

# Three-month Report 2023/24

## First quarter – 1 May to 31 July

- Sales increased by 7% to 2,193 MSEK (2,044), organic growth up 8% and up 9% in comparable units
- Online sales increased by 9% to 253 MSEK (232)
- Operating profit, excluding costs of 170 MSEK linked to the write-down of IT systems and headcount reductions, totalled 154 MSEK (previous year 19 MSEK excluding non-recurring costs for the closure of operations in the UK). Operating loss amounted to -16 MSEK (-16)
- The operating margin was -0.7% (-0.8)
- Net debt/EBITDA (12 months) excluding the effect of IFRS 16 amounted to -0.1 times (-0.4)
- Loss after tax totalled -26 MSEK (-24)
- Earnings per share amounted to -0.42 SEK (-0.38)

## Events after the end of the reporting period

- Sales in August increased by 14% to 860 MSEK (758), an increase of 14% organically and an increase of 14% in comparable units
- Online sales in August increased by 11% to 92 MSEK (83)



+8%

ORGANIC GROWTH  
QUARTER

+14%

ORGANIC GROWTH AUGUST

	3 Months			12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Percentage change	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Sales, MSEK	2,193	2,044	7	9,174	9,024
Operating profit, MSEK	-16	-16	4	306	305
Profit after tax, MSEK	-26	-24	-9	178	181
Gross margin, %	38.2	35.1	3.1 p.p	38.2	37.5
Operating margin, %	-0.7	-0.8	0.1 p.p	3.3	3.4
Return on capital employed, %	–	–	–	9.2	8.8
Return on equity, %	–	–	–	11.8	10.6
Cashflow from operating activities, MSEK	328	-35	1,049	1,304	941
Equity/assets ratio, %	27.6	36.6	-9.0 p.p	27.6	28.1
Net debt/EBITDA ratio	–	–	–	1.3	1.6
Net debt/EBITDA excl. IFRS 16 ratio	–	–	–	-0.1	0.2
Earnings per share before dilution, SEK	-0.42	-0.38	-9	2.81	2.85

\*The 2023/24 financial year comprises the period from 1 May 2023 to 30 April 2024.

## Q1 presentation, 6 September 9:00 a.m. CEST

The report will be presented at 9:00 a.m. via a webcast teleconference. For more information, visit <https://about.clasohlson.com>

This is information that Clas Ohlson AB (publ) is obliged to publish pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the contact person set out above, on 6 September 2023 at 7:00 a.m. (CEST).

This three-month report is an English translation of the Swedish original. In the event of any discrepancies, the Swedish version shall govern.

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## A strong quarter with sales growth and improved gross margin

With an organic growth of 8 per cent and a strengthened gross margin, the 2023/24 financial year has started off well. The positive trend continued in August with organic sales growth of 14 per cent. This, despite relatively weak demand for several typically seasonal products. I see it as a testament to the success of the whole organisation in making the customer offering relevant every month throughout the year and that customers appreciate the service and availability we offer in stores and online. We have achieved this in parallel with extensive cost-saving initiatives, and the underlying operating profit improved significantly compared to previous year.

### Growth for all prioritised product categories

We are continuing to systematically work through our product offering and strengthen our position as the first-hand choice for all home fixing. Our performance in the first quarter shows that these efforts are yielding results. In fact, all five prioritised product categories grew during the quarter in a market characterised by cautious and price-sensitive consumers. There is great interest in products that both save money and are good for the environment, an example of this is a 21-per cent increase in sales of spare parts during the quarter compared with last year. Sales in local currency and comparable units increased by a total of 9 per cent. Online shopping continues to contribute to total growth with sales increasing 9 per cent year-on-year.

### Savings programmes start to generate effects

The realisation of previously announced cost savings is proceeding according to plan. To make our work leaner and quicker, we have changed our way of working and organisation. During the autumn, the workforce at our offices will be reduced by 160 positions, corresponding to 25 per cent of the entire white collar organisation. This, together with an otherwise strong focus on reducing costs, has largely offset increased purchase prices resulting from unfavourable currency exchange rates and higher salaries and rent. Ensuring a competitive cost base is a priority also going forward as uncertainty remains about macroeconomic development, in particular the strong USD, which will have a negative impact on the gross margin. We are also working intensively to quickly adapt prices both up and down to retain our strong price position in each market. In addition, efficiency in the purchasing organisation and robust inventory management have created a good balance in inventory levels. The inventory value was 255 MSEK lower compared with last year. Cash flow from operating activities totalled 328 MSEK for the quarter (-35).

### Continued implementation of the strategy

Clas Ohlson is always assessing opportunities to strengthen the core business. In addition to the development of the product range, expansion of the store network is key to profitable growth. Recently, a new Clas Ohlson store was opened in Kristiansand, Norway, and the objective is to open a net of approximately 10 new stores during this financial year. At the time of writing, a further eight new store contracts have been signed and are scheduled to open before 2024/25. We will also grow profitably online. In this work, our primary focus is to devote all resources to giving customers visiting our own e-commerce, clasohlson.com, the best possible experience. Therefore, in line with the previous decision to end the cooperation with Amazon, we are now choosing to end the partnerships with the e-commerce platforms Mathem and Oda. The Clas Ohlson customer is also the centre point of Club Clas. The number of members has continued to increase, particularly in Norway and Finland, and member sales are becoming an increasingly important part of total sales. Through customised offerings and cost-



IN ADDITION TO THE DEVELOPMENT OF THE PRODUCT RANGE, EXPANSION OF THE STORE NETWORK IS KEY TO PROFITABLE GROWTH. THE OBJECTIVE IS TO OPEN A NET OF APPROXIMATELY 10 NEW STORES DURING THIS FINANCIAL YEAR.

efficient communication, Club Clas will continue to strengthen relationships with customers and Clas Ohlson's position in the market moving forward.

### Prepared for the autumn season

As we now enter the autumn, there is still great uncertainty about the economic situation and how this will impact consumer purchasing behaviour. We are concentrating on what we influence ourselves – delivering on our focus areas for profitable growth and quickly adapting to changes in the market. Preparations for the important Christmas shopping season are also in full swing. With many exciting new products and motivated co-workers, I am convinced that we can successfully create value for customers and shareholders. We look forward to seeing you in our stores and online this autumn.



Kristofer Tonström  
President and CEO of Clas Ohlson AB

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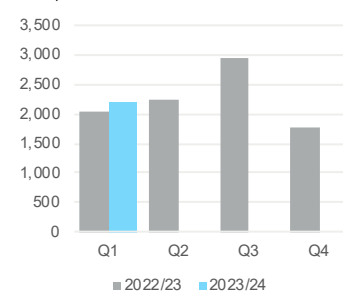
Hundreds of customers were present when Clas Ohlson opened a new store in Kristiansand, Norway, in August.

Sales

Distribution of sales

MSEK	3 Months			
	May 2023 - Jul 2023	May 2022 - Jul 2022	Percentage change	
			SEK	organic
Sweden	1,014	930	9	9
Norway	934	870	7	11
Finland	246	231	6	-3
Outside the Nordics	0	12	-	-
<b>Total</b>	<b>2,193</b>	<b>2,044</b>	<b>7</b>	<b>8</b>
<b>Of which online sales</b>	<b>253</b>	<b>232</b>	<b>9</b>	<b>10</b>

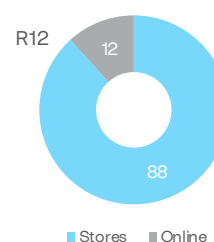
Sales, MSEK



Distribution of sales increase

Per cent	May 2023 - Jul 2023
Comparable units in local currency	9
Change in store network	-1
Exchange-rate effects	-1
<b>Total</b>	<b>7</b>

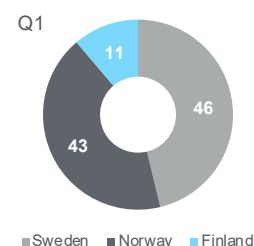
Distribution of sales R12, %



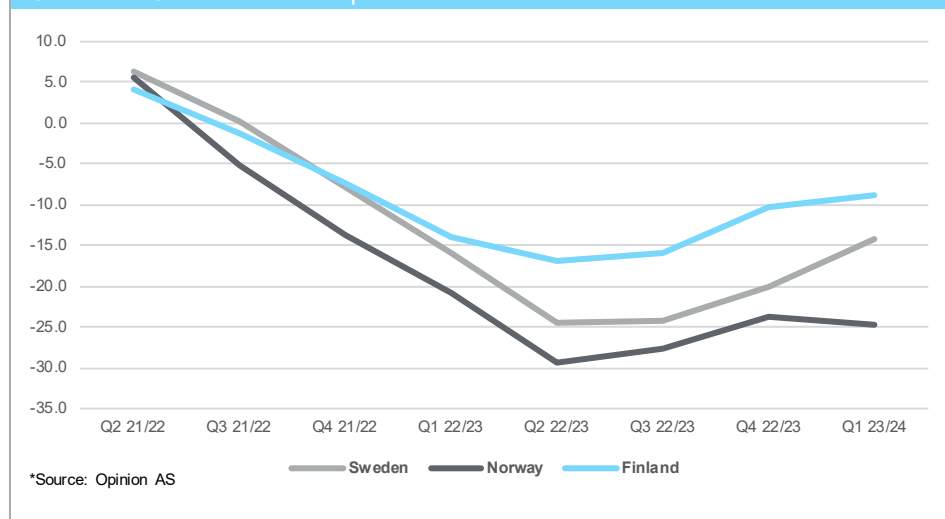
First quarter

Sales increased 7 per cent to 2,193 MSEK (2,044). Organic sales increased 8 per cent compared with the preceding year. Online sales increased by 9 per cent to 253 MSEK (232). At the end of the quarter, the total number of stores was 221, which was a decrease of a net four stores compared with the year-earlier period (a net decrease of three stores in the previous year). For more information about the store network, refer to page 24.

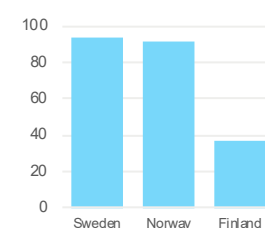
Distribution of sales, %



Consumer Confidence development\*



Distribution of numbers of stores



CCI is an indicator calculated as an average of consumer assessments of the following four components; 1) household's financial situation now and 2) expected financial situation for the next 12 months, 3) expected economic situation for the country for the next 12 months and 4) expected major purchases over the next 12 months. The quarterly value in the diagram above is a weighted average of the monthly outcomes during the quarter. Since Q2 2022/23 a slight recovery have occurred in Sweden, Norway and Finland despite an uncertain economic climate.

## Results

## Extracts from Consolidated Income Statement

MSEK	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Sales	2,193.1	2,043.6	9,173.9	9,024.3
Cost of goods sold	-1,356.3	-1,325.3	-5,671.7	-5,640.6
<b>Gross profit</b>	<b>836.8</b>	<b>718.3</b>	<b>3,502.2</b>	<b>3,383.6</b>
Selling expenses	-652.1	-648.8	-2,730.9	-2,727.6
Administrative expenses	-46.0	-44.4	-186.3	-184.8
Other operating income/expenses*	-154.3	-41.2	-279.4	-166.3
<b>Operating profit**</b>	<b>-15.5</b>	<b>-16.2</b>	<b>305.6</b>	<b>305.0</b>

\*Write-down of IT systems during Q1 current year was -152.2 MSEK.

Total cost for discontinuation of operations in the UK during Q1 last year was -35.0 MSEK

Disposal of IT system during Q3 last year was -99.9 MSEK

\*\*Head count reductions during Q1 current year allocates: Cost of goods sold -10.1 MSEK, Selling expenses -6.8 MSEK,

Administrative expenses -1.2 MSEK

Head count reductions during Q3 last year allocates: Cost of goods sold -6.1 MSEK, Selling expenses -4.9 MSEK, Administrative expenses -5.5 MSEK, Other operating expenses -2.4 MSEK

## Specification of change in profits

MSEK	3 Months
	May 2023 - Jul 2023
<b>Operating profit corresponding period previous year</b>	<b>-16.2</b>
Profit from sales	42.2
Change in gross margin	66.0
Change in administrative expenses	-1.5
Change in expansion costs stores	1.6
Change in depreciation (excl right of use assets)	11.0
Change in depreciation right of use assets	-5.5
Change in other operating income/expenses	-113.1
<b>Operating profit actual period</b>	<b>-15.5</b>

## First quarter

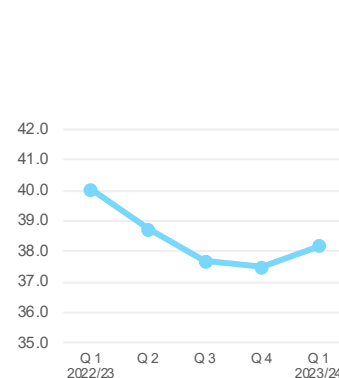
The gross margin increased by 3.1 percentage points to 38.2 per cent (35.1). The gross margin was positively impacted by an improved product and price mix, reduced sourcing costs and the effects of hedging (NOK). This was largely offset by a weaker SEK in relation to the purchasing currency (USD).

The share of selling expenses declined by 2.0 percentage points to 29.7 per cent (31.7). The share declined mainly as a result of higher sales and cost savings related to previously announced activities in 2022/23.

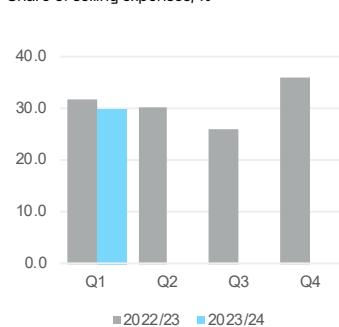
Administrative expenses amounted to -46 MSEK (-44). There was a continued major focus on costs.

Operating loss amounted to -16 MSEK (-16) Excluding previously announced write-down of IT systems and costs for headcount reductions of 170 MSEK, operating profit totalled 154 MSEK (previous year 19 MSEK, excluding costs for the closure of operations in the UK of 35 MSEK). The operating margin was -0.7 (-0.8). Loss after financial items totalled -32 MSEK (-31). Depreciation for the quarter amounted to 184 MSEK (190).

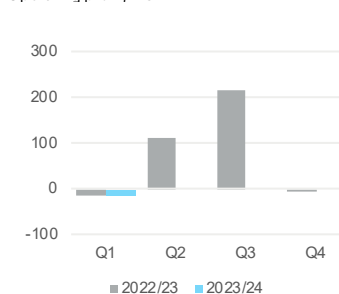
Gross margin rolling 12 months, %



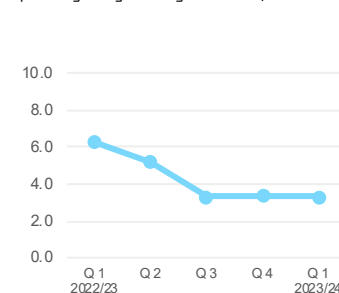
Share of selling expenses, %



Operating profit, MSEK



Operating margin rolling 12 months, %





Spot exchange rates for key currencies averaged 1.00 for NOK and 10.58 for USD, compared with 1.03 and 10.11, respectively, in the year-earlier period. Currency hedging was undertaken in USD and NOK. Currency hedging that fell due during the quarter had a positive impact of 17 MSEK (NOK) on earnings and a negative impact on inventory value through an increase of 1 MSEK (USD). The company's policy is to hedge 50 per cent of the expected flow in each currency continuously, with three- to nine-month maturities.

### Investments

Investments for the quarter amounted to 14 MSEK (32). Of this amount, investments in new or refurbished stores accounted for 5 MSEK (10). Investments in IT systems for the period amounted to 0 MSEK (17). The shares in Mathem were measured at fair value amounting to 9 MSEK, unchanged during the quarter.

During the quarter, measures were taken to streamline the company's IT systems to better reflect the company's strategy and simplified work processes. This has resulted in a write-down of 152 MSEK.

### Financing and liquidity

Cash flow from operating activities for the quarter totalled 328 MSEK (-35). Cash flow for the quarter after investing and financing activities was -37 MSEK (-197).

The average 12-month value of inventories was 2,346 MSEK (2,133). Over a rolling 12-month period, the stock turnover rate at the distribution centre was 4.8 times (5.0).

At the end of the quarter, the inventory value was 2,221 MSEK (2,476). During the current financial year, the inventory value was impacted by external factors, such as increased costs for the purchase of products related to such factors as a weaker SEK in relation to the purchasing currency (USD), which were balanced by lower costs for incoming transports.

The Group's net debt at the end of the period, meaning interest-bearing liabilities less cash and cash equivalents, amounted to 1,640 MSEK (1,451). Excluding the effect of IFRS 16, the Group had net cash holdings of 85 MSEK (net cash holdings 260). Excluding the effect of IFRS 16, net debt in relation to EBITDA was -0.1 times (-0.4), which is in accordance with the company's financial framework. Credits granted and loan commitments amounted to 800 MSEK, of which 23 MSEK had been utilised at the end of the period. The company's financial position remains strong. The equity/assets ratio was 28 per cent (37).

### Employees

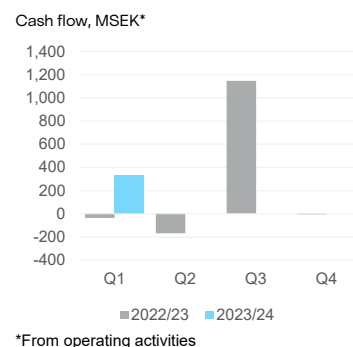
The number of employees in the Group was approximately 5,000. Recalculated to average full-time equivalents (FTEs), this corresponds to an average of 3,142 (3,278) during the quarter.

### Seasonal fluctuations

Clas Ohlson's market and operations are influenced by consumer purchasing behaviour. The company's product range is particularly well suited to Christmas preparations and Christmas shopping, which means that the third quarter (November-January) is generally the strongest quarter of the financial year. This is followed by the second and first quarters and, finally, the fourth quarter, which is the weakest in terms of sales and profit.

### Parent Company

Parent Company sales for the financial year amounted to 1,853 MSEK (1,640) and loss after financial items totalled -28 MSEK (-65). Investments for the period amounted to 8 MSEK (27). Contingent liabilities for the Parent Company amounted to 172 MSEK (190).



### Cost savings

Clas Ohlson has continued efforts to simplify and streamline the organisation. Within the context of this and as previously announced, the company is reducing the workforce by approximately an additional 75 full-time white-collar employees. Also the previously announced evaluation of the company's IT landscape continued and was completed during the quarter. With a more efficient organisation, a more simple way of working and a strategic direction on lowering IT costs, the company sees opportunities to consolidate and phase out additional IT systems that do not sufficiently support the business moving forward.

The measures are expected to deliver cost savings and reduced depreciation totalling approximately 100 MSEK on an annual basis. The measures also entail costs of approximately 170 MSEK recognised in the quarter. The amount is split between 152 MSEK for write-down of IT systems and 18 MSEK in costs for headcount reductions. As previously communicated, approximately 15 MSEK pertaining to costs for headcount reductions is expected to be recognised in forthcoming quarters. The above costs have had a minor impact on cash flow.

### Events after the end of the reporting period

#### Sales in August

Sales in August increased by 14 per cent to 860 MSEK (758). Organic sales increased by 14 per cent compared with the preceding year. Sales in comparable units and local currency increased by 14 per cent. Online sales increased by 11 per cent to 92 MSEK (83). Compared with the same month of the preceding year, the store portfolio was reduced by a net of three stores (reduction of four store in the preceding year). The total number of stores at the end of the period was 221 (224). For more information about the store network, refer to page 24.

Distribution of sales	Month				Accumulated			
	Aug 2023	Aug 2022	Percentage change		May-Aug 2023	May-Aug 2022	Percentage change	
MSEK			SEK	organic			SEK	organic
Sweden	381	330	15	15	1,394	1,260	11	11
Norway	379	344	10	14	1,312	1,214	8	12
Finland	101	83	21	8	347	314	10	-0
Outside the Nordics	0	1	-	-	0	13	-	-
<b>Total</b>	<b>860</b>	<b>758</b>	<b>14</b>	<b>14</b>	<b>3,053</b>	<b>2,801</b>	<b>9</b>	<b>9</b>
<b>Of which online sales</b>	<b>92</b>	<b>83</b>	<b>11</b>	<b>11</b>	<b>345</b>	<b>315</b>	<b>10</b>	<b>10</b>

Total sales during the May-Aug 2023 period increased by 9 per cent to 3,053 MSEK (2,801). Organic sales increased by 14 per cent compared with the preceding year. Sales in comparable units and local currency increased by 11 per cent compared with the preceding year. Online sales for the period increased by 10 per cent to 345 MSEK (315).

### Risks and uncertainties

To develop an attractive and relevant customer offering and to ensure our competitiveness, we must understand how our business environment is changing. The operations that Clas Ohlson conduct entail risks that could negatively impact the Group to varying extents. These risks are divided into strategic, operational and financial risks.

When managed correctly, risks may lead to opportunities and add value to the business.

We work continuously to update the Group's risk situation through a systematic process in which risks are identified, evaluated, managed and reported. Priority is assigned to the risks assessed as having the greatest negative impact in terms of probability and conceivable effects on operations. This work contributes to the strategic and operational management of the company.

Risks of a strategic character primarily comprise risks associated with changes in the business environment and increased competition, shifts in technology and in customers' purchasing habits, market positioning, and product range and offering as well as growth. Operational risks are mainly risks associated with purchasing and products, sustainability, IT systems, logistics, key individuals, leases, shrinkage and regulatory risks, while risks of a financial nature consist primarily of risks associated with changes in the economy, currency exposure, transport costs, raw material prices and salary inflation.

For a detailed description of the Group's significant risks and risk management, refer to pages 20-24 of the 2022/23 Annual Report. Risks and uncertainties associated with the developments in Ukraine, the effects of these and potential impact on the Group's operations and earnings are routinely evaluated and monitored. The same applies to the macro situation at large with increased inflation and higher interest-rates.

#### **Audit**

This report is unaudited.

#### **Clas Ohlson AB (publ)**

Insjön, 6 September 2023

#### **Kristofer Tonström**

President and CEO



# Financial statements

## Consolidated Income Statement

MSEK	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Sales	2,193.1	2,043.6	9,173.9	9,024.3
Cost of goods sold	-1,356.3	-1,325.3	-5,671.7	-5,640.6
<b>Gross profit</b>	<b>836.8</b>	<b>718.3</b>	<b>3,502.2</b>	<b>3,383.6</b>
Selling expenses	-652.1	-648.8	-2,730.9	-2,727.6
Administrative expenses	-46.0	-44.4	-186.3	-184.8
Other operating income	4.3	4.0	18.7	18.4
Other operating expenses*	-158.6	-45.2	-298.1	-184.7
<b>Operating profit**</b>	<b>-15.5</b>	<b>-16.2</b>	<b>305.6</b>	<b>305.0</b>
Financial income	0.5	1.0	2.9	3.4
Financial expenses	-16.6	-15.5	-67.1	-65.9
<b>Profit after financial items</b>	<b>-31.6</b>	<b>-30.6</b>	<b>241.5</b>	<b>242.4</b>
Income tax	5.2	6.5	-63.1	-61.8
<b>Profit for the period</b>	<b>-26.4</b>	<b>-24.1</b>	<b>178.3</b>	<b>180.6</b>

\*Write-down of IT systems during Q1 current year was -152.2 MSEK.

Total cost for discontinuation of operations in the UK during Q1 last year was -35.0 MSEK

Disposal of IT system during Q3 last year was -99.9 MSEK

\*\*Head count reductions during Q1 current year allocates: Cost of goods sold -10.1 MSEK, Selling expenses -6.8 MSEK, Administrative expenses -1.2 MSEK

Head count reductions during Q3 last year allocates: Cost of goods sold -6.1 MSEK, Selling expenses -4.9 MSEK, Administrative expenses -5.5 MSEK, Other operating expenses -2.4 MSEK

## Consolidated Comprehensive Income Statement

MSEK	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Profit for the period	-26.4	-24.1	178.3	180.6
Other comprehensive income, net of tax:				
Items that later can be reversed back to the Consolidated income statement:				
Exchange rate differences	21.7	-2.3	12.7	-11.2
Cash flow hedging	-45.9	0.5	-29.3	17.1
<b>Total</b>	<b>-24.2</b>	<b>-1.8</b>	<b>-16.6</b>	<b>5.9</b>
Items that later can not be reversed back to the Consolidated income statement:				
Change in fair value of financial assets	0.0	-26.3	-122.3	-148.6
<b>Total</b>	<b>0.0</b>	<b>-26.3</b>	<b>-122.3</b>	<b>-148.6</b>
<b>Total other comprehensive income, net of tax</b>	<b>-24.2</b>	<b>-28.1</b>	<b>-138.8</b>	<b>-142.7</b>
<b>Total comprehensive income for the period</b>	<b>-50.6</b>	<b>-52.3</b>	<b>39.5</b>	<b>37.9</b>
Profit for the period attributable to:				
Parent Company shareholders	-26.4	-24.1	178.3	180.6
Non-controlling interests	0.0	0.0	0.0	0.0
Comprehensive income attributable to:				
Parent Company shareholders	-50.6	-52.3	39.5	37.9
Non-controlling interests	0.0	0.0	0.0	0.0

## Data per share

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Number of shares before dilution	63,357,273	63,356,451	63,356,744	63,356,536
Number of shares after dilution	63,357,273	63,358,973	63,356,744	63,357,260
Number of shares at end of period	63,357,289	63,356,565	63,357,289	63,356,565
Earnings per share before dilution, SEK	-0.42	-0.38	2.81	2.85
Earnings per share after dilution, SEK	-0.42	-0.38	2.81	2.85
Comprehensive income per share, SEK	-0.80	-0.82	0.62	0.60

## Consolidated Balance Sheet

MSEK	31 Jul 2023	31 Jul 2022	30 Apr 2023
<b>Assets</b>			
IT and software costs	138.0	475.3	307.5
Tangible assets	651.1	714.3	662.0
Right-of use assets	1,644.7	1,604.4	1,553.6
Securities held as fixed assets	9.5	131.7	9.5
Deferred tax assets	74.5	68.4	71.3
Other non-current receivables	12.3	24.1	15.6
<b>Total non-current assets</b>	<b>2,529.9</b>	<b>3,018.2</b>	<b>2,619.5</b>
Inventories	2,221.3	2,475.7	2,177.1
Accounts receivable	41.5	43.6	51.1
Tax assets	31.2	22.7	28.7
Other receivables	14.6	14.9	16.5
Prepaid expenses and accrued income	80.9	89.0	73.8
Cash and cash equivalents	108.9	260.1	143.1
<b>Total current assets</b>	<b>2,498.4</b>	<b>2,905.9</b>	<b>2,490.2</b>
<b>Total assets</b>	<b>5,028.2</b>	<b>5,924.1</b>	<b>5,109.7</b>
<b>Equity and liabilities</b>			
<i>Capital and reserves attributable to Parent Company shareholders</i>			
Share capital	82.0	82.0	82.0
Other contributed capital	90.4	90.4	90.4
Other reserves	-63.4	-48.4	-40.7
Profit brought forward including profit for the year	1,279.4	2,044.7	1,305.6
<b>Total equity</b>	<b>1,388.4</b>	<b>2,168.7</b>	<b>1,437.4</b>
Long-term lease liabilities, interest bearing	1,182.5	1,198.6	1,111.2
Deferred tax liabilities	164.0	204.6	175.9
Other non-current provisions	0.0	3.4	0.0
<b>Total non-current liabilities</b>	<b>1,346.5</b>	<b>1,406.6</b>	<b>1,287.1</b>
Current lease liabilities, interest bearing	542.5	512.5	521.2
Accounts payable	757.0	840.9	752.7
Tax liability	44.2	53.6	41.2
Other current liabilities	324.6	298.3	212.7
Overdraft facilities	23.5	0.0	244.4
Accrued expenses and prepaid income	518.4	530.4	517.7
Contract liabilities	83.1	113.0	95.3
<b>Total current liabilities</b>	<b>2,293.3</b>	<b>2,348.8</b>	<b>2,385.2</b>
<b>Total equity and liabilities</b>	<b>5,028.2</b>	<b>5,924.1</b>	<b>5,109.7</b>

Consolidated Cash Flow	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
MSEK				
Operating profit	-15.5	-16.2	305.6	305.0
Adjustment for items not included in cash flow	325.1	221.8	1,009.7	906.5
Interest received	0.5	1.0	2.9	3.4
Interest paid	-16.6	-15.5	-67.1	-65.9
Tax paid	-43.8	-69.8	-122.1	-148.1
<b>Cash flow from operating activities before changes in working capital</b>	<b>249.7</b>	<b>121.4</b>	<b>1,129.1</b>	<b>1,000.7</b>
Change in working capital	78.6	-156.0	174.7	-59.9
<b>Cash flow from operating activities</b>	<b>328.3</b>	<b>-34.6</b>	<b>1,303.7</b>	<b>940.8</b>
Investments in intangible assets	0,0	-16.9	-19.0	-35.9
Investments in tangible assets	-14.1	-15.5	-86.1	-87.5
Investments in securities held as fixed assets	0.0	0.0	0,0	0,0
Change in current investments	0.0	0,0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-14.1</b>	<b>-32.4</b>	<b>-105.0</b>	<b>-123.4</b>
Change in current liabilities, interest-bearing	-220.9	0.0	23.5	244.4
Repayment of lease liabilities	-130.1	-129.6	-550.0	-549.5
Change in non-current receivable	0.0	0.0	-0.0	0,0
Dividend to shareholders	0.0	0.0	-823.6	-823.6
<b>Cash flow from financing activities</b>	<b>-351.0</b>	<b>-129.5</b>	<b>-1,350.2</b>	<b>-1,128.7</b>
<b>Cash flow for the period</b>	<b>-36.8</b>	<b>-196.5</b>	<b>-151.5</b>	<b>-311.2</b>
Cash and cash equivalents at the start of the period	143.1	456.6	260.1	456.6
Exchange rate differences in cash and cash equivalents	2.6	-0.0	0.3	-2.3
<b>Cash and cash equivalents at the end of the period</b>	<b>108.9</b>	<b>260.1</b>	<b>108.9</b>	<b>143.1</b>

## Sales by segment\*

MSEK	3 Months	
	Segment	
	Detaljhandel	
	May 2023 - Jul 2023	May 2022 - Jul 2022
<b>Total sales</b>	<b>2,193.1</b>	<b>2,043.6</b>
Net sales by geographic markets:		
<i>Sweden</i>	1,013.8	930.4
<i>Norway</i>	933.6	870.2
<i>Finland</i>	245.7	231.0
<i>Outside the Nordics</i>	-	12.1
Depreciation intangible and tangible assets	-52.7	-63.7
Depreciation right-of use assets	-131.6	-126.1
<b>EBIT</b>	<b>-15.5</b>	<b>-16.2</b>
Net financial items	-16.1	-14.5
<b>Result after financial items</b>	<b>-31.6</b>	<b>-30.6</b>
Tax	5.2	6.5
<b>Profit for the period</b>	<b>-26.4</b>	<b>-24.1</b>
<b>Assets</b>		
Non-current assets	2,529.9	3,018.2
Current assets	2,498.4	2,905.9
<b>Investments</b>		
Intangible assets	-	-16.9
Tangible assets	-14.1	-15.5

\*The Group's operations are divided into segments based on how the Group's senior executives follows up performance and assigns resources. As of financial year 23/24, Clas Ohlson Group comprises one retail segment. The categorization reflects the Group's organization and shared processes such as purchasing, logistics, sales, etc. Internal monthly follow-up focuses on the Group as a whole, with complementary geographic sales information. The performance measures presented represents the main performance measure by which the operations are evaluated.

## Change in equity

MSEK	3 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022
Equity brought forward	1,437.4	2,221.6
Paid-in option premiums:		
Value of employee services	1.7	-0.6
Total comprehensive income	-50.6	-52.3
<b>Equity carried forward</b>	<b>1,388.4</b>	<b>2,168.7</b>

### Securities held as fixed assets, valued at fair value

The table below indicates fair value for financial assets in the Group. The financial instruments are categorized on three levels:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.

MSEK	31 Jul 2023	31 Jul 2022
Securities held as fixed assets, valued at fair value at the beginning of the year	9.5	158.0
Change in fair value	0.0	-26.3
<b>Securities held as fixed assets, valued at fair value at the end of the period</b>	<b>9.5</b>	<b>131.7</b>

### Valuation method for securities held as fixed assets, level 3:

Company: Mathem, 5% shareholding

#### Valuation Method:

The assessed valuation implies a multiple of 0.5 times the company's revenues per 31st March 2023 and is based on latest available rolling twelve months revenue.

The assessed valuation takes into account Mathem's future capital needs. Mathem is valued at a discount of 19 percent compared to the multiple referenced from a peer group of inventory-holding e-commerce retailers.

Equity value of 9.5 MSEK. A +/- 10% change in the multiple would have affected the value by +/- 0.9 MSEK. Value changes are accounted for in total comprehensive income.

Investment in Mathem's equity instrument is not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate the investment in equity instrument as at FVTOCI (Fair Value Through the statement of Other Comprehensive Income) as they believe that recognising short-term fluctuations in the investment's fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising their performance potential in the long run.

No dividends was received from equity investment designated as at FVTOCI.

### Forward contracts

As per balance-sheet date, outstanding cash-flow hedging existed according to the following table per currency pair (carrying amount and fair value)

MSEK	31 Jul 2023	31 Jul 2022
<b>Sell/buy</b>		
NOK/SEK	-12.3	-1.1
NOK/USD	-8.3	17.3
<b>Total</b>	<b>-20.6</b>	<b>16.3</b>
Deferred tax asset/liability	4.2	-3.4
<b>Forward contracts valued at fair value at the end of the period</b>	<b>-16.4</b>	<b>12.9</b>
The amount for forward contracts NOK/USD are allocated as follows:		
NOK/SEK	-13.2	-1.4
SEK/USD	4.9	18.8
<b>Total</b>	<b>-8.3</b>	<b>17.3</b>
The currency pairs recognized in the balance sheet are as follows:		
Current assets	3.5	23.5
Current liabilities	24.1	7.2

Forward contracts belong to the derivative category, which is used for hedging purposes. All derivatives are measured at fair value, established by using forward contract prices on balance-sheet date, meaning, level 2 in the fair value hierarchy according to IFRS 13. The company hedge the expected flow in each currency every month, with three to nine-month maturities. Forward contracts with negative market value are recognized in the item Current liabilities, non-interest bearing. Forward contracts with positive market values are recognized in the item Other receivables.

## Key ratios

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Sales growth, %	7.3	-0.6	4.6	2.7
Gross margin, %	38.2	35.1	38.2	37.5
Operating margin, %	-0.7	-0.8	3.3	3.4
Return on capital employed, %	–	–	9.2	8.8
Return on equity, %	–	–	11.8	10.6
Equity/assets ratio, %	27.6	36.6	27.6	28.1
Equity/assets ratio, excl IFRS 16, %	43.8	52.8	43.8	43.0
Net debt/EBITDA	–	–	1.3	1.6
Net debt/EBITDA, excl IFRS 16	–	–	-0.1	0.2
Sales per sq.m in stores, SEK thousand	8.0	7.1	32.6	31.7
Number of stores at period end	221	225	221	222
Average number of employees	3,142	3,278	3,093	3,128
Number of Club Clas members	5,104,807	4,467,043	5,104,807	5,025,512
<b>Data per share</b>				
Number of shares before dilution	63,357,273	63,356,451	63,356,744	63,356,536
Number of shares after dilution	63,357,273	63,358,973	63,356,744	63,357,260
Number of shares at period end	63,357,289	63,356,565	63,357,289	63,356,565
Earnings per share before dilution, SEK	-0.42	-0.38	2.81	2.85
Earnings per share after dilution, SEK	-0.42	-0.38	2.81	2.85
Comprehensive income per share, SEK	-0.80	-0.82	0.62	0.60
Cash flow per share*, SEK	5.18	-0.55	20.58	14.85
Equity per share, SEK	21.91	34.23	21.91	22.69

\* From operating activities

The quarterly overview is available on <https://about.clasohlson.com/en/investors/financial-data/>.



## Parent Company Income Statement

MSEK	Note	3 Months		12 Months	
		May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Sales		1,852.6	1,640.2	7,637.6	7,425.2
Cost of goods sold	1	-1,341.3	-1,253.1	-5,669.6	-5,581.4
<b>Gross profit</b>		<b>511.3</b>	<b>387.2</b>	<b>1,968.0</b>	<b>1,843.8</b>
Selling expenses	1	-342.6	-380.6	-1,453.5	-1,491.5
Administrative expenses	1	-39.5	-38.3	-143.9	-142.7
Other operating income		4.3	4.0	18.8	18.5
Other operating expenses		-158.6	-37.2	-295.8	-174.4
<b>Operating profit</b>		<b>-25.2</b>	<b>-64.8</b>	<b>93.6</b>	<b>53.9</b>
Dividends from group companies		0.2	0.0	121.8	121.5
Financial income		0.3	0.5	3.1	3.3
Financial expenses		-3.3	-1.1	-15.7	-13.4
<b>Profit after financial items</b>		<b>-27.9</b>	<b>-65.5</b>	<b>202.8</b>	<b>165.3</b>
Appropriations		0.0	0.0	175.2	175.2
<b>Profit before tax</b>		<b>-27.9</b>	<b>-65.5</b>	<b>378.0</b>	<b>340.4</b>
Income tax		5.8	13.6	-56.9	-49.1
<b>Profit for the period</b>		<b>-22.1</b>	<b>-51.9</b>	<b>321.1</b>	<b>291.3</b>

## Parent Company Comprehensive Income Statement

MSEK	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Profit for the period	-22.1	-51.9	321.1	291.3
Other comprehensive income, net of tax:				
Items that later can not be reversed back to the Consolidated income statement:				
Change in fair value of financial assets	-	-26.3	-122.3	-148.6
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-26.3</b>	<b>-122.3</b>	<b>-148.6</b>
<b>Total comprehensive income</b>	<b>-22.1</b>	<b>-78.2</b>	<b>198.9</b>	<b>142.7</b>

## Note 1 Depreciations

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
Depreciations for the period	40.0	49.9	182.5	192.4

## Parent Company Balance Sheet

MSEK	31 Jul 2023	31 Jul 2022	30 Apr 2023
<b>Assets</b>			
IT and software costs	134.0	472.2	303.4
Tangible assets	468.5	517.5	483.2
Securities held as fixed assets	9.5	131.7	9.5
Deferred tax assets	3.7	4.1	3.6
Non-current receivables from Group Companies	0.3	0.2	0.2
Other non-current receivables	0.0	2.3	0.0
Participation in Group Companies	45.5	45.5	45.5
<b>Total non-current assets</b>	<b>661.4</b>	<b>1,173.6</b>	<b>845.5</b>
Merchandise	1,591.5	1,937.6	1,599.1
Accounts receivable	20.4	24.6	33.1
Tax assets	31.1	15.2	26.5
Receivables from Group Companies	117.9	36.1	193.7
Other receivables	0.3	1.3	1.1
Prepaid expenses and accrued income	120.7	107.8	89.6
Cash and cash equivalents	30.2	184.2	52.4
<b>Total current assets</b>	<b>1,912.1</b>	<b>2,306.9</b>	<b>1,995.5</b>
<b>Total assets</b>	<b>2,573.5</b>	<b>3,480.5</b>	<b>2,840.9</b>
MSEK	31 Jul 2023	31 Jul 2022	30 Apr 2023
<b>Equity and liabilities</b>			
Share capital, 65,600,000 shares with a quotient value of 1.25 SEK	82.0	82.0	82.0
Statutory reserve	106.8	106.8	106.8
Development fund	11.5	28.2	16.1
<b>Total restricted equity</b>	<b>200.3</b>	<b>217.1</b>	<b>204.9</b>
Profit brought forward	568.7	1,080.5	271.0
Fair value fund	-242.9	-120.6	-242.9
Profit for the year	-22.1	-51.9	291.3
<b>Total non-restricted equity</b>	<b>303.7</b>	<b>908.0</b>	<b>319.4</b>
<b>Total equity</b>	<b>504.1</b>	<b>1,125.0</b>	<b>524.4</b>
<b>Untaxed reserves</b>	<b>805.5</b>	<b>980.6</b>	<b>805.5</b>
Accounts payable	743.7	815.5	722.8
Tax liabilities	0.0	1.6	0.0
Liabilities to Group companies	27.0	66.4	69.2
Current liabilities, interest-bearing	23.5	0.0	244.4
Contract liabilities	60.0	57.7	73.1
Other current liabilities	57.9	53.7	65.4
Accrued expenses and prepaid income	351.9	379.8	336.2
<b>Total current liabilities</b>	<b>1,264.0</b>	<b>1,374.8</b>	<b>1,511.1</b>
<b>Total equity and liabilities</b>	<b>2,573.5</b>	<b>3,480.5</b>	<b>2,840.9</b>

**Accounting policies**

## Compliance with regulation and reporting standards

Clas Ohlson applies the International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretation Committee (IFRIC) adopted by the EU. This interim report has been prepared in accordance with the Swedish Annual Accounts Act, IAS 34 Interim Financial Reporting and RFR 1 Supplementary Accounting Rules for Groups. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in the notes and elsewhere in this interim report.

## Basis for reporting

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2. The same accounting policies are applied as for the Group, except in those cases described under the section headed "Parent Company accounting policies" in the 2022/23 Annual Report on page 49.

For the consolidated financial statements, the same accounting policies and calculation methods as in the latest annual report are applied. No new or revised IFRS and interpretations applied from 1 May 2023 have had any discernible effect on the consolidated financial statements.

For a more detailed description of the accounting policies applied to the Group and Parent Company in this interim report, refer to the 2022/23 Annual Report, pages 44-49.

# Alternative performance measures

This section contains a reconciliation of certain alternative performance measures (APMs) with the closest reconcilable items in the financial statements. As analysis tools, APMs are limited, and must be considered in their context and not as a replacement of financial measures prepared in accordance with IFRS. APMs are presented to improve an investor's evaluation of the operations, as an aid in forecasts of forthcoming periods, and to simplify meaningful comparisons of earnings between periods. Management uses these APMs, for example, to evaluate the operating activities compared with previous results, for internal planning and forecasts and to calculate certain performance-related remuneration. For definitions, refer to page 21. The APMs recognised in this quarterly report may differ from similarly named measures used by other companies.

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
<b>Return on equity</b>				
Net profit for the period, MSEK	–	–	178.3	180.6
Average equity, MSEK	–	–	1,517.2	1,699.7
<b>Return on equity</b>	<b>–</b>	<b>–</b>	<b>11.8%</b>	<b>10.6%</b>

Reason for use: Return on equity is a measure of profitability in relation to the book value of equity. Return on equity is also a measure of how investments are used to generate increased income.

## Return on capital employed

Operating profit, MSEK	–	–	305.6	305.0
Interest income, MSEK	–	–	2.9	3.4
Average capital employed, MSEK	–	–	3,364.1	3,504.3
<b>Return on capital employed</b>	<b>–</b>	<b>–</b>	<b>9.2%</b>	<b>8.8%</b>

Reason for use: Return on capital employed is a measure of profitability after taking into account the amount of capital used. A higher return on capital employed indicates that capital is used more efficiently.

## Gross margin

Gross profit, MSEK	836.8	718.3	3,502.2	3,383.6
Sales, MSEK	2,193.1	2,043.6	9,173.9	9,024.3
<b>Gross margin</b>	<b>38.2%</b>	<b>35.1%</b>	<b>38.2%</b>	<b>37.5%</b>

Reason for use: Gross margin shows the difference between net sales and the cost of goods sold expressed as a percentage of net sales. Gross margin is affected by several factors, for example, product mix, price trend and cost reductions.

## Gross profit, MSEK

Sales	2,193.1	2,043.6	9,173.9	9,024.3
Cost of goods sold	-1,356.3	-1,325.3	-5,671.7	-5,640.6
<b>Gross profit</b>	<b>836.8</b>	<b>718.3</b>	<b>3,502.2</b>	<b>3,383.6</b>

Reason for use: Gross profit shows the difference between net sales and the cost of goods sold. Gross profit is affected by several factors, for example, product mix, price trend and cost reductions.

## Equity per share, SEK

Total equity, MSEK	1,388.4	2,168.7	1,388.4	1,437.4
Number of shares at end of period (millions of share)	63.36	63.36	63.36	63.36
<b>Equity per share</b>	<b>21.91</b>	<b>34.23</b>	<b>21.91</b>	<b>22.69</b>

Reason for use: Equity per share measures the company's net value per share and determines whether a company increases its shareholders capital over time.

## EBITDA, MSEK

Operating profit	-15.5	-16.2	305.6	305.0
Depreciation, amortisation and write-down	335.3	189.9	942.5	797.0
<b>EBITDA</b>	<b>319.8</b>	<b>173.7</b>	<b>1,248.1</b>	<b>1,102.0</b>

Reason for use: Measures the financial performance before depreciation, amortisation, write-down, interest and tax.

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
<b>EBITDA excl IFRS 16, MSEK</b>				
Operating profit excl IFRS 16	-33.1	-36.0	231.3	228.3
Depreciation, amortisation and write-down excl IFRS 16	203.7	63.7	410.6	270.6
<b>EBITDA excl IFRS 16</b>	<b>170.6</b>	<b>27.7</b>	<b>641.9</b>	<b>498.9</b>

Reason for use: Measures the financial performance before depreciation, amortisation, write-down, interest and tax.

#### Sales growth, MSEK

Sales actual period	2,193.1	2,043.6	9,173.9	9,024.3
Sales previous period	2,043.6	2,055.6	8,771.7	8,783.7
<b>Sales growth</b>	<b>7.3%</b>	<b>-0.6%</b>	<b>4.6%</b>	<b>2.7%</b>

Reason for use: The change in sales reflects the company's realised sales growth over time.

#### Average inventory value, MSEK

<b>Average inventory value</b>	<b>-</b>	<b>-</b>	<b>2,346.4</b>	<b>2,396.8</b>
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Reason for use: Shows average inventory value over the past 12 months.

#### Cash flow from operating activities per share, SEK

Cash flow from operating activities, MSEK	328.3	-34.6	1,303.7	940.8
Number of shares before the dilution (millions of share)	63.36	63.36	63.36	63.36
<b>Cash flow from operating activities per share</b>	<b>5.18</b>	<b>-0.55</b>	<b>20.58</b>	<b>14.85</b>

Reason for use: Cash flow from operating activities per share measures the cash flow that the company generates per share before capital investments and cash flows attributable to the company's financing.

#### Net debt, MSEK

Interest bearing liabilities	-	-	1,748.4	1,876.8
Cash and cash equivalents	-	-	108.9	143.1
<b>Total Net debt</b>	<b>-</b>	<b>-</b>	<b>1,639.6</b>	<b>1,733.7</b>

Reason for use: Net debt shows the company's indebtedness over time.

#### Net debt excl IFRS 16, MSEK

Interest bearing liabilities excl lease liabilities	-	-	23.5	244.4
Cash and cash equivalents	-	-	108.9	143.1
<b>Total Net debt excl IFRS 16</b>	<b>-</b>	<b>-</b>	<b>-85.4</b>	<b>101.3</b>

Reason for use: Net debt shows the company's indebtedness over time.

#### Working capital, MSEK

Total current assets	2,498.4	2,905.9	2,498.4	2,490.2
-Cash and cash equivalents	-108.9	-260.1	-108.9	-143.1
-Current non-interest bearing liabilities	-1,727.3	-1,836.3	-1,727.3	-1,619.6
<b>Working capital</b>	<b>662.2</b>	<b>809.5</b>	<b>662.2</b>	<b>727.5</b>

Reason for use: Working capital is used to measure the company's ability to meet short-term capital requirements.

	3 Months		12 Months	
	May 2023 - Jul 2023	May 2022 - Jul 2022	Aug 2022 - Jul 2023	May 2022 - Apr 2023
<b>Operating margin</b>				
Operating profit, MSEK	-15.5	-16.2	305.6	305.0
Sales, MSEK	2,193.1	2,043.6	9,173.9	9,024.3
<b>Operating margin</b>	<b>-0.7%</b>	<b>-0.8%</b>	<b>3.3%</b>	<b>3.4%</b>

Reason for use: The operating margin shows operating profit as a percentage of net sales and shows operational profitability.

#### Operating profit excl IFRS 16

Operating profit, MSEK	-15.5	-16.2	305.6	305.0
IFRS 16-effect	-17.6	-19.9	-74.4	-76.7
<b>Operating profit excl IFRS 16</b>	<b>-33.1</b>	<b>-36.0</b>	<b>231.3</b>	<b>228.3</b>

Reason for use: To create comparability in analyses where years prior to IFRS 16 are included.

#### Equity/assets ratio

Total equity, MSEK	1,388.4	2,168.7	1,388.4	1,437.4
Total assets, MSEK	5,028.2	5,924.1	5,028.2	5,109.7
<b>Equity/Assets ratio</b>	<b>27.6%</b>	<b>36.6%</b>	<b>27.6%</b>	<b>28.1%</b>

Reason for use: A high equity/assets ratio provides the financial scope and independence required for conducting the operations and managing variations in the need for working capital and for capitalising on business opportunities.

#### Equity/assets ratio excl IFRS 16

Total equity excl IFRS 16, MSEK	1,493.5	2,289.2	1,493.5	1,540.9
Total assets excl IFRS 16, MSEK	3,408.3	4,333.6	3,408.3	3,580.8
<b>Equity/assets ratio excl IFRS 16</b>	<b>43.8%</b>	<b>52.8%</b>	<b>43.8%</b>	<b>43.0%</b>

Reason for use: A high equity/assets ratio provides the financial scope and independence required for conducting the operations and managing variations in the need for working capital and for capitalising on business opportunities.

#### Capital employed, MSEK

Total assets	5,028.2	5,924.1	5,028.2	5,109.7
Long-term non-interest bearing liabilities	-164.0	-208.1	-164.0	-175.9
Current non-interest bearing liabilities	-1,727.3	-1,836.3	-1,727.3	-1,619.6
<b>Capital employed</b>	<b>3,136.9</b>	<b>3,879.8</b>	<b>3,136.9</b>	<b>3,314.1</b>

Reason for use: Capital employed measures the company's ability, in addition to cash balances and cash equivalents, to meet the needs of the operations.

#### Comprehensive income per share, SEK

Comprehensive income for the period, MSEK	-50.6	-52.3	39.5	37.9
Average number of shares before dilution (millions of share)	63.36	63.36	63.36	63.36
<b>Comprehensive income per share</b>	<b>-0.80</b>	<b>-0.82</b>	<b>0.62</b>	<b>0.60</b>

Reason for use: Measures the comprehensive income in relation to average number of shares before dilution.

#### Earnings per share (before and after dilution), SEK\*

Net profit for the period, MSEK	-26.4	-24.1	178.3	180.6
Number of shares before dilution (millions of share)	63.36	63.36	63.36	63.36
Number of shares after dilution (millions of share)	63.36	63.36	63.36	63.36
<b>Number of shares before dilution</b>	<b>-0.42</b>	<b>-0.38</b>	<b>2.81</b>	<b>2.85</b>
<b>Number of shares after dilution</b>	<b>-0.42</b>	<b>-0.38</b>	<b>2.81</b>	<b>2.85</b>

\*Defined in accordance with IFRS



# Key ratio definitions

Clas Ohlson uses certain financial measures in this interim report that are not defined in accordance with IFRS. Clas Ohlson believes that these key ratios are relevant to users of the financial report as a supplement for assessing Clas Ohlson's performance. These financial measures are not always comparable with the measures used by other companies since not all companies calculate such financial measures in the same way. Accordingly, these financial measures are not to be regarded as a replacement for measures defined according to IFRS. The measures not defined according to IFRS are presented below, unless otherwise stated.

## Return on equity

Net profit for the period expressed as a percentage of average equity. Average equity is calculated as the total equity for the most recent 12 months divided by 12.

## Return on capital employed

Operating profit plus financial income expressed as a percentage of average capital employed. Average capital employed is calculated as the total capital employed for the most recent 12 months divided by 12.

## Gross margin

Gross profit divided by sales for the period.

## Gross profit

Gross profit is calculated as the total of sales less cost of goods sold.

## Dividend yield

Dividend per share divided by the year-end share price.

## EBITDA

Operating profit/loss before interest, tax, depreciation, amortisation and write-down.

## EBITDA excl IFRS 16

Operating profit/loss before interest, tax, depreciation, amortisation and write-down excl effect on operating expenses according to IFRS 16.

## Equity per share

Equity divided by the number of shares outstanding at the end of the period.

## Share of selling expenses, %

Selling expenses in relation to sales.

## Sales growth

Sales in relation to sales during the year-earlier period.

## Average inventory value

Average inventory value is calculated as the total inventories for the most recent 12 months divided by 12.

## Cash flow from operating activities

Operating profit adjusted for items not included in cash flow, interest, paid tax and change in working capital.

## Cash flow from operating activities per share

Cash flow from operating activities divided by the average number of shares before dilution.

## Net debt

Interest-bearing liabilities less cash and cash equivalents.

## Net debt excl IFRS 16

Interest-bearing liabilities excl interest-bearing lease liabilities less cash and cash equivalents.

## Net debt/EBITDA

Net debt divided by EBITDA for the last 12 months.

## Organic growth

Sales growth in local currencies, excluding acquisitions.

## P/E ratio

Share price at year-end divided by earnings per share before dilution.

## Working capital

The total of current assets, minus cash and cash equivalents (inventories and current receivables), less current non-interest bearing liabilities.

## Operating margin

Operating profit divided by sales for the period.

## Operating profit

Operating profit comprises profit before financial items and tax.

## Operating profit excl IFRS 16

Operating profit comprises profit before financial items and tax excl effects on operating expenses according to IFRS 16.

## Equity/assets ratio

Equity at the end of the period divided by the balance-sheet total (total assets).

## Equity/assets ratio excl IFRS 16

Equity at the end of the period divided by the balance-sheet total (total assets) excl effects relating to equity and interest-bearing lease assets according to IFRS 16.

**Capital employed**

Balance-sheet total (total assets) less current liabilities and non-current liabilities, non-interest-bearing liabilities.

**Comprehensive income per share**

Comprehensive income divided by average number of shares before dilution.

**Payout ratio**

Dividend divided by earnings per share before dilution.

**Earnings per share (before and after dilution)\***

Profit for the period divided by the number of shares (before and after dilution).

\*Defined in accordance with IFRS.

# Glossary

**Club Clas**

Clas Ohlson's loyalty programme.

**Sales per square metre**

Store sales in relation to the effective retail space. For new stores, a conversion has been made in relation to how long the store has been open.

**Cost of goods sold**

Cost for purchases of goods and transport costs, customs and handling costs until the goods are displayed in a store or delivered to the customer.

**Comparable units**

Units that have been in operation during the current period and the entire year-earlier period.

# The share

Clas Ohlson Series B shares have been listed on Nasdaq Stockholm since 1999 and are included in the Consumer Services sector index. At 31 July 2023, the share price was SEK 85.75 and the total market capitalisation amounted to 5,433 MSEK.

## Number of shares

The number of registered shares totalled 65,600,000 (5,760,000 Series A shares and 59,840,000 Series B shares), unchanged from the preceding year. On 31 July 2023, the company held 2,242,711 shares (2,243,435) corresponding to 3.4 per cent of the total number of registered shares. At the end of the period, the number of shares outstanding, net after buy-back, was 63,357,289 (63,356,565).

## Dividend policy

Clas Ohlson's dividend policy is that the dividend is to comprise at least 50 per cent of Earnings per share after tax, taking into account the company's financial position.

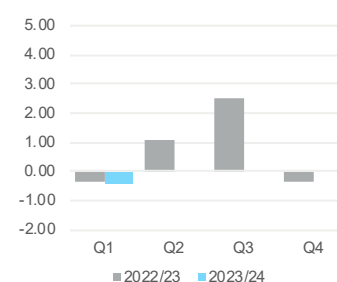
The Board of Directors proposes that a dividend of 1.50 SEK per share be paid for the 2022/23 financial year. It is proposed that payment be made in September.

The largest shareholders per 31 July 2023				
Owner	CLAS A	CLAS B	Capital	Votes
Haid family	3,023,880	12,029,103	22.9%	36.0%
Tidstrand family	2,736,120	7,079,828	15.0%	29.3%
Nordea Fonder		5,283,178	8.1%	4.5%
If Skadeförsäkring AB		2,427,530	3.7%	2.1%
Vanguard		1,412,463	2.2%	1.2%
Norges Bank		957,145	1.5%	0.8%
Dimensional Fund Advisors		797,913	1.2%	0.7%
SHB Fonder & Liv		793,395	1.2%	0.7%
Fidelity International (FIL)		728,029	1.1%	0.6%
BlackRock		644,988	1.0%	0.5%
Acadian Asset Management		596,749	0.9%	0.5%
American Century Investment Management		490,781	0.7%	0.4%
SEB Fonder & Liv		468,002	0.7%	0.4%
Nordnet Pensionsförsäkring		444,992	0.7%	0.4%
Avanza Pension		356,175	0.5%	0.3%
<b>Total top 15</b>	<b>5,760,000</b>	<b>34,510,271</b>	<b>61.4%</b>	<b>78.4%</b>
Other shareholders		25,329,729	38.6%	21.6%
<b>Total</b>	<b>5,760,000</b>	<b>59,840,000</b>	<b>100.0%</b>	<b>100.0%</b>
Shares owned by Clas Ohlson		2,242,711	3.4%	1.9%

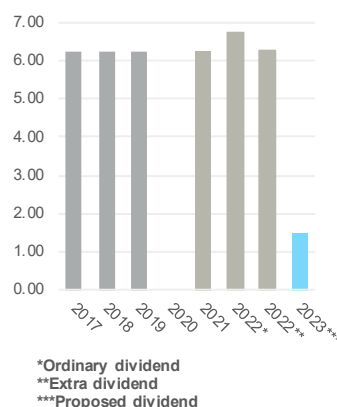
## Share data

Listing	Nasdaq Stockholm Mid Cap
Ticker	Clas B
Industry	Consumer Services
ISIN code	SE0000584948

Earnings per share, SEK



Dividend per share, SEK



# Clas Ohlson in brief

Clas Ohlson's overall purpose is to make home fixing available, sustainable and enjoyable for everyone.

The company was founded in 1918 as a mail order business based in Insjön, Dalarna, Sweden. Today, we are one of Nordic countries' strongest retail brands with customers in three markets, with over 5 million members of Club Clas, approximately 5,000 co-workers, and sales of approximately 9 billion SEK. The Clas Ohlson series B share has been listed on Nasdaq Stockholm since 1999.

Read more about how we help people fix their homes with practical and sustainable solutions at attractive prices at [about.clasohlson.com/en/](https://about.clasohlson.com/en/)

## Update on store network

Clas Ohlson's ongoing review of the store network takes into consideration the market conditions, new customer behaviour patterns, demand projections and contracts signed with property owners. On the reporting date, the number of contracted forthcoming store openings was 9, and the total number of stores was 221 (225).

## Openings/closings Q1 2023/24

- Norway, Fredrikstad Torvbyen, closed 2 June 2023

## Events after the end of the reporting period

- Sweden, Kalmar Baronen, closed 11 August 2023
- Norway, Kristiansand, new store opened 24 August 2023
- Sweden, Stockholm Västermalmsgallerian, scheduled to open in November 2023
- Norway, Notodden, scheduled to open in November 2023
- Norway, Kolbotn, scheduled to open in November 2023
- Norway, Oslo Nygata, scheduled to open in March 2024
- Sweden, Halmstad Hallarna, scheduled to open in March 2024
- Sweden, Sundsvall city, scheduled to open in March 2024
- Sweden, Malmö Kronprinsen, scheduled to open in April 2024
- Sweden, Falkenberg, scheduled to open in April 2024
- Finland, Oulu Kaakkuri, scheduled to open in May 2024



## Strategic focus areas

- Relevant assortment all year around
- A growing and profitable online business
- Expand the store network
- Efficient customer communication
- A competitive cost base
- Execution on our sustainability agenda

## Financial targets/framework

- Sales** are to increase organically by 5 per cent per year
- The **operating margin** is to amount to between 7-9 per cent per year
- The **dividend** is to comprise at least 50 per cent of earnings per share after tax, considering the company's financial position
- Net debt in relation to EBITDA**, excluding the effect of IFRS 16, to be below two (2) times. Investments are to be made with regards to the company's financial position, cash flow and strategic activities

## Sustainability targets

- The Planet:** Climate neutral and fully circular by 2045 – own operations to be climate neutral by 2026. Joined the Science Based Targets initiative.
- People:** A sustainable and long-term employer with happy co-workers
- Society:** Contributing to a fair and prosperous society for future generations

## Financial calendar

8 September 2023	Annual General Meeting
6 December 2023	Six-month Report 2023/24
6 March 2024	Nine-month Report 2023/24
5 June 2024	Year-end Report 2023/24
4 September 2024	Three-month Report 2024/25
4 December 2024	Six-month Report 2024/25