

matas

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# Interim report

Q1 2021/22

(1 April – 30 June 2021)

Matas grows across the board, upgrades guidance and launches new five-year growth strategy



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## Video conference

Matas will host a video conference for investors and analysts on **18 August 2021 at 10:00 a.m.** The video conference and the presentation can be accessed from Matas' investor website:

<https://investor.en.matas.dk>.

## Video conference access numbers for investors and analysts:

Denmark: +45 82 33 31 94  
 United Kingdom: +44 333 300 9034  
 United States: +1 631 913 1422  
 PIN: 53061265#

## Link to webcast:

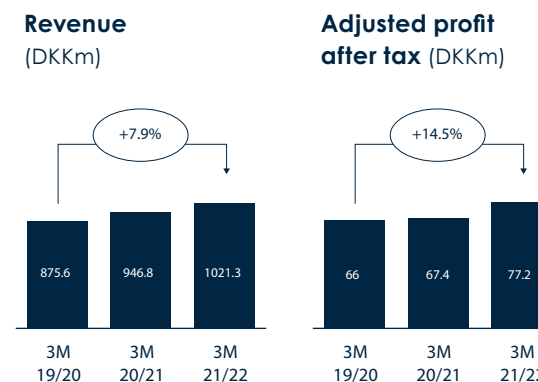
<https://streams.eventcdn.net/matasp/2021q1/>

# Matas grows across the board, upgrades guidance and launches new five-year growth strategy

- Matas grew revenue by 7.9% on the back of improvements in all product categories and sales channels
- EBITDA before special items up by 7.5%
- More than DKK 500 million investment in new logistics centre initiated
- Guidance upgraded
- New five-year growth strategy launched

*“Matas had an excellent spring quarter. Danish consumers released their pent-up desire to shop, substituting hand sanitiser and face masks for makeup and sunscreen, in-store revenue bounced back, and online sales remained strong. Against this background, we’re upgrading our full-year guidance, and when we present our new growth strategy later today, we will do so from the strongest imaginable position”,*

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



# Matas grows across the board, upgrades guidance and launches new five-year growth strategy (continued)

Matas' Board of Directors has today approved the plan to build a big new central logistics centre in Allerød. Matas Logistics Center (MLC) will bring together a wide range of logistics functions currently handled from various locations in a state-of-the-art automated facility. Establishing MLC will involve an investment of more than DKK 500 million, of which a maximum of DKK 125 million is expected to be incurred in the current financial year. MLC will be able to accommodate more than 150,000 items and secure faster delivery to customers. When fully operational, MLC is expected, seen in isolation, to add more than 1 percentage point to Matas' overall EBITDA margin.

As part of its new strategy, Matas intends to accelerate the development and acquisitions of house brands with a view to enhancing differentiation and profitability. At the same time, Matas will begin to export its house brands in order to accommodate growing global demand for brands with a Nordic, sustainable and clean profile.

*“Over the past three or four years, Matas has evolved into a digital business with online revenue in excess of DKK 1 billion and more than 600,000 online customers. Online customer satisfaction is at a historic high, while at the same time our customers have demonstrated an unchanged desire to shop in our physical stores.”*

*“Over the next five years, we will invest more than DKK 1 billion in measures to ensure we play an increasingly important role in the everyday lives of our customers. During this period, our customers will experience a steadily growing product range at matas.dk as we add lots of new brands and tens of thousands of new items with nationwide next-day delivery and same-day delivery in the Greater Copenhagen area, Aarhus, Odense and the Jutland Triangle Region. At the same time, we will invest in a new logistics centre, continue to upgrade our stores through new digital services and further strengthen our DNA, which is to advise our customers. Our ambition is to grow revenue to more than DKK 5 billion and to deliver EBITDA margin before special items in the 17-18% range within the next five years.”*

Gregers Wedell-Wedellsborg,  
CEO of Matas A/S



# Q1 2021/22 highlights

- Revenue grew by 7.9% to DKK 1,021 million. Like-for-like sales were up by 5.9%.
- The stores grew revenue by 6% on the back of 4% growth in the average basket size and 2% growth in the number of transactions.
- Online sales via matas.dk and Firtal were up by 7%, meaning that Matas' webshops continued to build on the significant momentum from Q1 2020/21, during which revenue surged by 152%.
- Boosting revenue by more than 11% on the back of increased sales across

all product groups, High-End Beauty was the sales category to record the strongest growth. Makeup sales were supported by many consumers returning to their workplaces and social activities starting up again. At the same time, Matas continues to benefit from reduced travel activity since the onset of the Covid-19 pandemic in spring 2020.

- EBITDA before special items came to DKK 186 million, up from DKK 173 million in the year-earlier period. The 7.5% increase was attributable to higher revenue as the EBITDA margin before special items was

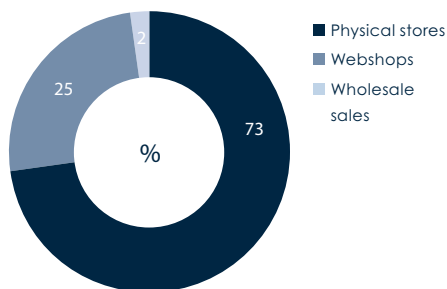
largely unchanged at 18.2% compared with 18.3% in Q1 2020/21.

- Cash generated from operations was an inflow of DKK 88 million in Q1 2021/22 against an inflow of DKK 301 million in Q1 2020/21. The DKK 213 million decline should be seen in light of exceptionally favourable working capital developments in Q1 2020/21 as a result of the deferred payment of payroll taxes and VAT as part of Covid-19-related relief packages.

- The activities acquired by Web Sundhed ApS were successfully integrated in the first quarter and contributed DKK 17 million to Q1 revenue.

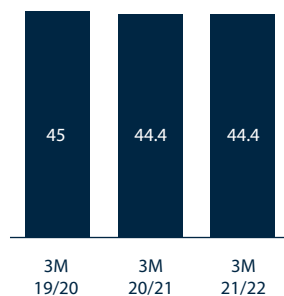
## Revenue by categories

%



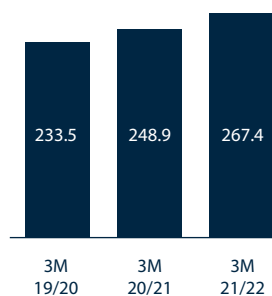
## Gross margin

%



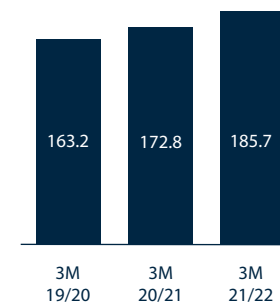
## Costs

DKKm



## EBITDA before special items

DKKm



# Q1 2021/22 highlights (continued)

(DKKm)	2021/22 Q1	2020/21 Q1	Percentage change
Revenue	1,021	947	7.9%
Gross profit	453	420	7.8%
EBITDA before special items	186	173	7.5%
EBIT	78	72	8.2%
Adjusted profit after tax	77	67	14.5%
Free cash flow	(5)	237	(102)%
Underlying like-for-like revenue growth	5.9%	8.4%	
Gross margin	44.4%	44.4%	
EBITDA margin before special items	18.2%	18.3%	
Net interest-bearing debt/EBITDA before special items	2.1	3.2	

## Matas upgrades financial guidance for 2021/22

- Revenue is now expected in the range of DKK 4,160-4,290 million, equivalent to a growth rate of between 0% and +3%, against the previous estimate of DKK 4,080-4,250 million, equivalent to a growth rate of between -2% and +2%.
- The EBITDA margin before special items is now expected in the range of 17.5%-18.5% up from the previous 17.0%-18.5% range.

- Factoring in the maximum expected MLC investment in the financial year of DKK 125 million and the DKK 29 million acquisition of Web Sundhed already completed, the CAPEX estimate is raised by DKK 155 million to DKK 295-315 million.

The driving factors behind the upgrade are the strong revenue growth witnessed in the first quarter and reduced Covid-19-related uncertainty.

Revenue guidance for the rest of 2021/22 is based on the following basic assumptions:

- Continued, but moderate, growth in consumer spending
- No significant restrictions or retail sector lockdowns during the financial year
- A gradual normalisation of trading patterns and travel activity in the second half of calendar year 2021
- No sales of personal protective equipment but continued strong demand for health products
- Continuing shift in sales channels from physical to online shopping but at a more moderate pace than in 2020/21
- Increasing competition, especially online

Earnings guidance is based on the following assumptions:

- A stable earnings level in physical stores and at matas.dk
- Accelerated digital business development activity across Matas Group, which is expected to squeeze the EBITDA margin by up to 1% in the short term but will secure the Company's long-term growth



# Additional information

## Contacts

### Gregers Wedell-Wedellsborg

CEO, tel +45 48 16 55 55

### Anders Skole-Sørensen

CFO, tel +45 48 16 55 55

### Henrik Lund

Head of Investor Relations,  
tel +45 30 30 99 08

### Klaus Fridorf

Head of Communication,  
tel +45 61 20 19 97

## Capital markets day

Matas will host a capital markets day on 18 August 2021 at 10:30 a.m.

The capital markets day is a digital event that may be accessed through the above telephone numbers or via this webcast link: <https://streams.eventcdn.net/matass/capital-markets-day-august-2021/>

The capital markets day and related presentations can be accessed from Matas' investor website: <https://investor.en.matas.dk>.

## 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 2021/22:

### 4 November 2021

Interim report – Q2 2021/22

### 6 January 2022

Trading update for Q3 2021/22

### 10 February 2022

Interim report – Q3 2021/22

### 16 May 2022

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

### 1 June 2022

Annual report 2021/22

### 28 June 2022

Annual general meeting for 2021/22

## 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 this report. 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 report. 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)	2021/22 Q1	2020/21 Q1	Percentage growth
<b>Statement of comprehensive income</b>			
Revenue	1,021	947	7.9%
Gross profit	453	420	7.8%
EBITDA	186	171	8.4%
EBIT	78	72	8.2%
Net financials	(11)	(12)	(13.9)%
Profit before tax	67	60	12.7%
Profit for the period after tax	54	47	15.9%
Special items	0	2	(100)%
EBITDA before special items	186	173	7.5%
Adjusted profit after tax	77	67	14.5%
<b>Statement of financial position</b>			
Total assets	6,244	6,461	
Total equity	2,993	2,812	
Net working capital	(113)	(1)	
Net interest-bearing debt	1,740	2,282	
<b>Statement of cash flows</b>			
Cash flow from operating activities	88	301	
Cash flow from investing activities	(94)	(64)	
Free cash flow	(5)	237	

(DKKm)	2021/22 Q1	2020/21 Q1
<b>Ratios</b>		
Revenue growth	7.9%	8.1%
Underlying like-for-like revenue growth	5.9%	8.4%
Gross margin	44.4%	44.4%
EBITDA margin	18.2%	18.1%
EBITDA margin before special items	18.2%	18.3%
EBIT margin	7.6%	7.6%
Cash conversion	35.7%	151.3%
Earnings per share, DKK	1.41	1.22
Diluted earnings per share, DKK	1.40	1.21
Share price, end of period, DKK	113.6	58.6
ROIC before tax	9.8%	7.8%
Net working capital as a percentage of LTM revenue	(2.7)%	0.0%
Investments as a percentage of revenue	9.2%	6.8%
Net interest-bearing debt/EBITDA before special items	2.1	3.2
Number of transactions (millions)*	5.1	4.9
Average basket size (DKK)*	196	194
Average no. of employees	2,084	2,084

\*For definitions of key financials, see pages 101-102 of the 2020/21 Annual Report.

# Management's review

## Matas launches new strategy and financial ambitions

### Long-term strategic and financial targets achieved two years ahead of schedule

Matas launched "Renewing Matas" in 2018, a five-year strategy setting out five strategic focus areas and a financial ambition of growing revenue from DKK 3.5 billion to DKK 4 billion and keeping the group's earnings capacity, as measured by the EBITDA margin before special items, above 18% in financial year 2022/23.

Since the launch of "Renewing Matas", Matas has delivered progress in all five strategic focus areas.

- The Matas brand is now the third most recognised brand in Denmark and the rate of satisfaction among online customers has improved significantly.
- Matas has advanced from a top-three position to being the absolute market leader in the online health and beauty market. Revenue generated via matas.dk has grown by 600% since 2018, and the profitability of Matas' overall online platform improved strongly during the past financial year.

- Matas' store network has been consolidated and the customer experience has been enhanced by means of digital and physical upgrades.
- Organic growth has been supplemented by a number of acquisitions, most notably Firtal (2018) and Kosmolet (2019).
- Work processes have been redesigned and the relocation of matas.dk to new premises has paved the way for strong volume growth.

With the EBITDA margin before special items amounting to 19.1% in financial year 2020/21 on revenue of DKK 4.2 billion, Matas achieved its financial ambitions two years ahead of schedule. Against this background, the Board of Directors has launched a process to develop a new strategy. The results of this work will be presented at a capital markets day to be held in connection with the release of the Q1 interim report on 18 August 2021.

### Matas launches new growth strategy with five-year strategic and financial ambitions

Guided by our purpose, "Health and Beauty for Life", Matas Group wants to expand its range of health products and digital services to underpin its traditional focus on beauty and wellbeing.

The strategy sets out to deliver revenue of more than DKK 5 billion with growth driven by a doubling of online sales to more than DKK 2 billion by 2025/26 on the back of a significantly expanded product range. The process of upgrading the stores will continue, the focus being on digital services and advice as well as on developing the portfolio of brands owned by Matas or to which Matas has exclusive rights.

The financial targets for the strategy period are thus for revenue to exceed DKK 5 billion, with an EBITDA margin before special items in the 17-18% range in financial year 2025/26. Matas expects to invest DKK 1.0-1.3 billion over the five-year period, primarily in a new logistics centre (MLC) and further digitalisation.

***“Our digital transformation has given us a new platform for growth. Our customers will find that Matas will cover more and more of their needs with every year as we expand our product range. Our investors will see Matas embark on a path towards stronger and more sustainable growth rates.”***

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



# Management's review (continued)

As part of its new strategy, Matas intends to accelerate the development and acquisitions of house brands with a view to enhancing differentiation and profitability. At the same time, Matas will start exporting its house brands in order to accommodate growing global demand for brands with a Nordic, sustainable and clean profile.

Matas' current product range includes some 50,000 items. The largest stores carry some 18,000 items, while an average store carries some 10,000. The Group's online platforms carry the full range. Matas expects to grow its product range considerably over the next five years, primarily on its online platforms. New product categories will be added to the health range, while the beauty products assortment will be expanded mainly through larger ranges of existing categories. Matas has identified the sub-segments with the best potential for winning market share. In the health area, the range will primarily be expanded within supplements, vitamins and over-the-counter medicine.

A more detailed review of Matas' new strategy will be provided at our capital markets day on 18 August. The capital markets day and related presentations can be accessed from Matas' investor website: <https://investor.en.matas.dk>.

## Strategic initiatives in Q1 2021/222

The strategy to increase the proportion of private labels and brands with exclusive rights (house brands) translated into a number of initiatives in the first quarter of the financial year.

In professional haircare, matas.dk launched 18 exclusive brands and an online hair studio.

Aktiviva, an 'all-in-one' dietary supplement, was launched as an online subscription product. This is the first such supplement developed by Matas.

Matas has also entered into a collaboration with Novozymes concerning the exclusive rights to market supplements in Denmark that are based on enzymes and microorganisms with clinically documented effects. The first such products will be launched over the coming quarters. Matas believes these innovative health products offer considerable growth potential.

A number of growth initiatives launched in previous quarters made a commercial breakthrough in Q1 2021/22. By 30 June 2021, Club Matas Plus had 36,000 subscribers. An add-on to Club Matas, Club Matas Plus is a subscription service which offers a number of benefits to consumers in terms of Matas points, exclusive discounts,

free shipping, exclusive access to new products and more. Management expects Club Matas Plus to drive value for its best customers and thus encourage these customers to purchase an even greater share of their beauty and health products from Matas in the future.

Matas Trendbox, a collection of 8-15 new and exciting products that come in a beautiful box, also achieved significant success in the first quarter. This concept has hit a niche in the market, and sales were up to 3,000 packages in June. A new Trendbox is launched each month at a favourable price that allows customers to both purchase their favourite products and try out new ones.

Matas opened a new growth track through the acquisition of a Health Tech platform (Web Sundhed) in the form of Apo-Web ApS and Apo IT ApS and the establishment of a partnership with Denmark's leading online pharmacy, Webapoteket.dk.

Following thorough analysis, Matas has decided to establish Matas Logistics Centre (MLC). The DKK +500 million investment is intended to facilitate the planned significant increase in the product range and the level of service. When fully operational, MLC is expected, seen in isolation, to add more than 1 percentage point to Matas' overall EBITDA margin.



# Q1 2021/22 performance

## Revenue

Matas generated total revenue of DKK 1,021 million in Q1 2021/22, a year-on-year increase of 7.9% from DKK 947 million in Q1 2020/21. Retail sales in own stores and webshops were up by 6.3% to DKK 1,000 million, while underlying sales grew by 5.9%. Relative to Q1 2019/20, Matas' revenue has grown by 16.6%.

While revenue grew in all categories, High-End Beauty was the primary growth driver in both absolute and relative terms.

Revenue was up across all sales channels. Growing sales by DKK 43 million, the physical stores recorded the largest absolute increase, while wholesale sales etc. delivered the largest relative increase, at 256%, supported by Web Sundhed's acquisitions, which contributed DKK 17 million.

Footfall was satisfactory, and the number of transactions increased by 5.0% to 5.1 million, while the average basket size was up by 1.2% to DKK 196 per transaction.

Matas' customers are increasingly paying by means of payment cards and MobilePay. Since H1 2019, the rate of growth in electronic payments has exceeded Matas' revenue growth by 7%.

## Performance by category

High-End Beauty grew sales by an impressive 11.4%, delivering growth in all product groups with fragrances as the main driver. Makeup sales were supported by many consumers returning to their workplaces. The largest product category – skincare – recorded only minor growth compared with its very strong performance in Q1 2020/21.

Mass Beauty grew sales by 3.5%. A sunny first quarter resulted in higher sales of sunscreen products, and the launch of Club Matas Plus in January has now filtered through to sales. The reopening of society had a favourable impact on makeup sales, while sales of hand lotion, soap and hair dye fell.

Health & Wellbeing grew sales by 3.1%. The various product lines recorded highly different growth rates with quit-smoking, inner beauty and mother & child products as the main drivers. Sales of personal protective equipment dropped by 68% or DKK 7 million.

Wholesale sales etc., including wholesale sales by Web Sundhed and Kosmolet etc., grew by DKK 15 million to DKK 21 million, driven by Web Sundhed's acquired revenue of DKK 17 million, while revenue

Revenue by categories and sales channels (DKKm)	2021/22 Q1	2020/21 Q1	2019/20 Q1	Year-on-year growth
<b>Categories</b>				
High-End Beauty	358	322	302	11.4%
Mass Beauty	351	339	319	3.5%
Health & Wellbeing	260	252	218	3.1%
Other	31	28	30	9.9%
<b>Own store and webshop retail revenue</b>	<b>1,000</b>	<b>941</b>	<b>869</b>	<b>6.3%</b>
<b>Retail revenue by category (%)</b>				
High-End Beauty	36%	34%	35%	
Mass Beauty	35%	36%	37%	
Health & Wellbeing	26%	27%	25%	
Other	3%	3%	3%	
<b>Sales channels</b>				
Physical stores	742	700	773	6.1%
Webshops (matas.dk and Firtal)	258	241	96	6.9%
Wholesale sales etc. (incl. Web Sundhed and Kosmolet)	21	6	7	256%
<b>Total revenue</b>	<b>1,021</b>	<b>947</b>	<b>876</b>	<b>7.9%</b>
<b>Revenue by sales channel (%)</b>				
Physical stores	73%	74%	88%	
Webshops (matas.dk and Firtal)	25%	25%	11%	
Wholesale sales etc. (incl. Web Sundhed and Kosmolet)	2%	1%	1%	

# Q1 2021/22 performance (continued)

## 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) and other revenue.

## Sales channels

At 30 June 2021, Matas Group consisted of 265 physical stores – 263 stores in Denmark, one in the Faroe Islands and one associated store in Greenland. 73% of Q1 2021/22 revenue was generated by the Group's physical stores.

In addition, Matas was present online through matas.dk and several webshops run by Firtal, of which the most important are helsebixen.dk, jala-helsekost.dk and made4men.dk. 25% of revenue was generated through the Group's online channels.

Wholesale sales, including wholesale sales from the Web Sundhed Group and Kosmolet, accounted for 2% 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.

from Club Matas relating to partners, value adjustments of Club Matas points and B2B, which are also included in this item, reduced wholesale sales by DKK 2 million.

## Performance by sales channel

MMatas' physical stores grew revenue by 6.1% or DKK 43 million to DKK 742 million. The main growth driver was the average basket size, which was up by 4%. The number of transactions increased by 2%. The number of Matas stores remained unchanged at 264 in the quarter, a year-on-year increase of one. Relative to Q1 2019/20, physical store revenue declined by 4.0%.

Physical store growth should be seen in light of the fact that sales in Q1 2020/21 were adversely impacted by Covid-19 restrictions with stores closed all through April and several stores located in shopping centres not reopening until in May 2020.

Growing sales by 6.9% or DKK 17 million, Matas' webshops continued to build on the significant momentum from Q1 2020/21, during which revenue surged by 152%. The number of transactions increased by 20%, while the average basket size fell by 11%. This development was driven by the launch of Club Matas Plus with free shipping leading to more, but smaller, transactions. Growth was supported by cross-selling of

Firtal's product range at matas.dk. Relative to Q1 2019/20, Matas' webshops have grown revenue by 170%.

## Costs and operating performance in Q1 2021/22

### Costs and operating performance

Gross profit for Q1 2021/22 was DKK 453 million, up from DKK 420 million in Q1 2020/21.

The gross margin for Q1 2021/22 was 44.4%, in line with the year-earlier level.

Overall costs (other external costs and staff costs) amounted to 26.2% of revenue against 26.3% in the same quarter of last year and were up by DKK 19 million as a consequence of increased activity in growth areas in combination with acquisitions and because the Group's physical stores were closed during part of the year-earlier period.

Other external costs amounted to DKK 69 million in Q1 2021/22, up from DKK 63 million in Q1 2020/21. No special items were incurred in Q1 2021/22, while Q1 2020/21 special items amounted to DKK 0.3 million. Adjusted for this, other external costs were up by DKK 5 million year on year.

# Q1 2021/22 performance (continued)

The increase in other external costs is explained as follows:

- DKK 3 million attributable to the acquisition of Web Sundhed, which was not included in the numbers for Q1 2020/21.
- DKK 5 million attributable to higher marketing costs as a result of the continuing digital build-up.
- Underlying other external costs were down by some DKK 3 million, reflecting the Group's ongoing efforts to increase operational efficiency.

Andre eksterne omkostninger udgjorde Other external costs made up 6.7% of revenue in Q1 2021/22, in line with the year-earlier level.

Q1 2021/22 staff costs amounted to DKK 199 million, up from DKK 186 million in the year-earlier period. No special items were incurred in Q1 2021/22, while Q1 2020/21 special items amounted to DKK 1.3 million. Adjusted for this, staff costs were up by DKK 15 million.

The increase in payroll costs is explained as follows:

- Payroll costs related to the continuing digital build-up were up by DKK 5 million.
- Payroll costs related to physical stores were up by DKK 3 million, driven by increasing sales, which should be seen in light of the fact that Q1 2020/21 sales were adversely impacted by Covid-19 restrictions with stores being closed during part of that period.
- DKK 4 million attributable to bonus provisions triggered by the strong financial performance and additional payroll costs in connection with the implementation of the WoW project. In spring 2020, Matas launched a strategic project entitled Ways of Working (Matas WoW) with a view to optimising and digitalising in-store operational and sales processes.

Staff costs amounted to 19.5% of Q1 2021/22 revenue against 19.6% in the year-earlier period.

Q1 2021/22 staff costs included DKK 1.5 million related to the Company's long-term share-based incentive programme.

Costs (DKKm)	2021/22 Q1	2020/21 Q1	Growth
Other external costs	68.5	63.3	8.2%
- of which special items	0.0	0.3	
As a percentage of revenue	6.7%	6.7%	
Staff costs	198.9	185.6	7.2%
- of which special items	0.0	1.3	
As a percentage of revenue	19.5%	19.6%	

Q1 2021/22 EBITDA was DKK 186 million against DKK 171 million in Q1 2020/21. EBITDA before special items came to DKK 186 million for an EBITDA margin before special items of 18.2% against 18.3% in Q1 2020/21.

## Amortisation, depreciation and impairment

Total amortisation, depreciation and impairment charges were up by DKK 9 million to DKK 108 million in Q1 2021/22, 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 2 million to DKK 11 million in Q1 2021/22.

## Profit for the period

The effective tax rate was 19.8% in Q1 2021/22, equivalent to a tax expense of DKK 13 million. Profit for the period was DKK 54 million after tax, and adjusted profit after tax was DKK 77 million against DKK 67 million in Q1 2020/21.

## Statement of financial position

Total assets amounted to DKK 6,244 million at 30 June 2021, down from DKK 6,461 million at 30 June 2020.

Current assets totalled DKK 1,056 million, a year-on-year decline of DKK 98 million mainly attributable to the settlement in Q2 2020/21 of a dispute with former owners concerning withholding tax.

Inventories were DKK 24 million lower at the end of Q1 2021/22 than at the end of Q1 2020/21, reflecting the Group's ongoing

# Q1 2021/22 performance (continued)

stock optimisation efforts. Covid-19-related stocks amounted to DKK 16 million at 30 June 2021, in line with the year-earlier level.

Inventories accounted for 22.5% of LTM revenue at 30 June 2021 compared with 26.0% at 30 June 2020 and 20.8% at the end of financial year 2020/21.

Trade receivables increased by DKK 2 million to DKK 18 million, while trade payables increased by DKK 110 million year on year.

Net working capital excluding deposits was minus DKK 113 million at 30 June 2021 against minus DKK 1 million at 30 June 2020, an improvement of DKK 112 million that was partially due to lower inventories combined with a year-on-year increase in trade payables. In addition, there was a technical improvement of the working capital in Q1 as a consequence of frozen holiday pay being transferred from non-current to other current liabilities.

Cash and cash equivalents amounted to DKK 36 million, down from DKK 37 million the year before.

Equity was DKK 2,993 million at 30 June 2021, compared with DKK 2,812 million at 30 June 2020.

Net interest-bearing debt was DKK 1,740 million at 30 June 2021, a year-on-year decline of DKK 542 million – equalling 2.1 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 120 million was attributable to lower lease liabilities.

Gross interest-bearing debt stood at DKK 1,775 million at 30 June 2021, including lease liabilities of DKK 627 million.

At 30 June 2021, 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 14,359 shares in the period under review in connection with the exercise of the 2018/19 incentive programme, Matas held 8,584 treasury shares at 30 June 2021.

## Statement of cash flows

Cash generated from operations was an inflow of DKK 88 million in Q1 2021/22 against an inflow of DKK 301 million in Q1 2020/21, a decline of DKK 213 million attributable partly to the positive effect seen in Q1 2020/21 in connection with deferred payments of A tax and VAT pursuant to the government's COVID-19 relief package. In addition, there was a significantly larger increase in inventories in Q1 than in the year-earlier period.

## Cash flows (DKKm)

	2021/22 Q1	2020/21 Q1
Cash generated from operations	88	301
Free cash flow	(5)	237
Free cash flow net of acquisitions	43	237
Cash flows from financing activities	0	(307)

For Q1 2021/22, cash flows from investing activities were an outflow of DKK 94 million against an outflow of DKK 64 million in Q1 2020/21. The increase in investments was attributable to Web Sundhed's acquisition of Apo-Web ApS and Apo IT ApS, the payment of contingent consideration concerning the acquisition of Firtal Group and, to a lesser extent, increasing digital investments that were only partially offset by lower investments in the store network.

The Q1 2021/22 free cash flow was an outflow of DKK 5 million, compared with an inflow of DKK 237 million in Q1 2020/21.

## Return on invested capital

Afkastet på den investerede kapital før skat for de seneste 12 måneder udgjorde 9,8% pr. 30. juni 2021 mod 7,8% pr. 30. juni 2020.

## Events after the date of the statement of financial position

Matas paid a dividend of DKK 2.00 per share.

A new loan agreement has been finalised and is expected to enter into force at the end of August.

## Significant risks

Matas Group is exposed to operational risks affecting the retail industry in general and the Health & Beauty industry in particular. If a second wave of Covid-19 leads to a full or partial lockdown 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.

# 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 30 June 2021.

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 30 June 2021 and of the results of the Group's operations and cash flows for the period 1 April to 30 June 2021.

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, 18 August 2021

## Executive Management

**Gregers Wedell-Wedellsborg**  
CEO

**Anders Skole-Sørensen**  
CFO

## Board of Directors

**Lars Vinge Frederiksen**  
Chairman

**Lars Frederiksen**  
Deputy Chairman

**Henrik Taudorf Lorensen**

**Mette Maix**

**Kenneth Melchior**

**Birgitte Nielsen**



## Statement of comprehensive income

(DKKm)	2021/22 Q1	2020/21 Q1
Revenue	1,021.3	946.8
Cost of goods sold	(568.2)	(526.6)
<b>Gross profit</b>	<b>453.1</b>	<b>420.2</b>
Other external costs	(68.5)	(63.3)
Staff costs	(198.9)	(185.6)
Amortisation, depreciation and impairment	(107.7)	(99.2)
<b>EBIT</b>	<b>78.0</b>	<b>72.1</b>
Share of profit or loss after tax of associates	0.0	0.2
Financial income	0.0	0.1
Financial expenses	(10.5)	(12.5)
<b>Profit before tax</b>	<b>67.5</b>	<b>59.9</b>
Tax on profit for the period	(13.4)	(13.2)
<b>Profit for the period</b>	<b>54.1</b>	<b>46.7</b>
<b>Other comprehensive income</b>		
Value adjustment of hedging instrument	0.4	0.1
Tax on value adjustment	(0.1)	0.0
Other comprehensive income after tax	0.3	0.1
<b>Total comprehensive income</b>	<b>54.4</b>	<b>46.8</b>
Distributed as follows:		
Shareholders of Matas A/S	54.4	46.8
Minority shareholders	0.0	0.0
	<b>54.4</b>	<b>46.8</b>
<b>Earnings per share</b>		
Earnings per share, DKK	1.41	1.22
Diluted earnings per share, DKK	1.40	1.21

## Statement of cash flows

(DKKm)	2021/22 Q1	2020/21 Q1
Profit before tax	67.5	59.9
Adjustment for non-cash operating items etc.:		
Amortisation, depreciation and impairment	107.7	99.2
Other non-cash operating items, net	(23.5)	1.2
Share of profit or loss after tax of associates	0.0	(0.2)
Financial income	0.0	(0.1)
Financial expenses	10.5	12.5
<b>Cash generated from operations before changes in working capital</b>	<b>162.2</b>	<b>172.5</b>
Changes in working capital	(74.0)	128.5
Cash generated from operations	88.2	301.0
Interest received	0.0	0.1
<b>Cash flow from operating activities</b>	<b>88.2</b>	<b>301.1</b>
Acquisition of intangible assets	(35.1)	(15.6)
Acquisition of property, plant and equipment	(10.3)	(24.2)
Acquisition of investments in associates	0.0	(5.5)
Disposal of investments in subsidiaries	0.4	0.0
Contingent consideration paid	0.0	(19.0)
Acquisition of subsidiaries and operations	(48.6)	0.0
<b>Cash flow from investing activities</b>	<b>(93.6)</b>	<b>(64.3)</b>
<b>Free cash flow</b>	<b>(5.4)</b>	<b>236.8</b>
Debt raised and settled with credit institutions	51.2	(250.5)
Interest paid	(8.4)	(13.4)
Repayment of lease liabilities	(42.4)	(42.6)
<b>Cash flow from financing activities</b>	<b>0.4</b>	<b>(306.5)</b>
<b>Net cash flow from operating, investing and financing activities</b>	<b>(5.0)</b>	<b>(69.8)</b>
Cash and cash equivalents, beginning of period	40.7	106.6
Cash and cash equivalents, end of period	35.7	36.8

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



## Assets

(DKKm)	30.06 2021	30.06 2020	31.03 2021
<b>Non-current assets</b>			
Goodwill	3,990.2	3,930.6	3,930.6
Trademarks and trade names	122.7	206.3	143.6
Other intangible assets	171.2	100.2	130.3
<b>Total intangible assets</b>	<b>4,284.1</b>	<b>4,237.1</b>	<b>4,204.5</b>
<b>Property, plant and equipment</b>			
Lease assets	608.3	735.0	651.8
Land and buildings	90.1	97.2	90.8
Other fixtures and fittings, tools and equipment	100.2	116.5	103.2
Leasehold improvements	46.8	63.1	51.5
<b>Total property, plant and equipment</b>	<b>845.4</b>	<b>1,011.8</b>	<b>897.3</b>
Investments in associates	12.4	12.2	12.4
Deposits	45.0	45.4	44.1
Other securities and equity investments	0.6	0.6	0.6
<b>Total other non-current assets</b>	<b>58.0</b>	<b>58.2</b>	<b>57.1</b>
<b>Total non-current assets</b>	<b>5,187.5</b>	<b>5,307.1</b>	<b>5,158.9</b>
<b>Current assets</b>			
Inventories	954.2	978.0	866.7
Trade receivables	17.8	15.5	15.2
Corporation tax receivable	0.1	2.3	19.4
Other receivables	6.3	83.7	4.6
Prepayments	41.9	37.4	37.6
Cash and cash equivalents	35.7	36.8	40.7
<b>Total current assets</b>	<b>1,056.0</b>	<b>1,153.7</b>	<b>984.2</b>
<b>Total assets</b>	<b>6,243.5</b>	<b>6,460.8</b>	<b>6,143.1</b>

## Liabilities

(DKKm)	30.06 2021	30.06 2020	31.03 2021
<b>Equity</b>			
Share capital	95.7	95.7	95.7
Hedging reserve	(1.0)	(2.0)	(1.3)
Translation reserve	0.3	0.3	0.3
Treasury share reserve	(1.0)	(3.3)	(2.6)
Retained earnings	2,899.1	2,721.3	2,870.2
Dividend proposed for the financial year	0.0	0.0	76.6
Matas A/S' share of equity	2,993.1	2,812.0	3,038.9
Minority interests	0.4	0.0	0.0
<b>Total equity</b>	<b>2,993.5</b>	<b>2,812.0</b>	<b>3,038.9</b>
<b>Liabilities</b>			
Deferred tax	199.7	195.7	199.2
Lease liabilities	447.2	568.9	495.5
Provisions	27.8	27.4	27.7
Credit institutions	0.0	1,557.1	0.0
Other payables	37.4	53.4	59.2
<b>Total non-current liabilities</b>	<b>712.1</b>	<b>2,402.5</b>	<b>781.6</b>
Credit institutions	1,148.2	14.5	1,098.3
Lease liabilities	179.8	177.9	174.1
Prepayments from customers	151.1	149.9	158.6
Trade payables	742.0	632.4	692.4
Dividend	76.6	0.0	0.0
Other payables	240.2	271.6	199.2
<b>Total current liabilities</b>	<b>2,537.9</b>	<b>1,246.3</b>	<b>2,322.6</b>
<b>Total liabilities</b>	<b>3,250.0</b>	<b>3,648.8</b>	<b>3,104.2</b>
<b>Total equity and liabilities</b>	<b>6,243.5</b>	<b>6,460.8</b>	<b>6,143.1</b>

# Statement of changes in equity

(DKKm)	Share capital	Hedging reserve	Translation reserve	Treasury share reserve	Proposed dividend	Retained earnings	Total	Minority interests	Total equity
<b>Equity at 1 April 2021</b>	<b>95.7</b>	<b>(1.3)</b>	<b>0.3</b>	<b>(2.6)</b>	<b>76.6</b>	<b>2,870.2</b>	<b>3,038.9</b>	<b>0.0</b>	<b>3,038.9</b>
Value adjustment of hedging instrument	0.0	0.4	0.0	0.0	0.0	0.0	0.4	0.0	0.4
Tax on value adjustment	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	0.0	(0.1)
Other comprehensive income	0.0	0.3	0.0	0.0	0.0	0.0	0.3	0.0	0.3
Profit for the period	0.0	0.0	0.0	0.0	0.0	54.1	54.1	0.0	54.1
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>54.1</b>	<b>54.4</b>	<b>0.0</b>	<b>54.4</b>
<b>Transactions with owners</b>									
Dividend transferred to other payables	0.0	0.0	0.0	0.0	(76.6)	0.0	(76.6)	0.0	(76.6)
Dividend on treasury shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Addition of minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.4
Exercise of incentive programme	0.0	0.0	0.0	1.6	0.0	(26.7)	(25.1)	0.0	(25.1)
Share-based payment	0.0	0.0	0.0	0.0	0.0	1.5	1.5	0.0	1.5
<b>Total transactions with owners</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.6</b>	<b>(76.6)</b>	<b>(25.2)</b>	<b>(100.2)</b>	<b>0.4</b>	<b>(99.8)</b>
<b>Equity at 30 June 2021</b>	<b>95.7</b>	<b>(1.0)</b>	<b>0.3</b>	<b>(1.0)</b>	<b>0.0</b>	<b>2,899.1</b>	<b>2,993.1</b>	<b>0.4</b>	<b>2,993.5</b>

## Statement of changes in equity (continued)

(DKKm)	Share capital	Hedging reserve	Trans-lation reserve	Treasury share reserve	Retained earnings	Total
<b>Equity at 1 April 2020</b>	<b>95.7</b>	<b>(2.1)</b>	<b>0.3</b>	<b>(11.8)</b>	<b>2,681.9</b>	<b>2,764.0</b>
Value adjustment of hedging instrument	0.0	0.1	0.0	0.0	0.0	0.1
Tax on value adjustment	0.0	0.0	0.0	0.0	0.0	0.0
Other comprehensive income	0.0	0.1	0.0	0.0	0.0	0.1
Profit for the period	0.0	0.0	0.0	0.0	46.7	46.7
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>46.7</b>	<b>46.8</b>
Transactions with owners						
Exercise of incentive programme	0.0	0.0	0.0	8.5	(8.5)	0.0
Share-based payment	0.0	0.0	0.0	0.0	1.2	1.2
<b>Total transactions with owners</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.5</b>	<b>(7.3)</b>	<b>1.2</b>
<b>Equity at 30 June 2020</b>	<b>95.7</b>	<b>(2.0)</b>	<b>0.3</b>	<b>(3.3)</b>	<b>2,721.3</b>	<b>2,812.0</b>

# 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 2020/21, to which reference is made.

### Changes of accounting policies

Matas has implemented the latest IFRS amendments, which took effect on 1 April 2021 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 2020/21.

## Note 3 – Seasonality

While the Group's activities in the first quarter of the financial year were only to a limited extent affected by seasonal fluctuations, physical store sales, in particular, were adversely affected by the COVID-19 pandemic at the beginning of Q1 2020/21.

## Note 4 – Revenue

(DKKm)	2021/22 Q1	2020/21 Q1
Retail sales, own stores	742.4	699.8
Retail sales, webshops (matas.dk and Firtal)	257.6	241.0
Wholesale sales etc. (incl. Kosmolet and Web Sundhed)	21.3	6.0
<b>Total revenue</b>	<b>1,021.3</b>	<b>946.8</b>

In Q1 2021/22, 25.2% of Matas Group's revenue was generated by its webshops, compared with 25.5% in the year-earlier period.

Revenue breaks down by product groups as follows:

(DKKm)	2021/22 Q1	2020/21 Q1
High-End Beauty	358.2	321.5
Mass Beauty	351.3	339.5
Health & Wellbeing	260.1	252.2
Other	30.4	27.6
Wholesale sales etc	21.3	6.0
<b>Total revenue</b>	<b>1,021.3</b>	<b>946.8</b>

## Notes (continued)

### Note 4 – Revenue continued

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 and Web Sundhed outside of Matas.

(DKKm)	2021/22 Q1	2020/21 Q1
Sale of goods	1,021.3	946.8
Sale of services	0.0	0.0
<b>Total revenue</b>	<b>1,021.3</b>	<b>946.8</b>

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. The performance obligation is measured at the estimated fair value of the Club Matas points allocated and amounted to DKK 64.1 million at 30 June 2021 (30 June 2020: DKK 69.2 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, usually over an average period of three months. Customers have the option of returning products, but the volume of returns at the end of Q1 was insignificant, as was the amount of guarantee commitments.

### Geographical information

Matas operates in Denmark. Revenue from sales through Danish retail stores, webshops and wholesale sales via Kosmolet and the Web Sundhed Group accounted for 100.0% (2020/21: 100.0%).

## Notes (continued)

### Note 5 – Acquisition of subsidiaries and contingent consideration

Contingent consideration of DKK 20.0 million concerning the acquisition of Firtal Group was paid in Q1 2021/22.

On 12 April 2021, Matas Group acquired all shares and voting rights in the companies Apo IT ApS and Web-Apo ApS. The companies were acquired through the newly established subsidiary Web Sundhed ApS. The activities of the acquired businesses comprise sourcing, IT, logistics and marketing services.

The total purchase price amounted to DKK 78.8 million, of which DKK 42.1 million was paid upfront. Up to DKK 20 million of the purchase price is contingent on certain milestones being reached, while DKK 25.0 million, recognised at a fair value of DKK 37.4 million at the acquisition date, has been deferred. Cash and cash equivalents amount to DKK 13.5 million, and the net cash consideration is DKK 28.6 million.

Transaction costs in the amount of DKK 5.0 million were paid in Q1 2021/22 in connection with the acquisition. The transaction costs were recognised in financial year 2020/21 under other external costs.

For the period since the acquisition, revenue of DKK 16.5 million and EBITDA of DKK 0.2 million has been recognised in relation to the companies. If the companies had been recognised at 1 April 2021, revenue would have amounted to DKK 18.4 million and EBITDA to DKK 0.2 million.

The preliminary pre-acquisition balance sheet contains assets of a fair value of DKK 45.6 million, including customer contracts (other intangible assets) of DKK 21.6 million, IT development projects of DKK 7.3 million and cash and cash equivalents of DKK 13.5 million.

Liabilities amount to DKK 28.7 million, including trade payables of DKK 21.2 million and deferred tax liabilities of DKK 6.5 million.

The fair value of acquired net assets is DKK 16.9 million.

Management expects the conditions for the payment of contingent consideration, relating primarily to revenue and earnings, to be met. If the conditions are met, the contingent consideration becomes payable in March 2024 (up to DKK 10.0 million) and March 2025 (up to DKK 10.0 million), respectively. The deferred purchase price of DKK 25.0 million becomes payable in March 2024.

The total consideration amounts to DKK 78.8 million, and goodwill arising on the acquisition was thus DKK 62.3 million.

Goodwill represents the value of the existing employees and know-how as well as expected synergies from the combination with Matas Group. The goodwill recognised is not tax-deductible.

Management has based its fair value measurement on assumptions not observable in the market, which corresponds to level 3 measurement in the fair value hierarchy.

The carrying amount of goodwill developed as follows in Q1 2021/22

<b>(DDKm)</b>	<b>2021/22</b>	<b>2020/21</b>
Goodwill at 1 April	3,930.6	3,930.6
Addition on Web Sundhed ApS' acquisition of Apo-Web ApS and Apo IT ApS	62.3	-
Disposal relating to retail network changes	(2.7)	-
<b>Goodwill at 30 June</b>	<b>3,990.2</b>	<b>3,930.6</b>

## Notes (continued)

## Note 6 – Leases

Matas' lease assets are as follows:

(DKKm)	30/06/2021	30/06/2020	31/03/2021
Store leases	555.1	670.5	594.7
Administration and warehouse buildings etc.	50.5	60.1	53.4
Cars and other leases	2.7	4.4	3.7
<b>Total lease assets</b>	<b>608.3</b>	<b>735.0</b>	<b>651.8</b>

Matas' lease liabilities are as follows:

(DKKm)	30/06/2021	30/06/2020	31/03/2021
Non-current liabilities	447.2	568.9	495.5
Current liabilities	179.8	177.9	174.1
<b>Total lease liabilities</b>	<b>627.0</b>	<b>746.8</b>	<b>669.6</b>

Most store leases are evergreen contracts as defined in the Danish Business Lease Act and are consequently subject to terms of notice of 3-12 months.

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

(DKKm)	Q1 2021/22	Q1 2020/21
Leased stores etc.	39.7	40.4
Administration and warehouse buildings etc.	2.9	2.8
Cars and other leases	0.9	1.0
<b>Total depreciation of lease assets</b>	<b>43.5</b>	<b>44.2</b>

Lease payments in the amount of DKK 45.3 million were made in Q1 2021/22 (Q1 2020/21: DKK 45.9 million).

Interest in the amount of DKK 3.2 million was expensed in Q1 2021/22 (Q1 2020/21: DKK 3.3 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 0.7 million.

A total amount of DKK 2.0 million was recognised in the statement of comprehensive income for Q1 2021/22 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 2.3 million at 30 June 2021.

## Notes (continued)

## Note 7 – Other payables

(DKKm)	30.06.2021	30.06.2020	31.03.2021
<b>Other non-current payables</b>			
Contingent consideration and deferred purchase price	37.4	0.0	0.0
Frozen holiday pay	0.0	53.4	59.2
<b>Total other non-current payables</b>	<b>37.4</b>	<b>53.4</b>	<b>59.2</b>
<b>Other current payables</b>			
VAT payable	24.9	71.1	38.6
Holiday pay obligations etc.	116.8	53.7	56.7
Pay-related liabilities (A tax/social security contributions)	85.0	93.8	75.2
Wage compensation repaid	0.0	15.6	0
Contingent consideration	0.0	22.6	19.4
Other creditors	13.5	14.8	9.3
<b>Total other current payables</b>	<b>240.2</b>	<b>271.6</b>	<b>199.2</b>

## Note 8 – Transactions with related parties

Pursuant to Matas A/S' Remuneration Policy, a total of 222,549 Performance Share Units (PSUs) related to the Company's long-term incentive programme (LTIP) for 2018 vested at 22 June 2021.

The PSUs vested in the form of 3,953 shares and a cash amount of DKK 9.9 million being granted to CEO Gregers Wedell-Wedellsborg, 2,080 shares and a cash amount of DKK 5.2 million being granted to CFO Anders T. Skole-Sørensen and 8,326 shares and a cash amount of DKK 10.0 million 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 150% of the original grant. Based on a closing price at 22 June 2021 of DKK 106.9, the total value of vested PSUs was DKK 23.8 million.

In Q1 2021/22, Matas sold 20% of the share capital in Firtal Tech ApS to the subsidiary's CEO at a price of DKK 0.4 million.

## Note 9 – Events after the balance sheet date

Matas paid a dividend of DKK 2.00 per share.

A new loan agreement has been finalised and is expected to enter into force at the end of August.



# Interim financial highlights

(DKKm)	2021/22 Q1	2020/21 Q4	2020/21 Q3	2020/21 Q2	2020/21 Q1	(DKKm)	2021/22 Q1	2020/21 Q4	2020/21 Q3	2020/21 Q2	2020/21 Q1
<b>Statement of comprehensive income</b>						<b>Key performance indicators</b>					
Revenue	1,021.3	971.2	1,313.0	932.6	946.8	Number of transactions (millions)*	5.1	4.7	6.2	5.3	4.9
Gross profit	453.1	443.2	575.4	402.4	420.2	Average basket size (DKK)*	196.4	203.9	212.9	176.8	194.1
EBITDA	185.7	146.6	292.1	178.0	171.3	Total retail floor space (thousands of square metres)	53.8	53.7	53.5	53.3	53.2
EBIT	78.0	40.6	190.5	77.2	72.1	Avg. revenue per square metre (DKK thousands) - LTM	78.5	77.7	74.8	72.1	69.8
Net financials	(10.5)	(11.1)	7.3	(11.0)	(12.2)	Like-for-like growth	5.9%	19.8%	12.8%	13.6%	8.4%
Profit before tax	67.5	29.5	197.8	66.2	59.9						
Profit for the period	54.1	16.3	154.5	51.5	46.7						
<b>Statement of financial position</b>						<b>Adjusted figures</b>					
Total assets	6,243.5	6,143.1	6,263.4	6,276.0	6,460.8	EBITDA	185.7	146.6	292.1	178.0	171.3
Total equity	2,993.5	3,038.9	3,020.8	2,864.3	2,812.0	Special items	0.0	5.4	0.7	1.6	1.5
Net working capital	(113.1)	(126.1)	(167.8)	49.4	(1.4)	EBITDA before special items	185.7	152.0	292.8	179.6	172.8
Net interest-bearing debt	1,739.5	1,727.2	1,702.6	2,136.9	2,281.6	Depreciation and amortisation of software	(78.2)	(79.7)	(75.5)	(75.5)	(74.2)
						EBITA	107.5	72.3	217.3	104.1	98.6
						Adjusted profit after tax	77.2	42.3	175.4	72.5	67.4
<b>Statement of cash flows</b>											
Cash flow from operating activities	88.2	75.1	456.6	119.2	301.1	Gross margin	44.4%	45.6%	43.8%	43.1%	44.4%
Cash flow from investing activities	(93.6)	(40.1)	(44.1)	(29.4)	(64.3)	EBITDA margin	18.2%	15.1%	22.2%	19.1%	18.1%
Free cash flow	(5.4)	35.0	412.5	89.8	236.8	EBITDA margin before special items	18.2%	15.6%	22.3%	19.3%	18.3%
Net cash flow from operating, investing and financing activities	(5.0)	(65.6)	79.2	(9.7)	(69.8)	EBITA margin	10.5%	7.4%	16.5%	11.2%	10.4%
						EBIT margin	7.6%	4.2%	14.5%	8.3%	7.6%

# matas

**Matas A/S**

Rørmosevej 1  
DK-3450 Allerød

Tel.: 48 16 55 55  
[www.matas.dk](http://www.matas.dk)  
[investor.matas.dk](mailto:investor.matas.dk)  
CVR no. 27 52 84 06