.2		
Adjusted EBIT	-0.6	-68.9	20.4	-48.6	96.7	70.2	166.9		
Adjusted EBIT margin (%)	-0.0	-2.6	-6.9	-2.1	0.8	-6.9	1.6		
Adjusted EBITDA ex. IFRS 16	31.3	-36.1	17.5	-18.6	218.6	63.0	281.7		
Adjusted EBITDA margin ex. IFRS 16 (%)	1.6	-1.4	-5.9	-0.8	1.9	-6.2	2.6		

* Refer to the definitions on page 41.

The market

2024 began with a challenging and cautious market. As a result of interest rate increases and inflation, consumers have less disposable income now than a year ago. The number of housing transactions increased slightly from a low level in the preceding year. Housing transactions have a positive impact

on demand for product categories related to renovation and furniture. At the same time, there is a time lag between housing transactions and demand, and we have not yet seen a clear effect on demand.

Available market data indicates that Sweden and Norway performed worse than the other Nordic markets.

Demand in capital-intensive product categories remains weak as a result of strained consumer finances, household expectations regarding renovations over the next 12 months remain at historically low levels.

Outlook

There are a number of positive signals that could bode well for the market going forward, but it remains uncertain when we will see a positive effect on demand. Our unchanged assessment is that 2024 will be challenging and that consumers will not see a significant change in disposable income in 2024 compared with 2023.

One positive signal that could bode well for demand going forward is a lower inflation rate. There are also indications of potential interest rate cuts, but it is still unclear how many cuts there will be and when. Finally, if the number of housing transactions continues to increase, this should have a positive impact on demand in our product categories over time. The impact of these factors on demand and the timeframe in which it may occur is still highly uncertain.

Our assessment is that the high inventory levels we saw in the market in 2023 have begun to normalise as companies adjust their purchase volumes to a weaker market. We therefore believe that the unusually intense level of campaigns last year could ease somewhat, as we saw in the first quarter of 2024. At the same time, we believe that there are still some product categories with continued high inventory levels, such as garden furniture, where we still expect intense campaign pressure, especially in the second quarter. As market players adjust their purchase volumes downward, we are seeing less pressure on production capacity, creating the conditions for declining prices.

Shipping costs from Asia increased in the quarter compared with the same period last year, partly due to the tensions in the Red Sea regions. The situation has also led to delivery delays. Given the prevailing geopolitical turmoil, the effects going forward are highly uncertain.

The difficult market situation will also present opportunities. As competitors are weakened, shut down or leave product categories – as we have seen in the past year, for example – BHG will be able to advance its leading position.

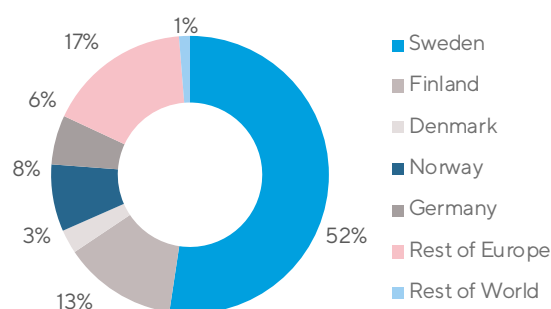
Our assessment is that the long-term fundamental structural trends that have driven BHG's growth journey are continuing. The structural shift from physical stores to online and penetration within the product categories and markets where we operate are still lower than in more mature product markets and geographies. For further information, refer to the Group's medium-term financial targets (page 8).

Acquisitions

The rate of activity is lower due to the current market conditions, and acquisitions are currently not our primary focus.

We are continuing to evaluate potential acquisition opportunities and see potential for minor bolt-on acquisitions in our platforms in 2024. We carried out a minor bolt-on acquisition in Nordic Nest through an asset purchase transfer of the KitchenTime brand and inventory in January 2024 as well as a bolt-on acquisition in the Value Home business area when Trendrum was acquired in March 2024 in connection with the creation of Hemfint Group.

Distribution of net sales by country (%), Jan-Mar 2024



Net sales

The net sales trend in the first quarter was impacted by a continued challenging market as a result of weak demand in the consumer market. Sales were also negatively affected by calendar effects as Easter fell in March. Easter is a weak sales period for durable goods. Moreover, Easter coincided with the end of March, which limited our possibility to invoice all sales.

Our premium range performed well in international markets during the quarter. However, our performance was weaker in renovation-related and capital-intensive categories such as floors, doors, windows, bathrooms and furniture.

Sales growth in Denmark and Germany was weaker than in other geographic markets, driven by operations divested in the third quarter of 2023. However, organic growth in Germany was significantly better than the Group's total sales. Sales outside the Nordic region, excluding Germany, improved during the quarter, and now represent 18% of sales, compared with 14% in the same period last year.

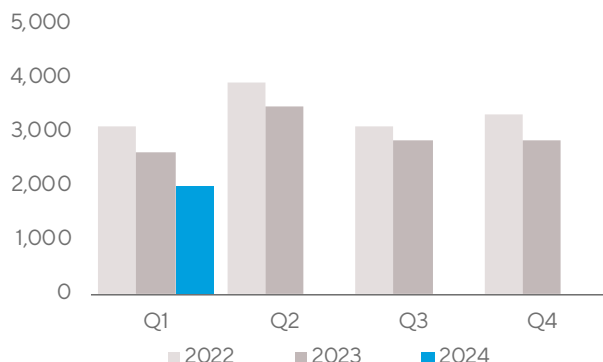
In recent quarters, several of our sites have succeeded in efficiently expanding their offerings outside their Nordic home markets, while also maintaining profitability.

Net sales declined -23.3% to SEK 2,008.8 million (2,617.5) for the quarter. Organic growth was -13.9% for the quarter.

Net sales for the Home Improvement business area declined -16.2% to SEK 1,003.2 million (1,197.0) for the quarter. Organic growth was -16.2% for the quarter.

Net sales for the Value Home business area declined -45.9% to SEK 510.5 million (943.2) for the quarter. Organic growth was -17.6% for the quarter.

Net sales for the Premium Living business area increased 1.7% to SEK 506.4 million (498.0) for the quarter. Organic growth was -2.6% for the quarter.

Net sales (SEKm)**Gross margin**

The adjusted product margin for the quarter improved to 39.1% (37.8). The adjusted gross margin (that is, the margin after deductions for direct selling expenses, such as logistics, fulfilment, etc.) improved to 26.6% (24.5) for the quarter.

- The strong performance of the product margin in the quarter was primarily driven by the Home Improvement and Value Home business areas. The performance in Home Improvement was attributable to favourable mix effects, less campaign pressure in the market thanks to more normalised inventory levels and work on strategic pricing. We do not expect the high product margin in the first quarter to continue to the same extent in the second quarter as we anticipate more intense campaign activity. The performance in Value Home was mainly attributable to efforts to normalise our margin structure at a healthy level in order to improve our profitability.
- Fulfilment costs improved as a result of cost initiatives and rationalisation of warehouse staff as well as a decrease in the number of warehouses following a sharp reduction in inventory in 2023. Last-mile costs also improved through efficiencies and better Group-wide agreements with third-party suppliers.

The Group carefully monitors the development of average order value (AOV) and focuses particularly on ensuring that the AOV for bulky products, which are sent on pallets, remains high. The AOV for Home Improvement in the first quarter was slightly lower than in the year-earlier period as it continued to be negatively impacted by mix effects as a result of declining sales in capital-intensive product categories such as doors and windows. The AOV was also slightly higher for Premium Living and Value Home.

SG&A

Selling, general and administrative expenses (SG&A, defined as total personnel costs and other external costs adjusted for items affecting comparability) amounted to SEK 453.2 million (582.4), corresponding to 22.6% (22.3) of net sales for the quarter.

The significant improvement in SG&A was a result of the extensive savings and structural measures we took in 2023. If the comparative period is adjusted for divested operations, SG&A declined SEK 39.5 million compared with the same period last year.

Earnings

The Group's adjusted EBIT amounted to SEK -0.6 million (-68.9) for the quarter, corresponding to an adjusted EBIT margin of -0.0% (-2.6). Depreciation and amortisation of tangible and intangible assets amounted to SEK 89.1 million (129.2) for the quarter, of which SEK 59.1 million (90.7) pertains to depreciation of lease assets.

The Group's operating income amounted to SEK -23.7 million (-100.1) for the quarter, corresponding to an operating margin of -1.2% (-3.8).

Items affecting comparability totalled SEK 0.0 million (-5.9) for the quarter.

Amortisation and impairment of acquisition-related intangible assets amounted to SEK 23.2 million (25.3) for the quarter. Amortisation pertained to identified surplus values related to customer relationships and customer databases in acquired companies. No impairment of goodwill or other assets was identified during the period.

The Group's net financial items amounted to SEK -56.2 million (-46.4) for the quarter and pertained to interest expenses amounting to SEK -50.8 million (-39.4) for the quarter, of which SEK -4.9 million (-6.7) are related to lease liabilities in accordance with IFRS 16.

The Group's profit before tax was SEK -79.9 million (-146.5) for the quarter. Net income amounted to SEK -65.6 million (-116.0) for the quarter. The effective tax rate for the quarter was -17.9% (-20.8), corresponding to SEK 14.3 million (30.5).

Currency effects

Generally, the Group does not hedge its currency exposure, but some currency hedging takes place in individual subsidiaries.

Exchange-rate fluctuations had some positive impact on operating income for the quarter.

Cash flow and financial position

Cash flow from operating activities amounted to SEK -110.8 million (210.8) for the quarter, primarily driven by the Group's EBITDA and a negative effect from changes in working capital. The negative development of working capital is a consequence of BHG's seasonal profile. Strong demand in the fourth quarter results in less working capital as a result of low inventory and high accounts payable, with a corresponding reverse effect in the first quarter through inventory build-up ahead of the outdoor season in the second quarter and an outflow of VAT and supplier payments.

Cash conversion (cash flow from operating activities in relation to adjusted EBITDA) was -150.5% (432.3) for the quarter.

The Group's cash flow to investing activities amounted to SEK -30.7 million (-38.8) for the quarter, and during the period was mainly attributable to IT investments related to web platforms.

Cash flow from and to financing activities amounted to SEK 80.1 million (-47.2) for the quarter and was primarily attributable to the utilisation of the Group's revolving credit facility of SEK 200.0 million as well as repayment of lease liabilities and interest payments.

The Group's cash and cash equivalents at the end of the reporting period, compared with the beginning of the year, amounted to SEK 323.3 million (370.3).



The Group's net debt, which is defined as the Group's current and non-current interest-bearing liabilities to credit institutions, less cash and cash equivalents and investments in securities, etc., amounted to SEK 1,376.7 million at the end of the period, compared with SEK 1,129.7 million at the beginning of the year, corresponding to net debt in relation to pro-forma adjusted EBITDAaL, LTM (see definition on page 41) of 4.69x, which is outside the range of the Group's medium-term capital structure target.

The Group's unutilised credit facilities amounts to SEK 600.0 million when considering the reduction of the total credit facility with SEK 1,000.0 million once the new financing agreement comes into force as of 26 April, 2024. As per the beginning of the year, the unutilised part of the credit facility amounted to SEK 1,800 million under the terms of the existing credit facility.

FINANCIAL TARGETS

Net sales

The Group's objective is to achieve net sales of SEK 20 billion over the medium term, including acquisitions. The target of SEK 20 billion in net sales is to be achieved by combining organic growth at least in line with the market, which is expected to grow by approximately 15% per year over a business cycle, with acquisitions, which are expected to add 5-10 percentage points of growth per year. The combination of organic and inorganic initiatives is expected to translate into growth in the range of 20-25% per year.

Profitability

The Group intends to continue conducting its operations in such a manner that growth goes hand in hand with healthy profitability. The profitability target is to achieve an adjusted EBIT margin of at least 7%.

Capital structure

To maintain net debt, excluding IFRS 16 effects, in relation to rolling 12-month (LTM) EBITDA in the range of 1.5-2.5x, subject to flexibility for strategic activities.

Dividend policy

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

2024/Q1

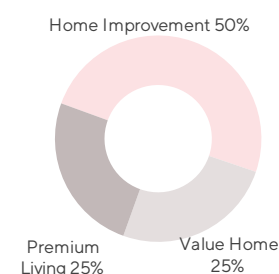


Home Improvement

“Continued sluggish demand and calendar effects resulting from an early Easter had a negative impact on demand in the first quarter. Implemented cost savings and an improved margin offset the negative sales trend. Our efforts to strengthen our platforms continued during the quarter, with the aim of improving our competitiveness in the long term,” says Mikael Hagman, Deputy CEO and Head of Home Improvement.

- Net sales declined -16.2% to SEK 1,003.2 million (1,197.0) for the quarter. Demand was especially weak in the Swedish market. Renovation-related and capital-intensive categories such as bathrooms, windows and doors delivered the relatively weakest performance.
- Organic growth was -16.2% for the quarter.
- The adjusted gross margin for the quarter was 25.0% (20.6).
- Adjusted EBIT was SEK -9.2 million (-44.5) for the quarter, with an adjusted EBIT margin of -0.9% (-3.7). The EBIT margin was positively impacted, mainly by a higher product margin due to favourable mix effects and slightly lower campaign pressure due to more normalised inventory levels in the market.

Net sales by business area, Jan-Mar 2024



SEKm (if not otherwise stated)	Jan-Mar		Δ	Jan-Dec
	2024	2023		2023
Net sales	1,003.2	1,197.0	-16.2%	5,726.7
Gross profit	251.2	246.1	5.1	1,205.2
Gross margin (%)	25.0	20.6	4.5 p.p.	21.0
Adjusted gross profit	251.2	246.1	5.1	1,215.2
Adjusted gross margin (%)	25.0	20.6	4.5 p.p.	21.2
Adjusted EBITDA	36.7	0.6	36.2	234.5
Adjusted EBITDA margin (%)	3.7	0.0	3.6 p.p.	4.1
Adjusted EBIT	-9.2	-44.5	35.3	54.0
Adjusted EBIT margin (%)	-0.9	-3.7	2.8 p.p.	0.9
Items affecting comparability	-	-0.4	0.4	-68.1
Operating income	-23.6	-59.2	35.6	-71.5
Operating margin (%)	-2.4	-4.9	2.6 p.p.	-1.2
Net profit for the period	-45.2	-66.8	21.6	-198.3
Total order value	1,035.5	1,240.4	-16.5%	5,755.1
Orders (thousands)	368	431	-14.5%	2,117
Average order value (SEK)	2,810	2,877	-67	2,719

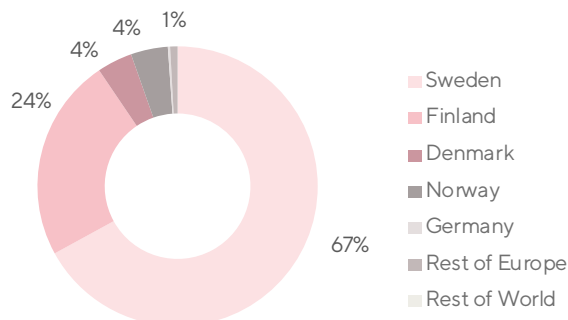
COMMENTS ON HOME IMPROVEMENT

The Home Improvement business area accounted for 50% of the Group's total net sales for the quarter. Home Improvement operates almost exclusively in the Nordic market, and it is mainly based on a drop shipping model with a low level of tied-up capital, with a broad product range and price matching. Sweden is its largest market, making up approximately two thirds of the business area's sales in the first quarter.

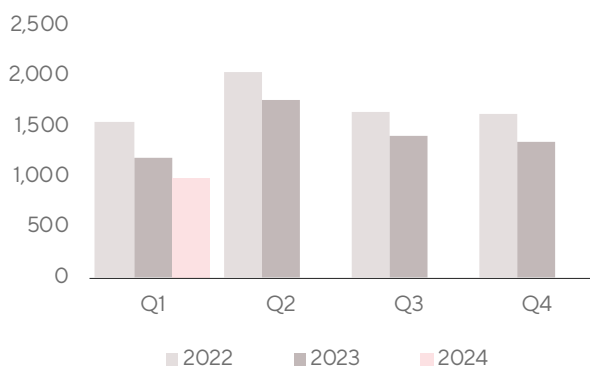
The leading brand in Home Improvement is Bygghemma. The focus is on:

- Creating a Nordic DIY powerhouse with a shared organisation to achieve economies of scale and ultimately improve customer value. We invest in Bygghemma's tech platform to enable future consolidations and further lift the customer experience.
- Streamlining purchasing processes, increasing the share of sales from proprietary brands, which generally have higher margins, and broadening the range of additional services.
- Fully leveraging the product range through all relevant sales channels and continuing to drive geographic expansion for the operations with strong positions in their home markets.

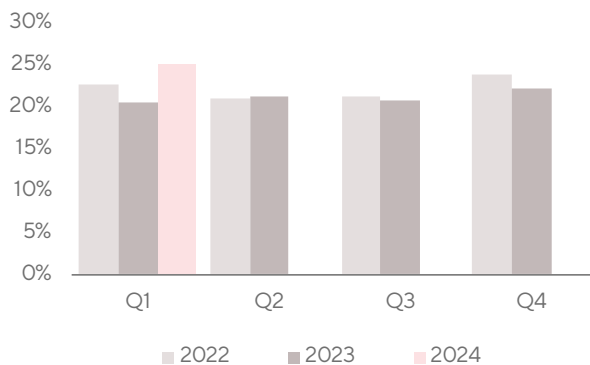
Distribution of net sales by country (%), Jan-Mar 2024



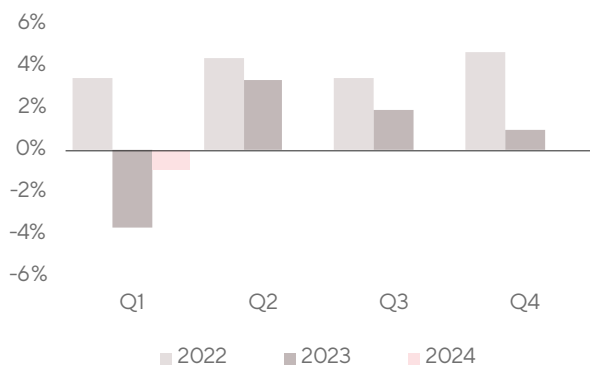
Net sales (SEKm)



Adjusted gross margin (%)



Adjusted EBIT margin (%)



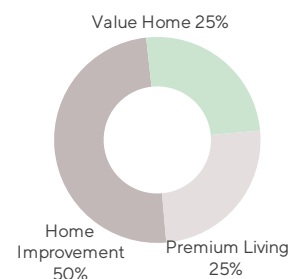


Value Home

“The lion’s share of the structural changes announced at the end of Q3 2023 have been implemented, and the business area is now operating with a significantly lower cost base. In the coming quarters, the focus will largely be on continued consolidation in the business area, primarily under the newly formed Hemfint Group. This consolidation will further streamline our operations and lead to purchasing synergies and cost savings going forward,” says Christian Eriksson, Head of Value Home.

- Net sales declined -45.9% to SEK 510.5 million (943.2) for the quarter.
- The business area’s organic growth was -17.6% for the quarter.
- The adjusted gross margin for the quarter was 32.3% (29.6).
- Adjusted EBIT amounted to SEK 15.4 million (-19.0) for the quarter, corresponding to an adjusted EBIT margin of 3.0% (-2.0). The EBIT margin strengthened, mainly as a result of lower fixed costs and a higher gross margin mainly due to active efforts to improve the margin structure.

Net sales by business area, Jan-Mar 2024



SEKm (if not otherwise stated)	Jan-Mar		Δ	Jan-Dec
	2024	2023		2023
Net sales	510.5	943.2	-45.9%	3,941.4
Gross profit	164.8	278.9	-114.1	1,196.4
Gross margin (%)	32.3	29.6	2.7 p.p.	30.4
Adjusted gross profit	164.8	278.9	-114.1	1,210.1
Adjusted gross margin (%)	32.3	29.6	2.7 p.p.	30.7
Adjusted EBITDA	44.2	48.0	-3.8	284.0
Adjusted EBITDA margin (%)	8.7	5.1	3.6 p.p.	7.2
Adjusted EBIT	15.4	-19.0	34.4	49.5
Adjusted EBIT margin (%)	3.0	-2.0	5.0 p.p.	1.3
Items affecting comparability	-	-	-	-1,290.7
Operating income	12.4	-24.2	36.6	-1,259.3
Operating margin (%)	2.4	-2.6	5.0 p.p.	-32.0
Net profit for the period	-14.9	-34.9	20.0	-1,276.0
Total order value	504.9	913.4	-44.7%	3,822.9
Orders (thousands)	115	230	-49.9%	967
Average order value (SEK)	4,383	3,969	414	3,954

COMMENTS ON VALUE HOME

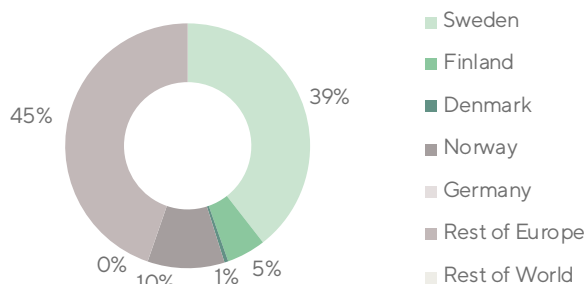
Net sales in the Value Home business area accounted for 25% of the Group's total net sales for the quarter. Sales to customers from countries outside the Nordic region accounted for 45% of sales for the business area during the first quarter.

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

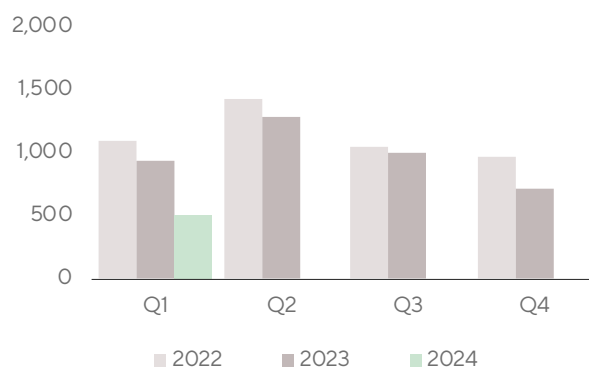
The focus continues to be on:

- Build scalable platforms when it comes to technology, warehousing and organisation in order to maintain a competitive cost structure.
- Integration of the newly formed Hemfint Group.
- Opening new sales channels through geographic expansion and marketplaces.

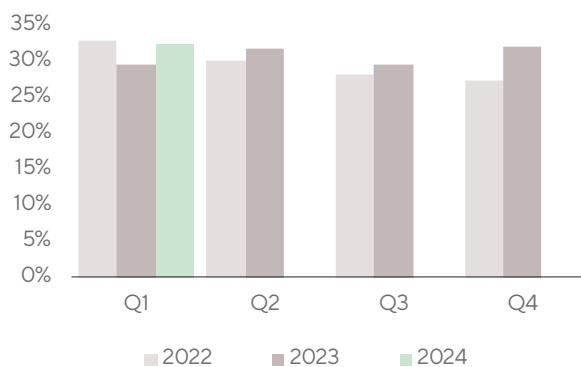
Distribution of net sales by country (%), Jan-Mar 2024



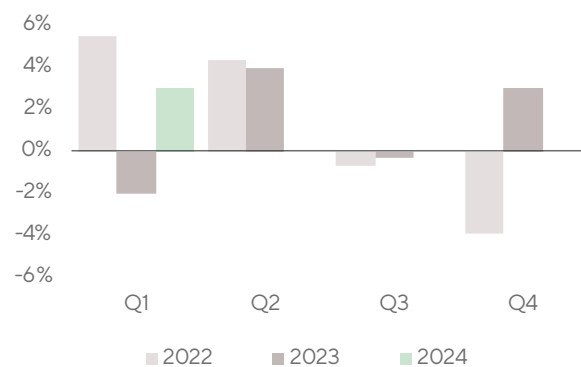
Net sales (SEKm)



Adjusted gross margin (%)



Adjusted EBIT margin (%)



2024/Q1

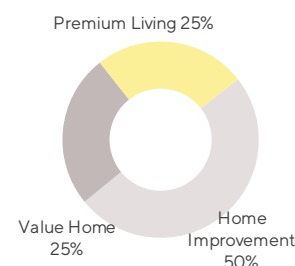


Premium Living

“Sales in Q1 2024 were in line with the preceding year, but were negatively affected by the fact that Easter fell in March, compared with April in 2023. The gross margin is in line with the previous year, despite a certain negative currency effect. The ongoing warehouse automation project is progressing according to plan and has entered the second of three phases. The second phase is expected to be completed by Q4 2024, and the third and final phase will be implemented in Q1 2025. While large parts of the automation project have yet to be completed, we are seeing continuous improvements in efficiency. For example, fulfilment costs during the first quarter significantly improved year on year. During the first quarter, considerable focus was devoted to building a site for KitchenTime, which was launched on 3 April,” says Bank Bergström, Head of Premium Living.

- Net sales increased 1.7% to SEK 506.4 million (498.0) for the quarter. Markets outside the Nordic region showed growth of 6% during the quarter.
- The business area’s organic growth was -2.6% for the quarter.
- The adjusted gross margin for the quarter was 23.9% (23.7).
- Adjusted EBIT amounted to SEK 6.5 million (11.9) for the quarter, corresponding to an adjusted EBIT margin of 1.3% (2.4). Profitability improved during the quarter as a result of a slightly higher gross margin, mainly due to efficiency improvements in fulfilment. At the same time, the EBIT margin was negatively affected by fixed costs, primarily due to relatively low invoiced sales as a result of the calendar effects caused by Easter falling in March this year.

Net sales by business area, Jan-Mar 2024



SEKm (if not otherwise stated)	Jan-Mar			Jan-Dec
	2024	2023	Δ	2023
Net sales	506.4	498.0	1.7%	2,201.2
Gross profit	120.8	118.0	2.8	525.3
Gross margin (%)	23.9	23.7	0.2 p.p.	23.9
Adjusted gross profit	120.8	118.0	2.8	525.3
Adjusted gross margin (%)	23.9	23.7	0.2 p.p.	23.9
Adjusted EBITDA	25.0	28.2	-3.2	135.8
Adjusted EBITDA margin (%)	4.9	5.7	-0.7 p.p.	6.2
Adjusted EBIT	6.5	11.9	-5.4	70.9
Adjusted EBITmargin (%)	1.3	2.4	-1.1 p.p.	3.2
Items affecting comparability	-	-	-	0.6
Operating income	0.8	6.2	-5.5	48.6
Operating margin (%)	0.1	1.2	-1.1 p.p.	2.2
Net profit for the period	-5.2	1.0	-6.2	11.3
Total order value	539.1	506.9	6.4%	2,352.0
Orders (thousands)	367	355	3.4%	1,633
Average order value (SEK)	1,469	1,429	41	1,440



COMMENTS ON PREMIUM LIVING

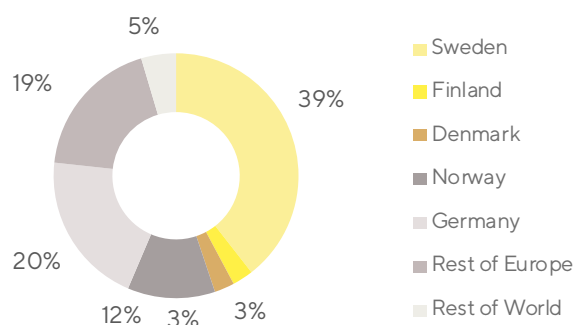
Net sales in the Premium Living business area accounted for 25% of the Group's total net sales for the quarter.

Premium Living has a premium position that is primarily based on stocking external brands, which internationalises Scandinavian design in scalable way from their Nordic base. From having almost exclusively focused on the Nordic markets until 2018, the business area has since successfully established a rapidly growing presence in the European market and in certain Asian markets. Sales to customers from countries outside the Nordic region accounted for nearly 41% of sales for Premium Living during the fourth quarter. The leading brand in the business area is Nordic Nest.

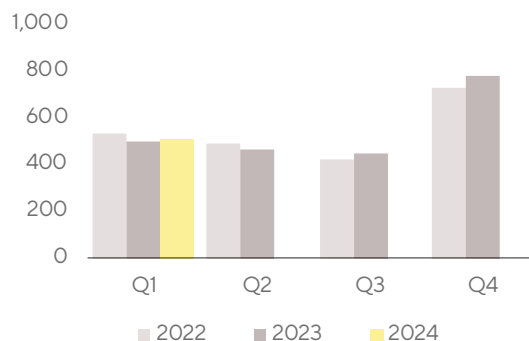
The focus continues to be on:

- Driving geographic growth for Nordic Nest.
- Continuing efficiency work. Nordic Nest's warehouse automation solution, which was successfully deployed during the fourth quarter of 2022, is having an impact on the handling cost per order and the work is continuing according to plan.
- Continuing to integrate and develop KitchenTime and LampGallerian, two specialists that strengthen Nordic Nest's key product categories of kitchen, cooking and lighting.

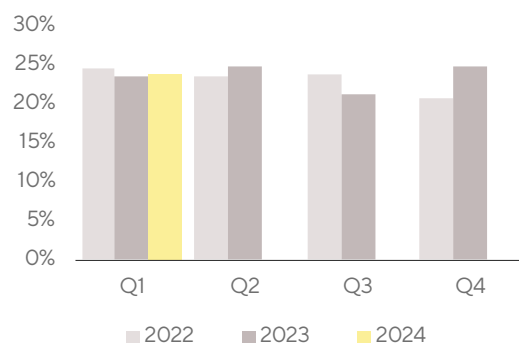
Distribution of net sales by country (%), Jan-Mar 2024



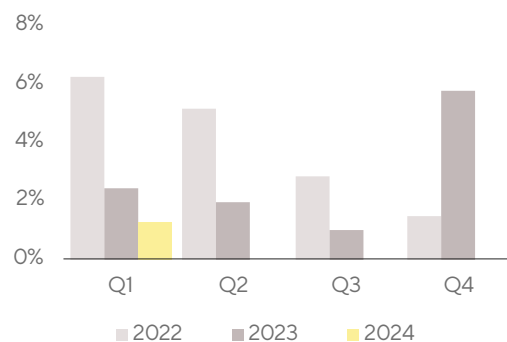
Net sales (SEKm)



Adjusted gross margin (%)



Adjusted EBIT margin (%)





Other

THE BHG SHARE

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

The share price at the beginning of the year was SEK 14.3. On the last day of trading in the period, the share price was SEK 18.5. The highest price paid, quoted in March, was SEK 18.9, and the lowest price paid, quoted in January, was SEK 12.4.

During the period, 40,475,671 BHG shares were traded, equivalent to a turnover rate of 23%.

As of 31 March, BHG had approximately 11,500 shareholders, of which the largest were Ferd AS (17.8%), Entrust Global (11.3%), Fidelity Investments (7.7%), Mikael Olander (5.0%) and the Fourth AP Fund (4.8%).

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

PARENT COMPANY

The Parent Company's net sales for the quarter amounted to SEK 3.3 million (1.9). The Parent Company posted an operating loss of SEK -13.4 million (-17.4) for the quarter. Outstanding incentive programmes were charged to Parent Company earnings for the quarter in an amount of SEK 0.0 million (-1.3). The Parent Company's cash and cash equivalents totalled SEK 32.7 million at the end of the reporting period, compared with SEK 42.5 million at the beginning of the year.

Malmö, 25 April 2024

Gustaf Öhrn

President and CEO

This report has not been audited by the company's auditors.

BHG Group AB (publ)

Hans Michelsensgatan 9

SE-211 20 Malmö, Sweden

Corporate registration number: 559077-0763

This information is information that BHG Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 7:00 a.m. CEST of 25 April 2024.

CONTACT INFORMATION

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CONFERENCE CALL IN CONNECTION WITH PUBLICATION OF THE INTERIM REPORT

Gustaf Öhrn, President and CEO, and Jesper Flemme, CFO, will hold a conference call at 10:00 a.m. on Thursday, 25 April in connection with the publication of the interim report.

The call will be held in English. Use the following link to participate in the webcast:

<https://ir.financialhearings.com/bhg-q1-report-2024>. There will be an opportunity to ask questions in writing at the webcast. If you wish to ask questions verbally during the conference call, please register via the following link: <https://conference.financialhearings.com/teleconference/?id=50048673>. Once you have registered you will receive a telephone number and conference ID to log in to the conference. There will be an opportunity to ask questions verbally at the webcast.



The presentation will be available from the Group's website:

<https://www.wearebhg.com/investors/presentations/>.

INTERIM REPORTS ON WWW.WEAREBHG.COM

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

FINANCIAL CALENDAR

6 May 2024

Annual General Meeting

18 July 2024

Interim report January-June 2024

24 October 2024

Interim report January-September 2024

Condensed consolidated income statement

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	2,008.8	2,617.5	11,790.2
Other operating income	13.9	1.6	20.6
Total net sales	2,022.7	2,619.1	11,810.9
Cost of goods sold	-1,474.1	-1,976.2	-8,869.2
Personnel costs	-206.5	-279.5	-1,067.1
Other external costs and operating expenses	-246.6	-308.9	-1,354.7
Other operating expenses	-6.9	-0.3	-1,196.4
Depreciation and amortisation of tangible and intangible fixed assets	-112.2	-154.4	-697.7
Operating income	-23.7	-100.1	-1,374.2
Profit/loss from financial items	-56.2	-46.4	-219.1
Profit before tax	-79.9	-146.5	-1,593.3
Income tax	14.3	30.5	50.9
Profit for the period	-65.6	-116.0	-1,542.5
Attributable to:			
Equity holders of the parent	-67.6	-117.9	-1,564.7
Non-controlling interest	2.0	1.9	22.2
Net income for the period	-65.6	-116.0	-1,542.5
Earnings per share before dilution, SEK	-0.38	-0.66	-8.73
Earnings per share after dilution, SEK	-0.38	-0.66	-8.73

* The formula for earnings per share is as follows: earnings per share = net profit/loss for the period/(average number of ordinary shares outstanding + dilution effect due to outstanding warrants and share savings programmes). At the end of the period, there was a total of 8,263,660 (5,500,660) warrants and share awards under the share saving programme outstanding, of which 0 (0) had a dilution effect during the quarter.

Condensed consolidated statement of comprehensive income

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Profit for the period	-65.6	-116.0	-1,542.5
Other comprehensive income			
Items that subsequently could be reclassified to profit or loss			
Translation differences for the period	33.0	6.1	-74.5
Other comprehensive income for the period	33.0	6.1	-74.5
Total comprehensive income for the period	-32.5	-109.9	-1,617.0
Total comprehensive income attributable to:			
Parent Company shareholders	-41.0	-112.5	-1,644.5
Non-controlling interest	8.5	2.6	27.6
Total comprehensive income for the period	-32.5	-109.9	-1,617.0
Shares outstanding at period's end	179,233,563	179,233,563	179,233,563
Average number of shares			
Before dilution	179,233,563	179,233,563	179,233,563
After dilution	179,233,563	179,233,563	179,233,563

Condensed consolidated statement of financial position

SEKm	31 Mar		31 Dec
	2024	2023	2023
Non-current assets			
Goodwill	5,917.3	6,491.4	5,899.7
Other intangible fixed assets	2,431.1	2,861.7	2,436.8
Total intangible fixed assets	8,348.4	9,353.1	8,336.5
Buildings and land	20.6	21.3	20.8
Leased fixed assets	585.0	987.0	615.0
Tangible fixed assets	108.8	152.9	124.6
Financial fixed assets	24.4	14.6	16.4
Deferred tax asset	89.7	125.3	92.3
Total fixed assets	9,177.0	10,654.1	9,205.6
Current assets			
Inventories	1,424.6	2,384.0	1,312.9
Current receivables	553.1	694.4	534.6
Cash and cash equivalents	323.3	590.5	370.3
Total current assets	2,301.0	3,668.9	2,217.8
Total assets	11,477.9	14,323.0	11,423.3
Equity			
Equity attributable to owners of the parent	6,262.6	7,482.7	6,342.6
Non-controlling interest	176.0	58.6	167.4
Total equity	6,438.5	7,541.4	6,510.0
Non-current liabilities			
Deferred tax liability	474.7	601.1	479.0
Other provisions	17.8	20.2	28.0
Non-current interest-bearing liabilities to credit institutions	1,699.2	2,010.7	1,495.5
Non-current lease liabilities	394.2	631.1	427.4
Non-current acquisition related interest-bearing liabilities	246.7	833.8	325.3
Total non-current liabilities	2,832.6	4,096.8	2,755.1
Current liabilities			
Current lease liabilities	250.3	334.8	259.7
Current acquisition related interest-bearing liabilities	160.0	446.7	48.9
Other current liabilities	1,796.4	1,903.3	1,849.5
Total current liabilities	2,206.7	2,684.9	2,158.2
Total equity and liabilities	11,477.9	14,323.0	11,423.3

Condensed consolidated statement of cash flows

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
EBITDA	88.5	54.2	-676.6
Adjustments for items not included in cash flow*	-38.4	18.7	1,004.1
Income tax paid	-8.2	-86.0	-46.1
Cash flow from operating activities before changes in working capital	41.9	-13.1	281.4
Changes in working capital	-152.7	223.9	1,268.8
Cash flow from operating activities	-110.8	210.8	1,550.2
Investments in operations	-12.0	-3.3	-467.1
Investments in other non-current assets	-37.7	-37.3	-184.5
Divestment of operations	9.6	-	-32.8
Divestment of other tangible fixed assets	6.7	0.4	3.6
Received interest	2.8	1.3	26.3
Cash flow to/from investing activities	-30.7	-38.8	-654.4
New share issue	-	80.7	80.7
Loans taken	200.0	-	-
Amortisation of loans	-71.1	-88.9	-856.7
Issue of warrants	-	2.9	5.2
Interest paid	-48.8	-42.0	-203.9
Transactions with non-controlling interest	-	-	28.4
Dividends to non-controlling interests	-	-	-24.6
Cash flow to/from financing activities	80.1	-47.2	-970.9
Cash flow for the period	-61.4	124.8	-75.0
Cash and cash equivalents at the beginning of the period	370.3	477.6	477.6
Translation differences in cash and cash equivalents	14.5	-11.9	-32.3
Cash and cash equivalents at the end of the period	323.3	590.5	370.3

* Adjustments for non-cash items for full year 2023 consist of capital gains of SEK 1,117.1 million from the divestment of operations, a change of SEK -190.3 million in provisions for obsolescence, a change of SEK 6.4 million in other provisions and other items of SEK 70.9 million.

Condensed consolidated statement of changes in equity

SEKm	31 Mar		31 Dec
	2024	2023	2023
Opening balance	6,510.0	7,669.8	7,669.8
Comprehensive income for the period	-32.5	-109.9	-1,617.0
Transactions with non-controlling interests	-	-	29.3
New share issues*	-	-0.7	-0.7
Issue of warrants	0.4	4.3	8.5
Dividends to non-controlling interests	-	-	-24.6
Remeasurement of liabilities to non-controlling interests	-39.4	-22.1	444.8
Closing balance	6,438.5	7,541.4	6,510.0

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

Notes

NOTE 1 ACCOUNTING POLICIES

This report has been prepared by applying the rules of IAS 34 Interim Financial Reporting and applicable regulations contained in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Swedish Annual Accounts Act. For the Group and the Parent Company, the same accounting policies and estimation techniques have been applied as in the 2023 Annual Report. The Group also applies the European Securities and Markets Authority's (ESMA) guidelines for alternative performance measures. Definitions of alternative performance measures can be found in the relevant reconciliations on pages 29–42 of this report.

The interim information on pages 1–15 is an integrated part of this financial report.

NOTE 2 SEASONAL VARIATIONS

The Group's operations are impacted by seasonal variations' effect on demand, especially for building products and outdoor furniture. Due to the effect of weather on demand, the Group's sales and cash flow are usually highest in the second quarter. The third and fourth quarters are generally equal in terms of sales, with demand in the third quarter being impacted by the weather and demand in the fourth quarter growing as the importance of Black Week increased. Demand, and consequently the Group's sales, have historically been lowest in the first quarter. Although seasonal variations do not normally affect the Group's relative earnings and cash flow from year to year, earnings and cash flow may be impacted in years with extremely mild or severe weather conditions, or with very high or low rainfall. Weather conditions may also have a significant impact on individual quarters.

NOTE 3 SEGMENTS

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales			
Home Improvement	1,003.2	1,197.0	5,726.7
Value Home	510.5	943.2	3,941.4
Premium Living	506.4	498.0	2,201.2
Total net sales	2,020.1	2,638.2	11,869.3
Other*	9.6	8.5	32.1
Eliminations	-21.0	-29.1	-111.2
Group consolidated total	2,008.8	2,617.5	11,790.2
Revenue from other segments			
Home Improvement	1.2	2.0	6.6
Value Home	8.7	18.7	72.3
Premium Living	1.4	-	0.2
Other*	9.6	8.5	32.1
Total	21.0	29.1	111.2
SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Operating income and profit before tax			
Home Improvement	-23.6	-59.2	-71.5
Value Home	12.4	-24.2	-1,259.3
Premium Living	0.8	6.2	48.6
Total operating income	-10.5	-77.2	-1,282.2
Other*	-13.3	-22.9	-92.0
Group consolidated operating income	-23.7	-100.1	-1,374.2
Financial net	-56.2	-46.4	-219.1
Group consolidated profit before tax	-79.9	-146.5	-1,593.3

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

Jan-Mar 2024										
SEKm	Home Improvement	%	Value Home	%	Premium living	%	Other	Elimination	Group	%
Sweden	706.8	70.5%	214.4	42.0%	232.7	46.0%	9.6	-19.6	1,144.0	56.9%
Finland	230.8	23.0%	21.5	4.2%	12.8	2.5%	-	-0.2	264.9	13.2%
Denmark	12.7	1.3%	2.7	0.5%	11.0	2.2%	-	-	26.4	1.3%
Norway	44.8	4.5%	42.7	8.4%	42.6	8.4%	-	-	130.1	6.5%
Germany	1.9	0.2%	-	-	88.4	17.5%	-	-	90.3	4.5%
Rest of Europe	6.2	0.6%	229.2	44.9%	92.3	18.2%	-	-1.1	326.6	16.3%
Rest of World	-	-	-	-	26.6	5.3%	-	-	26.6	1.3%
Net sales	1,003.2	100%	510.5	100%	506.4	100%	9.6	-21.0	2,008.8	100%

Jan-Mar 2023										
SEKm	Home Improvement	%	Value Home	%	Premium living	%	Other	Elimination	Group	%
Sweden	803.3	67.1%	311.3	33.0%	227.1	45.6%	8.5	-27.6	1,322.5	50.5%
Finland	264.8	22.1%	44.8	4.8%	12.0	2.4%	-	-0.2	321.4	12.3%
Denmark	54.5	4.6%	125.3	13.3%	13.0	2.6%	-	-	192.9	7.4%
Norway	63.6	5.3%	86.4	9.2%	50.7	10.2%	-	-	200.8	7.7%
Germany	2.5	0.2%	127.5	13.5%	90.7	18.2%	-	-	220.7	8.4%
Rest of Europe	8.3	0.7%	247.8	26.3%	74.4	14.9%	-	-1.3	329.1	12.6%
Rest of World	-	-	-	-	30.2	6.1%	-	-	30.2	1.2%
Net sales	1,197.0	100%	943.2	100%	498.0	100%	8.5	-29.1	2,617.5	100%

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

NOTE 4 BUSINESS COMBINATIONS

SEKm	2024					Net cash flow
	Net identifiable assets and liabilities	Goodwill	Purchase price	Cash and cash equivalents	Contingent/deferred purchase price, vendor loans	
Acquisition of non-controlling interests						
Acquisition of shares in Arc E-commerce AB	-	-	-	-	-	-12.0
	-	-	-	-	-	-12.0



NOTE 5 FAIR VALUE

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

Acquisition-related interest-bearing liabilities

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

SEKm	31 Mar	
	2024	2023
Reported value on the opening date	374.2	1,254.2
Recognised in equity	44.5	29.5
Utilised amount	-12.0	-3.2
Reported value on the closing date	406.7	1,280.5

Currency forwards

The Group recognises currency forwards at fair value, which as of 31 December 2023 was SEK 0.2 million (0.2), of which SEK 0.2 million (0.2) comprised assets and SEK 0.0 million (0.0) comprised liabilities for the Group. The currency forwards are measured based on a discount comprising the difference between the contracted forward rate and the actual forward rate for a currency forward maturing on the same date. This measurement is included in Level 2 of the valuation hierarchy.

NOTE 6 RELATED-PARTY TRANSACTIONS

Transactions between BHG Group AB and its subsidiaries have been eliminated in the consolidated financial statements. All transactions between related parties have been conducted on commercial terms, on an arm's length basis.

**NOTE 7 RISKS AND UNCERTAINTIES**

There are several strategic, operational and financial risks and uncertainties that can affect the Group's financial results and position. Most risks can be managed through internal procedures, while others are largely driven by external factors. There are risks and uncertainties related to IT and management systems, suppliers, season and weather variations and exchange rates, while other risks and uncertainties may also arise in the case of new competition, changed market conditions or changed consumer behaviour for online sales. The Group is also exposed to interest-rate risk.

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

Dispute with minority owner

BHG has an ongoing dispute with the minority owner of 30.0 % of the subsidiary IP-Agency Oy. The dispute concerns the calculation of the price that BHG is obliged to pay for the minority stake in IP-Agency under the put option issued in connection with BHG's acquisition of IP-Agency in 2021. Depending on the outcome of the dispute, the price for the shares could be between EUR 2.1 million and EUR 13.9 million.

NOTE 8 EVENTS AFTER THE BALANCE-SHEET DATE

On 11 January 2024, BHG announced the acquisition of KitchenTime. The acquisition was conducted through an asset purchase transfer whereby Nordic Nest acquired the rights to the brand, domain name and customer database for a cash consideration of SEK 30 million. In addition, the Group also acquired inventory for a consideration of SEK 30 million. The transaction was completed on 2 April 2024.

On 5 March, 2024, BHG announced that it was acquiring 67.5% of the shares and votes in Trendrum AB. The consideration consists of 32.50% of the shares in BHG's subsidiary Arc E-commerce AB and 16.30% of the shares in the subsidiary Hemfint i Kristianstad AB. BHG's acquisition of Trendrum AB in exchange for shares in Arc E-commerce AB and Hemfint i Kristianstad AB was conditional on BHG's general meeting approving the transfer in accordance with the provisions of Chapter 16 of the Swedish Companies Act. The transaction was approved at an Extraordinary General Meeting of BHG Group on 2 April 2024. The meeting also resolved on the number of Board members and the election of Pernille Fabricius as a new Board member, in accordance with the Nomination Committee's proposal.

Condensed Parent Company income statement

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	3.3	1.9	7.9
Total net sales	3.3	1.9	7.9
Personnel cost	-13.4	-15.5	-58.0
Other external costs	-3.2	-3.6	-29.4
Other operating expenses	-	-	-
Depreciation and amortisation of tangible and intangible fixed assets	-0.1	-0.1	-0.3
Operating income	-13.4	-17.4	-79.8
Profit/loss from financial items	-20.4	-10.4	-92.6
Group contributions	-	-	110.0
Profit/loss before tax	-33.8	-27.8	-62.4
Income tax	6.9	5.7	-6.5
Profit/loss for the period	-27.0	-22.1	-68.9

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

Condensed Parent Company balance sheet

SEKm	31 Mar		31 Dec
	2024	2023	2023
Non-current assets			
Other intangible fixed assets	0.4	0.7	0.5
Total intangible fixed assets	0.4	0.7	0.5
Financial fixed assets	15.2	-	7.4
Participations in Group companies	3,678.3	3,678.3	3,678.3
Long-term receivables from Group companies	4,955.5	4,805.5	4,805.5
Deferred tax asset	0.1	6.0	0.0
Total fixed assets	8,649.4	8,490.5	8,491.7
Current assets			
Short-term receivables	10.7	31.8	4.8
Short-term receivables from Group companies	124.7	172.6	104.9
Cash and cash equivalents	32.7	30.3	42.5
Total current assets	168.0	234.7	152.2
Total assets	8,817.4	8,725.2	8,644.0
Equity			
Restricted equity	5.4	5.4	5.4
Unrestricted equity	6,619.0	6,691.8	6,645.7
Total equity	6,624.4	6,697.2	6,651.0
Untaxed reserves	-	20.0	-
Non-current liabilities			
Other provisions	0.5	-	0.2
Long-term liabilities to Group companies	450.0	-	450.0
Non-current interest-bearing liabilities to credit institutions	1,699.2	1,990.9	1,495.5
Total non-current liabilities	2,149.7	1,990.9	1,945.7
Current liabilities			
Other current liabilities	43.3	17.0	47.2
Total current liabilities	43.3	17.0	47.2
Total equity and liabilities	8,817.4	8,725.2	8,644.0

Key ratios

	2024	2023				
	Q1	Q4	Q3	Q2	Q1	Jan-Dec
THE GROUP						
Net sales growth (%)	-23.3	-14.5	-7.9	-10.9	-15.9	-12.2
Organic growth (%)	-13.9	-10.8	-10.4	-12.6	-17.0	-12.7
Adjusted gross profit beofre direct selling costs (%)	39.1	38.4	37.3	38.3	37.8	38.0
Adjusted gross profit (%)	26.6	25.4	24.0	25.8	24.5	25.0
Adjusted EBIT (%)	-0.0	1.9	0.4	2.8	-2.6	0.8
Earnings per share before dilution, SEK	-0.38	-0.89	-7.30	0.12	-0.66	-8.73
Earnings per share after dilution, SEK	-0.38	-0.89	-7.30	0.12	-0.66	-8.73
Equity/assets ratio %	56.1	57.0	55.0	52.6	52.7	57.0
Net debt (+) / Net cash (-)	1,376.7	1,129.7	1,231.5	968.8	1,429.3	1,129.7
Cash flow from operating activites (SEKm)	-110.8	348.9	223.7	766.8	210.8	1,550.2
Total order value (SEKm)	2,079.4	2,824.8	2,883.3	3,561.3	2,660.7	11,930.0
Orders (thousands)	851	1,377	1,106	1,217	1,016	4,716
Average order value (SEK)	2,445	2,051	2,608	2,925	2,619	2,529
Home Improvement						
Net sales growth (%)	-16.2	-17.1	-13.7	-13.7	-22.4	-16.5
Organic growth (%)	-16.2	-17.7	-15.3	-14.6	-22.9	-17.4
Adjusted gross profit beofre direct selling costs (%)	35.2	33.3	31.5	31.6	31.1	31.9
Adjusted gross profit (%)	25.0	22.1	20.8	21.3	20.6	21.2
Adjusted EBIT (%)	-0.9	0.9	1.9	3.3	-3.7	0.9
Total order value (SEKm)	1,035.5	1,332.2	1,409.9	1,772.6	1,240.4	5,755.1
Orders (thousands)	368	539	536	611	431	2,117
Average order value (SEK)	2,810	2,473	2,631	2,901	2,877	2,719
Value Home						
Net sales growth (%)	-45.9	-26.9	-4.6	-10.7	-13.9	-13.5
Organic growth (%)	-17.6	-13.4	-9.4	-14.1	-16.6	-13.5
Adjusted gross profit beofre direct selling costs (%)	46.4	46.2	45.4	46.2	44.4	45.6
Adjusted gross profit (%)	32.3	32.1	29.5	31.7	29.6	30.7
Adjusted EBIT (%)	3.0	3.0	-0.4	3.9	-2.0	1.3
Total order value (SEKm)	504.9	664.9	984.1	1,260.5	913.4	3,822.9
Orders (thousands)	115	207	244	286	230	967
Average order value (SEK)	4,383	3,218	4,030	4,410	3,969	3,954
Premium Living						
Net sales growth (%)	1.7	7.8	6.1	-3.7	-6.7	1.3
Organic growth (%)	-2.6	7.8	6.1	-3.7	-6.7	1.3
Adjusted gross profit beofre direct selling costs (%)	39.1	39.9	36.2	39.6	40.3	39.2
Adjusted gross profit (%)	23.9	24.7	21.4	25.0	23.7	23.9
Adjusted EBIT (%)	1.3	5.8	1.0	2.0	2.4	3.2
Total order value (SEKm)	539.1	827.7	489.4	528.1	506.9	2,352.0
Orders (thousands)	367	632	325	321	355	1,633
Average order value (SEK)	1,469	1,309	1,504	1,647	1,429	1,440



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

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

ADJUSTED EBIT, ADJUSTED EBITDA AND ADJUSTED GROSS PROFIT

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

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

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



Group

Reconciliation between operating income & adjusted EBITDA

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Operating income	-23.7	-100.1	-1,374.2
Costs related to LTIP	-	5.6	10.4
Acquisition-related costs	-	-	4.0
Salary expense for gardening leave	-	0.4	7.6
Received electricity support for business	-	-	-4.9
Impairment IT platform	-	-	65.6
Impairment due to restructuring	-	-	138.7
Restructuring costs	-	-	33.3
Capital losses disposal of operations	-	-	1,117.7
Total items affecting comparability	-	5.9	1,372.5
Amortisation of acquisition-related intangible fixed assets	23.2	25.3	98.4
Scrapping of acquired brands when sites are discontinued	-	-	-
Adjusted EBIT	-0.6	-68.9	96.7
Adjusted EBIT (%)	-0.0	-2.6	0.8
Depreciation and amortisation of tangible and intangible fixed assets	89.1	129.1	487.0
Gain/loss from sale of fixed assets	4.8	-0.1	-4.8
Adjusted EBITDA	93.3	60.0	578.9
Adjusted EBITDA (%)	4.6	2.3	4.9

Reconciliation between gross profit & adjusted gross profit

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	2,008.8	2,617.5	11,790.2
Cost of goods	-1,223.0	-1,627.4	-7,332.3
Gross profit before direct selling costs	785.7	990.1	4,457.9
Gross profit before direct selling costs (%)	39.1	37.8	37.8
Direct selling costs	-251.1	-348.8	-1,536.9
Gross profit	534.7	641.3	2,921.1
Gross profit (%)	26.6	24.5	24.8
Impairment due to restructuring	-	-	20.0
Adjusted gross profit before direct selling costs	785.7	990.1	4,477.9
Adjusted gross profit before direct selling costs (%)	39.1	37.8	38.0
Restructuring costs	-	-	2.9
Impairment due to restructuring	-	-	0.9
Adjusted gross profit	534.7	641.3	2,944.8
Adjusted gross profit (%)	26.6	24.5	25.0


Reconciliation organic growth

SEKm	jan-mar		jan-dec
	2024	2023	2023
Net sales comparative period	2,617.5	3,110.6	13,433.6
Currency effect	1.2	47.6	247.6
Effect acquired companies	-	12.8	12.8
Effect divested companies	-246.1	-24.6	-203.0
Organic growth	-363.9	-528.9	-1,700.9
Net sales current period	2,008.8	2,617.5	11,790.2
Organic growth (%)	-13.9%	-17.0%	-12.7%

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

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Personnel costs	-206.5	-279.5	-1,067.1
Other external costs and operating expenses	-246.6	-308.9	-1,354.7
Total personnel costs and other external costs and operating expenses	-453.2	-588.4	-2,421.9
Adjustment items affecting comparability related to personnel costs	-	5.9	30.0
Adjustment items affecting comparability related to other external costs and operating expenses	-	-	21.3
Selling, general and administrative expenses (SG&A)	-453.2	-582.4	-2,370.5



Home Improvement

Reconciliation between operating income & adjusted EBITDA

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Operating income	-23.6	-59.2	-71.5
Acquisition-related costs	-	-	4.0
Salary expense for gardening leave	-	0.4	7.0
Received electricity support for business	-	-	-2.5
Impairment due to restructuring	-	-	48.8
Res structuring costs	-	-	10.9
Total items affecting comparability	-	0.4	68.1
Amortisation of acquisition-related intangible fixed assets	14.4	14.4	57.4
Scrapping of acquired brands when sites are discontinued	-	-	-
Adjusted EBIT	-9.2	-44.5	54.0
Adjusted EBIT (%)	-0.9	-3.7	0.9
Depreciation and amortisation of tangible and intangible fixed assets	39.2	45.1	177.2
Gain/loss from sale of fixed assets	6.8	-0.0	3.3
Adjusted EBITDA	36.7	0.6	234.5
Adjusted EBITDA (%)	3.7	0.0	4.1

Reconciliation between gross profit & adjusted gross profit

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	1,003.2	1,197.0	5,726.7
Cost of goods	-650.5	-825.1	-3,908.0
Gross profit before direct selling costs	352.7	371.9	1,818.7
Gross profit before direct selling costs (%)	35.2	31.1	31.8
Direct selling costs	-101.5	-125.8	-613.4
Gross profit	251.2	246.1	1,205.2
Gross profit (%)	25.0	20.6	21.0
Impairment due to restructuring	-	-	6.2
Adjusted gross profit before direct selling costs	352.7	371.9	1,824.9
Adjusted gross profit before direct selling costs (%)	35.2	31.1	31.9
Res structuring costs	-	-	2.9
Impairment due to restructuring	-	-	0.9
Adjusted gross profit	251.2	246.1	1,215.2
Adjusted gross profit (%)	25.0	20.6	21.2



Reconciliation organic growth

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales comparative period	1,197.0	1,543.3	6,856.3
Currency effect	0.6	18.0	110.5
Effect acquired companies	-	13.0	13.0
Effect divested companies	-	-24.6	-63.0
Organic growth	-194.4	-352.7	-1,190.1
Net sales current period	1,003.2	1,197.0	5,726.7
Organic growth (%)	-16.2%	-22.9%	-17.4%

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

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Personnel costs	-109.8	-129.4	-492.2
Other external costs and operating expenses	-106.9	-116.6	-506.3
Total personnel costs and other external costs and operating expenses	-216.7	-246.1	-998.5
Adjustment items affecting comparability related to personnel costs	-	0.4	12.3
Adjustment items affecting comparability related to other external costs and operating expenses	-	-	5.5
Selling, general and administrative expenses (SG&A)	-216.7	-245.7	-980.7



Value Home

Reconciliation between operating income & adjusted EBITDA

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Operating income	12.4	-24.2	-1,259.3
Received electricity support for business	-	-	-1.8
Impairment IT platform	-	-	65.6
Impairment due to restructuring	-	-	90.0
Resurcturing costs	-	-	19.4
Capital losses disposal of operations	-	-	1,117.5
Total items affecting comparability	-	-	1,290.7
Amortisation of acquisition-related intangible fixed assets	3.0	5.2	18.1
Scrapping of acquired brands when sites are discontinued	-	-	-
Adjusted EBIT	15.4	-19.0	49.5
Adjusted EBIT (%)	3.0	-2.0	1.3
Depreciation and amortisation of tangible and intangible fixed assets	30.8	67.2	242.7
Gain/loss from sale of fixed assets	-2.0	-0.2	-8.2
Adjusted EBITDA	44.2	48.0	284.0
Adjusted EBITDA (%)	8.7	5.1	7.2

Reconciliation between gross profit & adjusted gross profit

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	510.5	943.2	3,941.4
Cost of goods	-273.4	-524.0	-2,158.2
Gross profit before direct selling costs	237.1	419.2	1,783.3
Gross profit before direct selling costs (%)	46.4	44.4	45.2
Direct selling costs	-72.3	-140.3	-586.9
Gross profit	164.8	278.9	1,196.4
Gross profit (%)	32.3	29.6	30.4
Impairment due to restructuring	-	-	13.7
Adjusted gross profit before direct selling costs	237.1	419.2	1,797.0
Adjusted gross profit before direct selling costs (%)	46.4	44.4	45.6
Adjusted gross profit	164.8	278.9	1,210.1
Adjusted gross profit (%)	32.3	29.6	30.7



Reconciliation organic growth

SEKm	jan-mar		jan-dec
	2024	2023	2023
Net sales comparative period	943.2	1,095.9	4,558.7
Currency effect	0.6	29.7	137.1
Effect divested companies	-246.1	-	-139.9
Transfer of business between segments	-21.4	-	-
Organic growth	-165.8	-182.4	-614.4
Net sales current period	510.5	943.2	3,941.4
Organic growth (%)	-17.6%	-16.6%	-13.5%

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

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Personnel costs	-48.3	-95.1	-356.1
Other external costs and operating expenses	-81.9	-136.8	-594.3
Total personnel costs and other external costs and operating expenses	-130.2	-231.9	-950.4
Adjustment items affecting comparability related to personnel costs	-	-	7.4
Adjustment items affecting comparability related to other external costs and operating expenses	-	-	12.0
Selling, general and administrative expenses (SG&A)	-130.2	-231.9	-931.0



Premium Living

Reconciliation between operating income & adjusted EBITDA

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Operating income	0.8	6.2	48.6
Received electricity support for business	-	-	-0.6
Total items affecting comparability	-	-	-0.6
Amortisation of acquisition-related intangible fixed assets	5.8	5.7	22.9
Scrapping of acquired brands when sites are discontinued	-	-	-
Adjusted EBIT	6.5	11.9	70.9
Adjusted EBIT (%)	1.3	2.4	3.2
Depreciation and amortisation of tangible and intangible fixed assets	18.5	16.2	64.8
Gain/loss from sale of fixed assets	0.0	0.1	0.1
Adjusted EBITDA	25.0	28.2	135.8
Adjusted EBITDA (%)	4.9	5.7	6.2

Reconciliation between gross profit & adjusted gross profit

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales	506.4	498.0	2,201.2
Cost of goods	-308.3	-297.2	-1,339.3
Gross profit before direct selling costs	198.1	200.8	861.9
Gross profit before direct selling costs (%)	39.1	40.3	39.2
Direct selling costs	-77.3	-82.8	-336.6
Gross profit	120.8	118.0	525.3
Gross profit (%)	23.9	23.7	23.9
Inventory impairment	-	-	-
Adjusted gross profit before direct selling costs	198.1	200.8	861.9
Adjusted gross profit before direct selling costs (%)	39.1	40.3	39.2
Adjusted gross profit	120.8	118.0	525.3
Adjusted gross profit (%)	23.9	23.7	23.9



Reconciliation organic growth

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Net sales comparative period	498.0	533.7	2,172.1
Transfer of business between segments	21.4	-	-
Organic growth	-13.0	-35.7	29.1
Net sales current period	506.4	498.0	2,201.2
Organic growth (%)	-2.6%	-6.7%	1.3%

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

SEKm	Jan-Mar		Jan-Dec
	2024	2023	2023
Personnel costs	-38.2	-35.4	-154.6
Other external costs and operating expenses	-57.6	-54.3	-234.9
Total personnel costs and other external costs and operating expenses	-95.8	-89.8	-389.5
Adjustment items affecting comparability related to personnel costs	-	-	-
Adjustment items affecting comparability related to other external costs and operating expenses	-	-	-
Selling, general and administrative expenses (SG&A)	-95.8	-89.8	-389.5



FINANCIAL IMPACT OF RESTRUCTURING PROGRAMME

SEKm	Jan-Mar	Jan-Mar 2023				Jan-Dec 2023		
	2024	Reported		Reported		Reported		Reported
	Reported	Reported	Adj. divested companies *	excl. divested companies **	Reported	Adj. divested companies *	excl. divested companies **	
Net sales	2,008.8	2,617.5	-297.1	2,320.4	11,790.2	-1,023.1	10,767.2	
Adjusted gross profit	534.7	641.3	-89.6	551.7	2,944.8	-304.5	2,640.4	
Adjusted gross margin (%)	26.6	24.5	30.1	23.8	25.0	29.8	24.5	
Adjusted EBITDA	93.3	60.0	-6.1	53.9	578.9	-18.8	560.1	
Adjusted EBITDA margin (%)	4.6	2.3	2.1	2.3	4.9	1.8	5.2	
Adjusted EBIT	-0.6	-68.9	20.4	-48.6	96.7	70.2	166.9	
Adjusted EBIT margin (%)	-0.0	-2.6	-6.9	-2.1	0.8	-6.9	1.6	
Adjusted EBITDA ex. IFRS 16	31.3	-36.1	17.5	-18.6	218.6	63.0	281.7	
Adjusted EBITDA margin ex. IFRS 16 (%)	1.6	-1.4	-5.9	-0.8	1.9	-6.2	2.6	

* Defined as an adjustment corresponding to the amount included in the consolidated income statement for the performance period attributable to divested and discontinued operations. The adjustment is presented to show the effect of divested and discontinued operations on each performance measure and to facilitate comparisons between periods.

** Defined as the sum of the reported performance measure and the adjustment attributable to divested and discontinued operations. The sum shows what the reported performance measure would have been if the divested and discontinued operations had not been included in the consolidated income statement for the full period presented. The sum is presented to facilitate comparisons between periods by excluding the earnings effects of the divested and discontinued operations.



NET DEBT/NET CASH

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

SEKm	31 Mar		31 Dec
	2024	2023	2023
Non-current interest-bearing liabilities	2,340.1	3,475.6	2,248.2
Short-term interest-bearing liabilities	410.3	781.5	308.7
Total interest-bearing liabilities	2,750.5	4,257.1	2,556.8
Cash and cash equivalents	-323.3	-590.5	-370.3
Adjustment lease liabilities	-644.5	-965.9	-687.1
Adjustment of acquisition related liabilities	-406.7	-1,280.5	-374.2
Adjustment transaction costs	0.8	9.1	4.5
Net debt (+) / Net cash (-)	1,376.7	1,429.3	1,129.7
Adjusted EBITDAaL Pro forma, LTM	293.5	266.9	236.8
Net debt (+) / Net cash (-) in relation to adjusted EBITDAaL Pro forma, LTM	4.69x	5.35x	4.77x
Adjusted EBITDAaL Pro forma, LTM			
Adjusted EBITDA, LTM	612.1	641.5	578.9
Adjustment for IFRS 16	-326.0	-344.9	-360.2
Adjustment for result attributed to legal minority interest*	-38.2	-29.5	-44.8
Pro forma adjustment for acquired/divested businesses	45.6	-0.2	63.0
Adjusted EBITDAaL Pro forma, LTM	293.5	266.9	236.8

* From January 1, 2024, BHG excludes result attributed to legal minority interests in the calculation of Adjusted EBITDAaL Pro forma, LTM, see definition on page 41.

Definitions

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

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

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

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