

Interim report – 9M 2020/21

(1 April – 31 December 2020)

Profits improved in the third quarter and guidance upgraded

- Sales growth driven by increasing demand for healthcare and health products
- Online sales via matas.dk up by 91% and proportion of online sales increased to 25.8% (Q3 2019/20: 16.2%)
- Profit growth driven by economies of scale in the online business
- Full-year guidance further upgraded

Matas generated revenue of DKK 1,313.0 million in Q3 2020/21, a year-on-year increase of DKK 139.6 million, or 11.9%.

Q3 sales were boosted by the pay-out of frozen holiday pay, while physical store sales were adversely affected by new restrictions.

The proportion of online sales grew significantly as COVID-19 restrictions were tightened, to make up 25.8% for the third quarter. Physical store sales stood their ground, dropping by only 0.4%, partly as a result of strong demand for healthcare products (Health & Wellbeing), which were up by 23.4%.

Gregers Wedell-Wedellsborg, CEO of Matas A/S:

"Matas' new business model proved resilient to large fluctuations during the quarter. Despite the costs incurred to ensure a safe shopping environment for our customers and employees, earnings were up as well due not least to profitability gains in our online business".

Earnings (EBITDA before special items) came to DKK 292.8 million in Q3, a year-on-year increase of DKK 28.9 million. The EBITDA margin before special items was 22.3%, in line with the 22.5% reported for Q3 2019/20, even with a significantly greater share of online sales, which are historically less profitable.

"The reopening of the retail sector from 1 March is a great relief and a bright spot that will result in more customers in the streets and in stores. As we have also seen a massive growth in our online sales in January and February, we can now upgrade guidance", said Gregers Wedell-Wedellsborg.

Matas is upgrading its full-year guidance which was most recently upgraded on 8 January 2021. Matas now forecasts growth of more than 12% in both overall revenue and underlying revenue, compared with the previous estimate of 10%. The EBITDA margin is now expected to exceed 18.5%, compared with the previous estimate of more than 18%. The CAPEX estimate is maintained at DKK 120 – 140 million.

Matas' ambition for financial year 2022/23, as set out in the 'Renewing Matas' strategy, is to grow revenue to about DKK 4 billion and keep its earnings capacity, in terms of the EBITDA margin before special items, above 18%.

Management now expects these two financial ambitions to be achieved already in 2020/21. Against this background, Matas has launched a project to update its strategy.

Q3 2020/21 highlights

- Revenue grew by 11.9% year on year in Q3 2020/21, while underlying like-for-like sales were up by 12.8%. All categories recorded higher sales. Boosting sales by 23.4%, Health & Wellbeing recorded the strongest sales growth, while High-End Beauty grew sales by an also strong 11.5%. The number of trading days was unchanged compared with Q3 2019/20.
- Online sales were ahead by 78% year on year, and 84,000 new customers shopped at matas.dk for the first time. Online sales accounted for 25.8% of Q3 2020/21 revenue against 16.2% in the year-earlier period.
- Underlying like-for-like sales in the Group's physical stores were down by a moderate 0.4% year on year on the back of increasing basket sizes.

- The gross margin for Q3 2020/21 was 43.8%, down from 43.9% in the year-earlier period. The slightly lower gross margin was attributable mainly to a higher proportion of online sales compared with the same quarter of last year and to the fact that part of the sales were accounted for by COVID-19-related articles such as face masks, which were sold at next to no margins.
- Overall costs (other external costs and staff costs) amounted to 21.6% of revenue against 21.5% in the same quarter of last year. Costs were up by DKK 30.9 million as a result of increased freight and logistics costs in the wake of online sales growth. At the same time, greater economies of scale translated into a more efficient and profitable online business.
- EBITDA before special items came to DKK 292.8 million, up from DKK 263.9 million in the year-earlier period. Growth was driven by higher revenue combined with a lower cost to revenue ratio attributable in part to greater economies of scale in the online business. The EBITDA margin before special items was 22.3% against 22.5% in Q3 2019/20.
- Cash generated from operations was an inflow of DKK 514.6 million in Q3 2020/21 against an inflow of DKK 254.2 million in Q3 2019/20, an increase of DKK 260.4 million attributable mainly to a combination of lower inventories and higher trade payables.

9M 2020/21 highlights

- Revenue for the first nine months of 2020/21 was up by 11.2%, and underlying like-for-like sales grew by 11.7% year on year. Boosting sales by 18.9%, Health & Wellbeing recorded the strongest 9M sales growth. The number of trading days was unchanged compared with the same period of 2019/20.
- Online sales surged by 100% year on year to make up 24.1% of 9M 2020/21 revenue against 13.4% in the year-earlier period.
- Underlying sales in the Group's physical stores were down by 1.9% year on year as footfall was adversely affected by the COVID-19 pandemic.
- The 9M 2020/21 gross margin was 43.8% against 44.1% in the year-earlier period. The lower gross margin was attributable to a higher proportion of online sales and to the fact that COVID-19-related articles such as face masks were sold at next to no margins.
- Overall costs amounted to 23.7% of revenue against 24.5% in 9M 2019/20. Overall costs were up by DKK 52.2 million as a consequence of higher activity and acquisitions, while underlying costs fell as a result of ongoing rationalisation measures.
- EBITDA before special items came to DKK 645.1 million, up from DKK 580.8 million in the year-earlier period. The EBITDA margin before special items was 20.2%, in line with the year-earlier level.
- Cash generated from operations was an inflow of DKK 934.7 million in 9M 2020/21 against an inflow of DKK 446.0 million in 9M 2019/20. The DKK 488.8 million increase was attributable to favourable earnings and working capital developments, in particular a reduction of funds tied up in stock, combined with a small positive impact from the postponed payment of A tax under the government's COVID-19 relief package.

(DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
Revenue	1,313.0	1,173.4	3,192.4	2,871.5
Gross profit	575.4	515.1	1,398.0	1,266.6
EBITDA before special items	292.8	263.9	645.1	580.8
EBIT	190.5	165.6	339.8	282.1
Adjusted profit after tax	175.4	137.5	315.2	259.6
Free cash flow	412.5	161.3	739.0	144.8
Revenue growth	11.9%	7.4%	11.2%	5.8%
Underlying like-for-like revenue growth	12.8%	4.7%	11.7%	1.6%
Gross margin	43.8%	43.9%	43.8%	44.1%
EBITDA margin before special items	22.3%	22.5%	20.2%	20.2%
Net interest-bearing debt/EBITDA before special items			2.2	n.a.*

* The number cannot be calculated at 31/12/2019 due to a lack of historical EBITA numbers after IFRS 16 implementation.

Conference call

Matas will host a conference call for investors and analysts on Thursday, 25 February 2021 at 11:00 a.m. The conference call and the presentation can be accessed on Matas' investor website: <https://investor.en.matas.dk>.

Conference call access numbers for investors and analysts:

DK:	+45 82333194
UK:	+44 3333009032
US:	+1 8335268383
Link to webcast:	https://streams.eventcdn.net/matasp/2020q3

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Forward-looking statements

This interim report contains statements relating to the future, including statements regarding Matas Group's future operating results, financial position, cash flows, business strategy and future targets. Such statements are based on management's reasonable expectations and forecasts at the time of release of the announcement. Forward-looking statements are subject to risks and uncertainties and a number of other factors, many of which are beyond Matas Group's control. This may have the effect that actual results may differ significantly from the expectations expressed in the announcement. Without being exhaustive, such factors include general economic and commercial factors, including market and competitive conditions, supplier issues and financial and regulatory issues as well as any effects of measures to contain the spread of COVID-19 that are not specifically mentioned above.

Key financials

(DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
Statement of comprehensive income				
Revenue	1,313.0	1,173.4	3,192.4	2,871.5
Gross profit	575.4	515.1	1,398.0	1,266.6
EBITDA	292.1	262.7	641.4	562.2
EBIT	190.5	165.6	339.8	282.1
Net financials	7.3	(11.3)	(16.0)	(31.2)
Profit before tax	197.8	154.3	323.8	250.9
Profit for the period after tax	154.5	117.7	252.7	189.7
Special items	0.7	1.2	3.7	18.6
EBITDA before special items	292.8	263.9	645.1	580.8
Adjusted profit after tax	175.4	137.5	315.2	259.6
Statement of financial position				
Total assets			6,263.4	6,684.7
Total equity			3,020.8	2,759.8
Net working capital			(167.8)	(24.4)
Net interest-bearing debt			1,702.6	2,437.8
Statement of cash flows				
Cash flow from operating activities	456.6	222.4	876.8	414.2
Cash flow from investing activities	(44.1)	(61.1)	(137.8)	(269.4)
Free cash flow	412.5	161.3	739.0	144.8
Ratios				
Revenue growth	11.9%	7.4%	11.2%	5.8%
Underlying like-for-like revenue growth	12.8%	4.7%	11.7%	1.6%
Gross margin	43.8%	43.9%	43.8%	44.1%
EBITDA margin	22.2%	22.4%	20.1%	19.6%
EBITDA margin before special items	22.3%	22.5%	20.2%	20.2%
EBIT margin	14.5%	14.1%	10.6%	9.8%
Cash conversion	162.1%	n.a.	128.1%	n.a.
Earnings per share, DKK	4.04	3.08	6.61	4.97
Diluted earnings per share, DKK	3.99	3.05	6.54	4.93
Share price, end of period, DKK			86.4	55.1
ROIC before tax			9.0%	n.a.*
Net working capital as a percentage of LTM revenue			(4.2)%	(0.7)%
Investments as a percentage of revenue	3.4%	5.2%	4.3%	9.4%
Net interest-bearing debt/EBITDA before special items			2.2	n.a.*
Number of transactions (millions)**	6.2	6.2	16.3	16.3
Average basket size (DKK)**	212.9	187.9	195.6	175.1
Average no. of employees	2,261	2,237	2,166	2,197

For definitions of key financials, see pages 104-105 of the 2019/20 Annual Report.

* The number cannot be calculated at 31/12/2019 due to a lack of historical EBITA numbers after IFRS 16 implementation. ** Number of transactions and basket size now also include Firtal transactions.

Management's review

'Renewing Matas'

The 'Renewing Matas' strategy was launched in May 2018 with a view to adapting Matas to a market affected by new customer requirements, intensified competition and retail sector digitalisation. Matas' overriding ambition is to remain our customers' preferred choice – whether shopping at physical stores or online.

In the period under review, we made progress in each of our five strategic focus areas: Live our purpose, stimulate growth in three areas (online, store and new growth) and maintain an unwavering focus on developing new ways of working.

Since the lockdown, Matas has strengthened its overall market position thanks to its nationwide retail network and strong online sales channels.

Matas has adapted its organisation to accommodate its customers' growing preference for online shopping and to meet varying customer demand for individual product groups and surging demand for COVID-19-related products and personal protective equipment.

The current strategy pursues three key ambitions going forward to 2023: Enhance customer engagement, grow revenue to about DKK 4 billion and maintain the Group's earnings capacity, in terms of the EBITDA margin before special items, above 18%.

When the strategy was launched, these ambitions equalled annual revenue growth of about 3% and an increase in the EBITDA margin of more than 2 percentage points over a five-year period.

Based on the performance for the first nine months of the financial year, management expects these two financial ambitions to be achieved already in financial year 2020/21.

The third key ambition of the strategy is to enhance customer engagement to an M-NPS of 70 by 2022/23. The M-NPS score for the first nine months of the year was 63.2% – a slight improvement from 62.8% in H1 2020/21.

Financial targets and ambitions	Realised Q3 2020/21	Realised 9M 2020/21	Targets for 2020/21	Ambitions for 2022/23
Customer engagement (M-NPS)	63.2 (index 99)	63.2 (index 99)	Ongoing improvement	70 (index 110)
Revenue growth*/Revenue (DKK)	11.9%	11.2%	Above 10%	Approx. DKK 4.0 billion
Underlying (like-for-like) revenue growth	12.8%	11.7%	Above 10%	Positive
EBITDA margin before special items	22.3%	20.2%	Above 18%	Above 18%
CAPEX (DKK)	39 million	108 million	120-140 million	Below 90 million
Gearing		2.2	2.5-3	2.5-3

* Includes revenue from Firtal and Kosmolet A/S.

1. Live our purpose

Together, Matas' purpose, 'Beauty and wellbeing for life', and its six guideposts set the course for the strategy and the Group's efforts to enhance customer engagement through, among other things, an improved customer experience. The six guideposts aim to make the Matas profile more personal, more green, more Danish, more sensuous, more simple, and more for everyone.

The Group's CSR strategy is focused on specific initiatives to promote diversity, sustainability and health. For the first time, Matas supported the annual Copenhagen Pride event, which promotes diversity and minority rights. In addition, Matas has supported the health authorities' efforts to contain the spread of COVID-19. Matas also made its stores available for a large-scale national vaccination programme offering free flu shots to elderly people. For several years, Matas has worked actively to reduce its consumption of plastics and to recycle plastics. At the end of Q3 2020/21, sales of plastic bags were down by 90% compared with the year-earlier period.

As part of our efforts to live our purpose, we continued the development of the Club Matas programme in the third quarter. Club Matas retained its position as one of Denmark's largest loyalty concepts with more than two thirds of all Danish women between the ages of 18 and 65 being members of Club Matas. The number of Club Matas members making at least one purchase at matas.dk was up by 50% in Q3 2020/21. The number of new (enrolled) Club Matas members making their first purchase at matas.dk surged by 170%.

Based on thorough analysis, Club Matas has developed Club Matas Plus, a subscription service which, for a monthly fee of DKK 29, offers a number of benefits in terms of Matas points, exclusive discounts, free delivery and exclusive access to new products, etc. Club Matas Plus will be launched at the beginning of 2021.

Surveys conducted by YouGov showed a strong increase in Matas' brand strength during the COVID-19 pandemic.

2. Win online

Matas aims to be the undisputed online market leader in the Danish market for beauty and wellbeing by 2023.

Overall online sales grew by 78%. 84,000 new customers shopped at matas.dk for the first time. Online sales accounted for 25.8% of Q3 2020/21 revenue against 16.2% in the year-earlier period.

Ongoing efforts were made during the third quarter of the financial year to expand the personal dialogue with customers through the Group's digital channels. By the end of December 2020, our customers were able to follow 262 Matas stores on Facebook. Matas continues to increase its social media following and currently has some 293,000 followers on Facebook and some 96,000 followers on Instagram. This represents an increase of 1% and 4%, respectively, from the second quarter. From September and to the end of the year, the chat function on matas.dk handled more than 45,000 customer inquiries. Customers seeking advice through the matas.dk chat function have baskets sizes twice those of other customers.

In the third quarter of the year, 50% of all customers shopping on matas.dk chose to pick up their purchases at a physical Matas store. More than one in four customers picking up their online purchases bought additional products at the store. This is in line with the pre-COVID-19 level.

Matas was widely recognised for its online progress in Q3 2020/21. The Danish Chamber of Commerce jury of e-commerce experts named Matas the winner of the Gold Award for Danish online stores and e-commerce suppliers from among a field of more than 500 nominees. In addition to the main award, Matas won the award for omni-channel retailer of the year.

3. Consolidate and upgrade the retail network

At 31 December 2020, Matas operated 263 physical stores under its own name, the same number as at 30 September 2020. Matas stores located outside the main cities and shopping centres have benefited from the many people working from home and spending more time in leisure homes, combined with the general shop local trend.

While no existing stores were upgraded to the new Matas Life store concept in Q3. The store at Søndergade (pedestrian street) in Aarhus relocated to new premises and reopened as a large Matas Life store in November.

During the COVID-19 pandemic, the stores have been focused on ensuring a safe shopping environment for our customers and employees and on staying open in order to continue serving customers. In terms of development, focus has been on accelerating store digitalisation and on the interaction between stores and the online channel.

The stores now offer video consultations and organise a variety of online events, and store employees offer advice to online customers on matas.dk. As part of its increased focus on health, Matas has built a team of pharmaconomists and currently 15 digital beauty and health therapists with special skills in OTC medicine, special skincare and supplements.

4. Open new growth tracks

As part of its strategy, Matas is focused on strengthening the green product range across the Group by giving green and local products more commercial space in Matas' stores and media.

During the COVID-19 pandemic, Firtal Group has significantly strengthened its position as a leading online health and healthcare products retailer.

5. Change how we work

Rethinking and simplifying how we work remains a key element of Matas' renewal strategy aiming to sustain Matas' ability to predict and adapt to market changes. The work to develop Matas Group's culture, processes, skills and employees continued in the third quarter with a particular emphasis on digitalisation.

In terms of logistics, the relocation of the matas.dk webshop to new premises in Humlebæk north of Copenhagen in autumn 2019 enabled Matas to accommodate rapidly changing demand patterns and secure fast delivery to customers. All orders placed during Black Week 2020 had been processed by the Wednesday of the following week.

Initiatives to optimise logistics and collaboration agreements with logistics suppliers made additional headway in the third quarter.

Matas' plans for the future logistics set-up (LOG23) is expected to result in a number of concrete initiatives that will require significant investments in the years ahead.

Q3 2020/21 and 9M 2020/21 performance

Revenue

Revenue

Matas generated total revenue of DKK 1,313.0 million in Q3 2020/21, a year-on-year increase of 11.9% from DKK 1,173.4 million in Q3 2019/20. Underlying sales, i.e. sales in stores operated by the Group in both Q3 2020/21 and Q3 2019/20, were up by 12.8%.

Revenue was supported by improved sales in particularly the Health & Wellbeing and High-End Beauty categories compared with Q3 2019/20.

The number of transactions was down by 0.8% year on year. The average basket size grew by 13.3% or DKK 24.9 per transaction.

Online sales accounted for 25.8% of Q3 2020/21 revenue against 16.2% in the year-earlier period.

Revenue by categories and sales channels (DKKm)	2020/21 Q3	2019/20 Q3	Growth	2020/21 9M	2019/20 9M	Growth
High-End Beauty	559.5	501.6	11.5%	1,190.7	1,071.9	11.1%
Mass Beauty	411.6	384.3	7.1%	1,070.1	993.2	7.7%
Health & Wellbeing	295.1	239.1	23.4%	812.1	683.3	18.9%
Other	45.9	42.4	8.2%	108.5	102.5	5.9%
Total own store and webshop revenue	1,312.1	1,167.4	12.4%	3,181.4	2,850.9	11.6%
Wholesale sales etc.	0.9	6.0	(84.7)%	11.0	20.6	(46.7)%
Total revenue	1,313.0	1,173.4	11.9%	3,192.4	2,871.5	11.4%
Physical stores	74.1%	83.3%		75.6%	85.9%	
Webshops (matas.dk and Firtal)	25.8%	16.2%		24.1%	13.4%	
Wholesale sales etc. (incl. Kosmolet)	0.1%	0.5%		0.3%	0.7%	

The High-End Beauty category grew revenue by 11.5%, while sales of Mass Beauty products were up by 7.1% year on year. Fragrances and skincare reported the strongest sales growth, due partly to weak competition from travel retail.

The Beauty segment accounted for 74.0% of the revenue generated by own stores and webshops, compared with 75.9% in Q3 2019/20.

The Health & Wellbeing category boosted sales by an impressive 23.4%. The increase was driven mainly by higher sales of COVID-19-related articles such as face masks and hand sanitiser (personal protective equipment). Personal protective equipment accounted for about 5 percentage points of the 23.4% increase in Health & Wellbeing sales.

Up by DKK 5.9 million year on year, overall private label sales, including Kosmolet A/S' Nilens Jord brand, made up 14.5% of the revenue generated by Matas stores and matas.dk in Q3 2020/21, compared with 15.5% in Q3 2019/20.

Wholesale sales, including wholesale sales attributable to Kosmolet A/S, fell by DKK 5.1 million year on year. External Kosmolet sales were adversely affected by the shutdown of travel retail and retail trade restrictions in general. Revenue from Club Matas relating to partners, value adjustments of Club Matas points and B2B are also included in this item. Revenue from the Club Matas partner programme fell sharply as the programme was discontinued at the end of August 2020.

Customer satisfaction among Club Matas members was 3.74 in Q3 on a scale of 1-4 with 1 being very dissatisfied and 4 being very satisfied. Customer satisfaction in Q2 2020/21 was 3.80.

At 63.2, the Matas Net Promoter Score (M-NPS) had improved by 0.4 of a percentage point at the end of Q3 2020/21 compared with the end of Q2 2020/21.

Sales channels

At 31 December 2020, Matas Group consisted of 264 physical stores – 262 stores in Denmark, one in the Faroe Islands and one associated store in Greenland. 74% of Q3 2020/21 revenue was generated by the Group's physical stores.

In addition, Matas was present online through matas.dk and 20 webshops run by Firtal, including helsebixen.dk, jala-helsekost.dk and made4men.dk. 26% of revenue was generated through the Group's online channels.

Wholesale sales, including wholesale sales from Kosmolet, accounted for just under 1% of overall sales.

The Group has no physical activities outside Denmark as the store in the Faroe Islands and the associated store in Greenland are considered Danish stores in this context.

Categories

Matas is characterised by its wide product range within beauty, personal care, health & wellbeing and problem-solving household products. This broad product range creates a unique one-stop retail value proposition for the Group's customers in the shape of four categories:

High-End Beauty: Luxury beauty products, including cosmetics, skincare and haircare products and fragrances.

Mass Beauty: Everyday beauty products and personal care, including cosmetics and skincare and haircare products.

Health & Wellbeing: MediCare (OTC medicine and nursing products). Vitamins, minerals, supplements, specialty foods and herbal medicinal products. Sports, nutrition and exercise. Mother and child. Personal care products (oral, foot and intimate care and hair removal). Special skincare.

Other: Clothing and accessories (footwear, hair ornaments, jewellery, toilet bags, etc.). House and garden (cleaning and maintenance, electrical products, interior decoration and textiles). Other revenue.

Costs and operating performance

Costs and operating performance

Gross profit for Q3 2020/21 was DKK 575.4 million, against DKK 515.1 million in Q3 2019/20.

The gross margin for Q3 2020/21 was 43.8%, compared with 43.9% in the year-earlier period. The slightly lower gross margin was attributable mainly to a higher proportion of online sales compared with the same quarter of last year and to the fact that part of the sales were accounted for by COVID-19-related articles such as face masks, which were sold at next to no margins.

Overall costs (other external costs and staff costs) amounted to 21.6% of revenue against 21.5% in the same quarter of last year and were up by DKK 30.9 million driven mainly by higher freight and logistics costs as a consequence of higher activity in the online area, which, however, also benefited from greater economies of scale and, by extension, a relative decline in costs.

Other external costs amounted to DKK 78.9 million in Q3 2020/21, up from DKK 64.5 million in Q3 2019/20. Adjusted for special items, which amounted to DKK 0.7 million in Q3 2020/21 and DKK 1.2 million in Q3 2019/20, other external costs were up by DKK 14.9 million year on year.

The increase in other external costs is explained as follows:

- Freight and logistics costs were up by DKK 23 million as a result of strong online sales growth and the continued digital build-up.
- COVID-19-related costs amounted to DKK 3 million.
- Underlying other external costs were down by some DKK 11 million, reflecting the Group's ongoing efforts to rationalise operations.

Other external costs amounted to 6.0% of revenue in Q3 2020/21, up from 5.5% in the year-earlier period. Other external costs measured as a percentage of revenue are expected to continue the upward trend as long as online sales continue to grow at the current rate with a higher proportion of costs relating to the online business being classified as other external costs, including freight and logistics costs.

Q3 2020/21 staff costs amounted to DKK 204.4 million, up from DKK 187.9 million in the year-earlier period. No non-recurring costs were incurred in either Q3 2020/21 or Q3 2019/20.

Developments in payroll costs are explained by the strong increase in online activity and costs specifically related to the COVID-19 pandemic.

Staff costs amounted to 15.6% of revenue in Q3 2020/21 against 16.0% in the year-earlier period. Payroll costs as a percentage of revenue are expected to continue to fall as long as online sales continue to grow at the current high rate.

Q3 2020/21 staff costs included DKK 1.8 million related to the Company's long-term share compensation programme.

Costs, Q3 (DKKm)	2020/21 Q3	2019/20 Q3	Growth
Other external costs	78.9	64.5	22.3%
- of which special items	0.7	1.2	
As a percentage of revenue	6.0%	5.5%	
Staff costs	204.4	187.9	8.8%
- of which special items	0.0	0.0	
As a percentage of revenue	15.6%	16.0%	

Costs, 9M (DKKm)	2020/21 9M	2019/20 9M	Growth
Other external costs	195.6	154.9	26.3%
- of which special items	1.3	4.9	
As a percentage of revenue	6.1%	5.4%	
Staff costs	561.0	549.5	2.1%
- of which special items	2.4	3.3	
As a percentage of revenue	17.6%	19.1%	

Other external costs and staff costs include Kosmolet for the period 11 June – 31 December 2019.

Q3 2020/21 EBITDA was DKK 292.1 million against DKK 262.7 million in Q3 2019/20. EBITDA before special items came to DKK 292.8 million for an EBITDA margin before special items of 22.3% against 22.5% in Q3 2019/20.

Amortisation, depreciation and impairment

Total amortisation, depreciation and impairment charges were up by DKK 4.5 million to DKK 101.6 million in Q3 2020/21, driven by increased depreciation of investments made as part of the Group's 'Renewing Matas' strategy.

Net financials

Net financial expenses were down by DKK 18.6 million in Q3 2020/21, producing financial income of DKK 7.3 million for Q3 2020/21. The decline in net financial expenses was attributable to the refund of too much interest charged by the tax authorities in connection with the payment made by the Company in October 2013 in relation to the proceedings concerning withholding tax on interest instituted by the tax authorities.

Profit for the period

The effective tax rate was 21.9% in Q3 2020/21, equivalent to a tax expense of DKK 43.3 million. Profit for the period was DKK 154.5 million after tax, and adjusted profit after tax was DKK 175.4 million against DKK 137.5 million in Q3 2019/20.

Statement of financial position

Total assets amounted to DKK 6,263.4 million at 31 December 2020, down from DKK 6,684.7 million at 31 December 2019.

Current assets totalled DKK 1,087.5 million, a year-on-year decline of DKK 189.2 million attributable to the settlement of a dispute with former owners concerning withholding tax in combination with a significant decline in inventories.

Inventories were DKK 82.2 million lower at the end of Q3 2020/21 than at the end of Q3 2019/20, reflecting ongoing stock optimisation efforts, which include a new order management system and consolidation of campaign purchases. COVID-19-related inventories of, e.g., face masks and disinfectants amounted to DKK 34 million at 31 December 2020.

Inventories accounted for 22.9% of LTM revenue at 31 December 2020 compared with 27.0% at 31 December 2019 and 26.1% at the end of financial year 2019/20.

Trade receivables increased by DKK 2.0 million to DKK 19.7 million, while trade payables increased by DKK 27.1 million year on year.

Net working capital excluding deposits stood at minus DKK 167.8 million at 31 December 2020 against minus DKK 24.4 million at 31 December 2019, an improvement of DKK 143.4 million that was mainly due to lower inventories combined with a small year-on-year increase in trade payables and, to a lesser extent, an increase in other payables as a result of the deferment of A tax etc. pursuant to the government's COVID-19 relief package.

Cash and cash equivalents stood at DKK 106.3 million, down from DKK 137.1 million the year before.

Equity was DKK 3,020.8 million at 31 December 2020, compared with DKK 2,759.8 million at 31 December 2019.

Net interest-bearing debt was DKK 1,702.6 million at 31 December 2020, a year-on-year decline of DKK 735.2 million – equalling 2.2 times LTM EBITDA before special items, which is below the long-term target of a level between 2.5 and 3. Of this decline, DKK 171.8 million was attributable to lower lease liabilities as a result of the implementation of IFRS 16 (see note 7 for additional information).

Gross interest-bearing debt stood at DKK 1,808.9 million at 31 December 2020, including lease liabilities of DKK 661.0 million. At 31 December 2019, gross interest-bearing debt was DKK 2,574.9 million, including lease liabilities of DKK 832.8 million.

At 31 December 2020, the Company's share capital consisted of 38,291,492 shares of DKK 2.50 each, corresponding to a share capital of DKK 95,728,730. After disposing of 81,034 shares in the period under review in connection with the exercise of the 2017/18 incentive programme, Matas held 22,943 treasury shares at 31 December 2020. Treasury shares are held with a view to meeting the obligations under the long-term management incentive programme.

Statement of cash flows

Cash generated from operations was an inflow of DKK 514.6 million in Q3 2020/21 against an inflow of DKK 254.2 million in Q3 2019/20, an increase of DKK 260.4 million attributable mainly to a positive change in the working capital.

The free cash flow was an inflow of DKK 412.5 million in Q3 2020/21 against an inflow of DKK 161.3 million in Q3 2019/20.

Cash flows (DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
Cash generated from operations	514.6	254.2	934.7	446.0
Free cash flow	412.5	161.3	739.0	144.8
Free cash flow net of acquisitions	412.5	176.3	739.0	282.5
Cash flows from financing activities	(333.3)	(70.7)	(739.3)	(168.6)

Return on invested capital

The return on LTM invested capital before tax was 8.9% at 31 December 2020. The return on invested capital at 31 December 2019 cannot be calculated under IFRS 16 due to a lack of historical EBITA numbers after IFRS 16 implementation.

Events after the date of the statement of financial position

Revenue increased in the period from 1 January to 23 February 2021 relative to Q4 2019/20, but at a lower rate than in the first nine months of the financial year.

The extension of the COVID-19 restrictions to 28 February 2021 is expected to impact adversely on footfall while giving a further boost to online sales.

Significant risks

Matas Group is exposed to operational risks affecting the retail industry in general and the Health & Beauty industry in particular. If the COVID-19 pandemic leads to the lockdown of additional parts of the retail industry and other parts of Danish society, Matas' business may be severely affected. In addition, Matas is to some extent exposed to financial risk such as interest rate, liquidity and credit risk.

Matas Group is exposed to digital attacks. Matas constantly seeks to improve its cyber security. Matas pursues a highly segmented network structure segregating data flows from stores, suppliers, employees and other business partners. Matas continually monitors network traffic and performs regular data backups.

Statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management today considered and approved the interim report of Matas A/S for the period 1 April to 31 December 2020.

The interim report, which has been neither audited nor reviewed by the Company's auditors, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the interim report gives a true and fair view of the Group's assets and liabilities and financial position at 31 December 2020 and of the results of the Group's operations and cash flows for the period 1 April to 31 December 2020.

Furthermore, in our opinion, the management's review includes a fair review of the development and performance of the business, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that the Group faces.

Allerød, 25 February 2021

Executive Management

Gregers Wedell-Wedellsborg
CEO

Anders Skole-Sørensen
CFO

Board of Directors

Lars Vinge Frederiksen
Chairman

Lars Frederiksen
Deputy Chairman

Signe Trock Hilstrøm

Mette Maix

Henrik Taudorf Lorensen

Birgitte Nielsen

Additional information

Financial calendar

The financial year covers the period 1 April – 31 March, and the following dates have been fixed for releases etc. in the remainder of financial year 2020/21:

17 May 2021	Deadline for the Company's shareholders to submit in writing requests for specific proposals to be included on the agenda for the annual general meeting
27 May 2021	Annual report 2020/21
29 June 2021	Annual general meeting for 2020/21

Company information

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 Company reg. (CVR) no. 27 52 84 06

Statement of comprehensive income

(DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
Revenue	1,313.0	1,173.4	3,192.4	2,871.5
Cost of goods sold	(737.6)	(658.3)	(1,794.4)	(1,604.9)
Gross profit	575.4	515.1	1,398.0	1,266.6
Other external costs	(78.9)	(64.5)	(195.6)	(154.9)
Staff costs	(204.4)	(187.9)	(561.0)	(549.5)
Amortisation, depreciation and impairment	(101.6)	(97.1)	(301.6)	(280.1)
EBIT	190.5	165.6	339.8	282.1
Share of profit or loss after tax of associates	0.2	0.1	0.5	0.8
Financial income	17.3	0.1	17.4	0.1
Financial expenses	(10.2)	(11.5)	(33.9)	(32.1)
Profit before tax	197.8	154.3	323.8	250.9
Tax on profit for the period	(43.3)	(36.6)	(71.1)	(61.2)
Profit for the period	154.5	117.7	252.7	189.7
Other comprehensive income				
Value adjustment of hedging instrument	0.4	0.4	0.8	0.0
Tax on value adjustment	(0.1)	0.0	(0.2)	0.0
Other comprehensive income	0.3	0.4	0.6	0.0
Total comprehensive income	154.8	118.1	253.3	189.7
Earnings per share				
Earnings per share, DKK	4.04	3.08	6.61	4.97
Diluted earnings per share, DKK	3.99	3.05	6.54	4.93

Statement of cash flows

(DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
Profit before tax	197.8	154.3	323.8	250.9
Adjustment for non-cash operating items etc.:				
Amortisation, depreciation and impairment	101.6	97.1	301.6	280.1
Other non-cash operating items, net	1.7	1.6	3.6	4.8
Share of profit or loss after tax of associates	(0.2)	(0.2)	(0.6)	(0.8)
Financial income	(17.3)	0.1	(17.4)	0.1
Financial expenses	10.2	11.5	33.9	32.1
Cash generated from operations before changes in working capital	293.8	264.4	644.9	567.2
Changes in working capital	220.8	(10.2)	289.8	(121.2)
Cash generated from operations	514.6	254.2	934.7	446.0
Interest received	0.2	(0.1)	0.2	(0.1)
Corporation tax paid	(58.2)	(31.7)	(58.2)	(31.7)
Cash flow from operating activities	456.6	222.4	876.8	414.2
Acquisition of intangible assets	(25.4)	(13.5)	(60.1)	(43.6)
Acquisition of property, plant and equipment	(13.7)	(32.6)	(48.2)	(82.7)
Acquisition of investments in associates	0.0	0.0	(5.5)	(5.4)
Contingent consideration paid	(5.0)	0.0	(24.0)	0.0
Acquisition of subsidiaries and operations	0.0	(15.0)	0.0	(137.7)
Cash flow from investing activities	(44.1)	(61.1)	(137.8)	(269.4)
Free cash flow	412.5	161.3	739.0	144.8
Debt raised and settled with credit institutions	(312.6)	(41.3)	(675.0)	75.9
Other debt raised	0.0	22.2	0.0	22.2
Interest receivable received	29.3	0.0	29.3	0.0
Amount received from former parent company	0.0	0.0	64.4	0.0
Interest paid	(7.6)	(6.7)	(30.3)	(17.6)
Repayment of lease liabilities	(42.4)	(45.0)	(127.7)	(134.6)
Dividend paid	0.0	0.0	0.0	(114.6)
Cash flow from financing activities	(333.3)	(180.1)	(739.3)	(97.9)
Net cash flow from operating, investing and financing activities	79.2	90.6	(0.3)	(23.8)
Cash and cash equivalents, beginning of period	27.1	46.5	106.6	160.9
Cash and cash equivalents, end of period	106.3	137.1	106.3	137.1

The above cannot be derived directly from the statement of comprehensive income and the statement of financial position.

Assets

(DKKm)	31.12 2020	31.12 2019	31.03 2020
NON-CURRENT ASSETS			
Goodwill	3,930.6	3,930.6	3,930.6
Trademarks and trade names	164.5	248.1	227.2
Other intangible assets	114.8	91.9	99.1
Total intangible assets	4,209.9	4,270.6	4,256.9
Property, plant and equipment			
Lease assets	646.4	823.6	774.1
Land and buildings	91.5	85.9	91.4
Other fixtures and fittings, tools and equipment	111.5	110.8	117.3
Leasehold improvements	57.7	64.5	63.4
Total property, plant and equipment	907.1	1,084.8	1,046.2
Investments in associates	12.3	0.9	6.5
Deposits	46.0	45.6	46.3
Other securities and equity investments	0.6	6.1	0.6
Total other non-current assets	58.9	52.6	53.4
Total non-current assets	5,175.9	5,408.0	5,356.5
CURRENT ASSETS			
Inventories	918.2	1,000.4	962.6
Trade receivables	19.7	17.7	14.7
Corporation tax receivable	4.9	9.3	29.6
Other receivables	3.7	86.3	87.4
Prepayments	34.7	25.9	30.9
Cash and cash equivalents	106.3	137.1	106.6
Total current assets	1,087.5	1,276.7	1,231.9
TOTAL ASSETS	6,263.4	6,684.7	6,588.3

Equity and liabilities

(DKKm)	31.12 2020	31.12 2019	31.03 2020
EQUITY			
Share capital	95.7	95.7	95.7
Hedging reserve	(1.5)	(2.6)	(2.1)
Translation reserve	0.3	0.3	0.3
Treasury share reserve	(2.6)	(11.8)	(11.8)
Retained earnings	2,928.9	2,678.2	2,681.9
Total equity	3,020.8	2,759.8	2,764.0
LIABILITIES			
Deferred tax	183.9	208.6	210.0
Lease liabilities	496.1	644.7	598.9
Provisions	27.6	27.5	27.3
Contingent consideration	0.0	16.6	17.1
Credit institutions	1,147.9	1,736.2	1,821.7
Other payables	59.4	22.2	38.0
Total non-current liabilities	1,914.9	2,655.8	2,713.0
Credit institutions	0.0	5.9	0.0
Lease liabilities	164.9	188.1	185.6
Prepayments from customers	198.1	195.5	158.9
Trade payables	681.7	654.6	586.7
Contingent consideration	18.7	0.0	0.0
Other payables	264.3	225.0	180.1
Total current liabilities	1,327.7	1,269.1	1,111.3
Total liabilities	3,242.6	3,924.9	3,824.3
TOTAL EQUITY AND LIABILITIES	6,263.4	6,684.7	6,588.3

Statement of changes in equity

	Share capital	Hedging reserve	Translation reserve	Treasury share reserve	Retained earnings	Total
Equity at 1 April 2020	95.7	(2.1)	0.3	(11.8)	2,681.9	2,764.0
Value adjustment of hedging instrument	0.0	0.8	0.0	0.0	0.0	0.8
Tax on value adjustment	0.0	(0.2)	0.0	0.0	0.0	(0.2)
Other comprehensive income	0.0	0.6	0.0	0.0	0.0	0.6
Profit for the period	0.0	0.0	0.0	0.0	252.7	252.7
Total comprehensive income	0.0	0.6	0.0	0.0	252.7	253.3
Transactions with owners						
Exercise of incentive programme	0.0	0.0	0.0	9.2	(10.3)	(1.1)
Share-based payment	0.0	0.0	0.0	0.0	4.7	4.7
Total transactions with owners	0.0	0.0	0.0	9.2	(5.6)	3.6
Equity at 31 December 2020	95.7	(1.5)	0.3	(2.6)	2,928.9	3,020.8

	Share capital	Hedging reserve	Translation reserve	Treasury share reserve	Proposed dividend	Retained earnings	Total
Equity at 1 April 2019	95.7	(2.6)	0.3	(33.3)	114.9	2,494.9	2,669.9
Value adjustment of hedging instrument	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax on value adjustment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit for the period	0.0	0.0	0.0	0.0	0.0	189.7	189.7
Total comprehensive income	0.0	0.0	0.0	0.0	0.0	189.7	189.7
Transactions with owners							
Dividend paid	0.0	0.0	0.0	0.0	(114.6)	0.0	(114.6)
Dividend on treasury shares	0.0	0.0	0.0	0.0	(0.3)	0.3	0.0
Exercise of incentive programme	0.0	0.0	0.0	5.9	0.0	(5.9)	0.0
Disposal of treasury shares for purchase of Kosmolet	0.0	0.0	0.0	15.6	0.0	(5.6)	10.0
Share-based payment	0.0	0.0	0.0	0.0	0.0	4.8	4.8
Total transactions with owners	0.0	0.0	0.0	21.5	(114.9)	(6.4)	(99.8)
Equity at 31 December 2019	95.7	(2.6)	0.3	(11.8)	0.0	2,678.2	2,759.8

Notes

Note 1 – Accounting policies

The interim report is presented in accordance with IAS 34, Interim Financial Reporting as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

Except as set out below, the accounting policies are consistent with the accounting policies applied in the consolidated financial statements for 2019/20, to which reference is made.

Changes of accounting policies

Matas has implemented the latest IFRS amendments, which took effect on 1 April 2020 and have been approved by the EU.

None of those amendments have significantly affected recognition and measurement, nor are they expected to have a material effect on Matas in the near future.

Note 2 – Accounting estimates and judgments

The preparation of interim financial statements requires management to make accounting judgments and estimates that affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these estimates.

The critical accounting estimates and judgments applied are consistent with those applied in the consolidated financial statements for 2019/20.

Note 3 – Seasonality

The Group's activities in the interim period were affected by Christmas shopping, which is material to the Group's overall financial performance.

Note 4 – Revenue

(DKKm)	2020/21 Q3	2019/20 Q3	2019/20 9M	2019/20 9M
Retail sales, own stores	972.8	977.3	2,413.2	2,466.2
Retail sales, webshops (matas.dk and Firtal)	339.3	190.1	768.2	384.7
Wholesale sales etc. (incl. Kosmolet)	0.9	6.0	11.0	20.6
Total revenue	1,313.0	1,173.4	3,192.4	2,871.5

In Q3 2020/21, 25.8% of Matas Group's revenue was generated by its webshops, compared with 16.2% in the year-earlier period.

Revenue breaks down by product groups as follows:

(DKKm)	2020/21 Q3	2019/20 Q3	2020/21 9M	2019/20 9M
High-End Beauty	559.5	501.7	1,190.7	1,072.0
Mass Beauty	411.6	384.3	1,070.1	993.2
Health & Wellbeing	295.1	239.1	812.1	683.3
Other	45.9	42.4	108.5	102.5
Wholesale sales etc.	0.9	6.0	11.0	20.6
Total revenue	1,313.0	1,173.4	3,192.4	2,871.5

The product groups are as follows:

- High-End Beauty: Luxury beauty products, including cosmetics, skincare and haircare products and fragrances.
- Mass Beauty: Everyday beauty products and personal care, including cosmetics and skincare and haircare products.
- Health & Wellbeing: MediCare (OTC medicine and nursing products). Vitamins, minerals, supplements, specialty foods and herbal medicinal products. Sports, nutrition and exercise. Mother and child. Personal care products (oral, foot and intimate care and hair removal). Special skincare.
- Other: Clothing and accessories (footwear, hair ornaments, jewellery, toilet bags, etc.). House and garden (cleaning and maintenance, electrical products, interior decoration and textiles). Other revenue.
- Wholesale sales etc. comprise sales concerning the associated Matas store, Club Matas partners, value adjustments of Club Matas points, B2B and sales by Kosmolet outside of Matas.

Revenue is generated by the sale of Matas products. Revenue from sales of products through Matas stores is recognised when a store sells the product to the customer. Payment is usually received when the customer receives the product, or, if the customer pays by credit card, a few days later. Revenue from sales through Matas webshops is recognised and payment is received when the product is sent to the customer.

A small proportion of Matas' revenue is invoiced, e.g. wholesale sales, in which connection a receivable is recognised.

For the Club Matas customer loyalty programme, a performance obligation is recognised at the date of recognition of the sale triggering the allocation of Club Matas points and stripes. The performance obligation is measured at the estimated fair value of the Club Matas points and stripes allocated and amounted to DKK 75.5 million at 31 December 2020 (31 December 2019: DKK 75.3 million). The estimated fair value is inherently subject to some uncertainty with respect to actual future redemption and considering the flexibility of the customer loyalty programme. Revenue is recognised when the customer uses points/stripes, usually over an average period of three months.

Customers have the option of returning products, but the volume of returns at 31/12/2020 was insignificant, as was the amount of guarantee commitments.

Geographical information

Matas Group operates almost exclusively in Denmark. Revenue from sales through Danish retail stores, webshops and wholesale sales accounted for > 98%.

Note 5 – Contingent consideration and goodwill

Contingent consideration in the amount of DKK 19.0 million was paid in June 2020 in relation to the acquisition of Kosmolet A/S, consisting of contingent consideration of DKK 20.0 million and a DKK 1.0 million reduction of the purchase price. Contingent consideration in the amount of DKK 5.0 million was paid in October 2020 in relation to the acquisition of Din Frisør Shop ApS.

No acquisitions have been made after 31 December 2020.

At DKK 3,930.6 million, the carrying amount of goodwill was unchanged compared with 31 March 2020. Kosmolet A/S was acquired in June 2019 and Din Frisør Shop ApS in October 2019.

(DKKm)	2020/21	2019/20
Goodwill at 1 April	3,930.6	3,838.1
Addition on acquisition of Kosmolet A/S	-	79.4
Addition on acquisition of Din Frisør Shop ApS	-	13.1
Goodwill at 31 December	3,930.6	3,930.6

Note 6 – Acquisition of investments in associates

The Group increased its ownership interest in MIILD A/S to 40.0% in May 2020.

Note 7 – Leases

Matas' lease assets are as follows:

DKKm	31/12/2020	31/12/2019	31/03/2020
Store leases	589.5	751.6	706.1
Administration and warehouse buildings etc.	54.4	65.6	62.9
Cars and other leases	2.5	6.4	5.1
Total lease assets	646.4	823.6	774.1

There was an addition of lease assets in the amount of DKK 4.9 million in the first nine months of the year.

Matas' lease liabilities are as follows:

DKKm	31/12/2020	31/12/2019	31/03/2020
Non-current liabilities	496.1	644.7	598.9
Current liabilities	164.9	188.1	185.6
Total lease liabilities	661.0	832.8	784.5

Most store leases are subject to terms of notice of 3-12 months.

Depreciation as set out below is recognised in the statement of comprehensive income:

DKKm	9M 2020/21	9M 2019/20
Leased stores etc.	121.5	123.2
Administration and warehouse buildings etc.	8.5	8.0
Cars and other leases	2.9	3.0
Total depreciation of lease assets	132.9	134.2

Lease payments in the amount of DKK 137.6 million were made in 9M 2020/21 (9M 2019/20: DKK 134.5 million).

Interest in the amount of DKK 9.4 million was expensed in 9M 2020/21 (9M 2019/20: DKK 11.1 million).

Matas Group is the lessee of a limited number of premises. For some of these leases, the full rent is based on revenue, while for others, rent is partially based on revenue.

Revenue-based rent is not comprised by IFRS 16 and is therefore not included in the above tables. Revenue-based rent is, as before, recognised under other external costs and amounted to DKK 2.6 million.

A total amount of DKK 3.4 million was recognised in the statement of comprehensive income for 9M 2020/21 regarding short-term leases and leases of low-value assets. Lease liabilities relating to non-recognised short-term leases and leases of low-value assets amounted to DKK 2.1 million at 31 December 2020.

Note 8 – Other payables

DKKm	31/12/2020	31/12/2019	31/03/2020
Other non-current payables			
Frozen holiday pay	59.4	22.2	38.0
Total other non-current payables	59.4	22.2	38.0
Other current payables			
VAT payable	84.2	73.4	30.1
Holiday pay obligations etc.	51.7	85.7	69.8
Pay-related liabilities (A tax/social security contributions)	101.7	28.6	42.4
Contingent consideration	0.0	25.0	25.0
Other creditors	26.7	12.3	12.8
Total other current payables	264.3	225.0	180.1

Note 9 – Transactions with related parties

Pursuant to Matas A/S' Remuneration Policy, a total of 72,980 Performance Share Units (PSUs) related to the Company's long-term incentive programme (LTIP) for 2017 vested at 10 June 2020.

The PSUs vested in the form of 31,601 shares being granted to CEO Gregers Wedell-Wedellsborg, 14,810 shares being granted to CFO Anders T. Skole-Sørensen and 26,569 shares being granted to the rest of the executive team, including resigned managers.

The PSUs were granted free of charge to vest in the form of shares in Matas A/S.

PSUs vested at 75% of the original grant, which means that a total of 24,324 PSUs have been cancelled. Based on a closing price at 9 June 2020 of DKK 60.9, the total value of vested PSUs was DKK 4.4 million.

PSUs have been granted under the long-term incentive programme for 2020. A total of 47,518 PSUs were granted to Gregers Wedell-Wedellsborg and a total of 25,007 to Anders Skole-Sørensen.

Interim financial highlights

(DKKm)	2020/21 Q3	2020/21 Q2	2020/21 Q1	2019/20 Q4	2019/20 Q3
Statement of comprehensive income					
Revenue	1,313.0	932.6	946.8	817.0	1,173.4
Gross profit	575.4	402.4	420.2	373.8	515.1
EBITDA	292.1	178.0	171.3	116.2	262.7
EBIT	190.5	77.2	72.1	10.8	165.6
Net financials	7.3	(11.0)	(12.2)	(11.8)	(11.3)
Profit before tax	197.8	66.2	59.9	(1.0)	154.3
Profit for the period	154.5	51.5	46.7	1.5	117.7
Statement of financial position					
Total assets	6,263.4	6,276.0	6,460.8	6,588.3	6,684.7
Total equity	3,020.8	2,864.3	2,812.0	2,764.0	2,759.8
Net working capital	(167.8)	49.4	(1.4)	90.3	(24.4)
Net interest-bearing debt	1,702.6	2,136.9	2,281.6	2,499.6	2,437.8
Statement of cash flows					
Cash flow from operating activities	456.6	119.2	301.1	32.6	222.4
Cash flow from investing activities	(44.1)	(29.4)	(64.3)	(66.2)	(61.1)
Free cash flow	412.5	89.8	236.8	(33.6)	161.3
Net cash flow from operating, investing and financing activities	79.2	(9.7)	(69.8)	(30.5)	90.5
Key performance indicators					
Number of transactions (millions)*	6.2	5.3	4.9	4.6	6.2
Average basket size (DKK)*	212.9	176.8	194.1	173.5	187.9
Total retail floor space (in thousands of square metres)	53.5	53.3	53.2	53.5	53.7
Avg. revenue per square metre (in DKK thousands) - LTM	74.8	72.1	69.8	68.3	68.4
Like-for-like growth	12.8%	13.6%	8.4%	(2.2)%	4.7%
Adjusted figures					
EBITDA	292.1	178.0	171.3	116.2	262.7
Special items	0.7	1.6	1.5	2.9	1.1
EBITDA before special items	292.8	179.6	172.8	119.1	263.9
Depreciation and amortisation of software	(75.5)	(75.5)	(74.2)	(80.8)	(73.0)
EBITA	217.3	104.1	98.6	38.3	190.9
Adjusted profit after tax	175.4	72.5	67.4	23.0	137.5
Gross margin	43.8%	43.1%	44.4%	45.8%	43.9%
EBITDA margin	22.2%	19.1%	18.1%	14.2%	22.4%
EBITDA margin before special items	22.3%	19.3%	18.3%	14.6%	22.5%
EBITA margin	16.5%	11.2%	10.4%	4.7%	16.3%
EBIT margin	14.5%	8.3%	7.6%	1.3%	14.1%

* Incl. Firtal transactions