

Six-month report 2023/24

Second quarter – 1 August to 31 October

- Sales increased by 9% to 2,460 MSEK (2,250), an organic growth of 10% and an increase of 10% in comparable units
- Online sales increased by 15% to 297 MSEK (258)
- Operating profit excluding items affecting comparability totalled 277 MSEK (112). Operating profit amounted to 245 MSEK (112)
- The operating margin was 10.0% (5.0)
- Net debt/EBITDA (12 months) excl IFRS 16 amounted to 0.0 times (0.8)
- Profit after tax totalled 173 MSEK (69)
- Earnings per share was 2.74 SEK (1.10)

Six months – 1 May to 31 October

- Sales increased by 8% to 4,653 MSEK (4,294), an organic growth of 9% and an increase of 10% in comparable units
- Online sales increased by 12% to 550 MSEK (490)
- Operating profit excluding items affecting comparability totalled 431 MSEK (131). Operating profit amounted to 230 MSEK (96)

- The operating margin was 4.9% (2.2)
- Profit after tax totalled 147 MSEK (45)
- Earnings per share amounted to 2.32 SEK (0.72)

Events after the end of the reporting period

- On 8 November, the acquisition of 91% of the shares in Spares Europe AB, a leading company within spare parts and accessories for electronics as well as batteries, was finalised
- Sales in November, excluding the acquired Spares Group, increased by 4% to 1,130 MSEK (1,085), an organic growth of 7% and an increase of 6% in comparable units. Sales, including Spares Group, amounted to 1,196 MSEK (1,085)
- Sales online in November, excluding Spares Group, increased by 12% to 172 MSEK (154). Sales online, including Spares Group, amounted to 239 MSEK (154)

+10%

ORGANIC GROWTH
QUARTER

245
MSEK

OPERATING PROFIT
QUARTER

	3 Months			6 Months			12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	Percentage change	May 2023 - Oct 2023	May 2022 - Oct 2022	Percentage change	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Sales, MSEK	2,460	2,250	9	4,653	4,294	8	9,384	9,024
Operating profit, MSEK	245	112	118	230	96	139	438	305
Profit after tax, MSEK	173	69	150	147	45	224	282	181
Gross margin, %	41.3	37.7	3.6 p.p	39.8	36.5	3.3 p.p	39.1	37.5
Operating margin, %	10.0	5.0	5.0 p.p	4.9	2.2	2.7 p.p	4.7	3.4
Return on capital employed, %	–	–	–	–	–	–	13.6	8.8
Return on equity, %	–	–	–	–	–	–	19.2	10.6
Cashflow from operating activities, MSEK	191	-167	215	520	-201	358	1,662	941
Equity/assets ratio, %	26.8	22.6	4.1 p.p	26.8	22.6	4.1 p.p	26.8	28.1
Net debt/EBITDA ratio	–	–	–	–	–	–	1.3	1.6
Net debt/EBITDA excl. IFRS 16 ratio	–	–	–	–	–	–	-0.0	0.2
Earnings per share before dilution, SEK	2.74	1.10	150	2.32	0.72	224	4.45	2.85

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

Q2 presentation, 6 December 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 make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted for publication, through the agency of the contact person set out above, on 6 December 2023 at 7:00 a.m. (CET).

This six-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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Continued strong sales development and improved profitability

In an uncertain world, it is more important than ever to maintain focus on what we ourselves can influence, which the organisation has succeeded in doing in an impressive way. With a relevant assortment, the right price and great engagement in helping our customers in the best way possible in all sales channels, an organic sales increase of 10 per cent was achieved in the second quarter of the year. The measures to create a more competitive cost base have proceeded as planned, while cost inflation and the weak Swedish krona have had a negative impact. All in all, we have managed to improve profitability compared to the previous year. Operating profit totalled 245 MSEK (112) in the second quarter, corresponding to an operating margin of 10 per cent. Christmas sales has started well with November sales increasing 7 per cent organically compared with the previous year.



WITH A GROWTH IN COMPARABLE UNITS OF 10 PER CENT IN THE QUARTER, WE ALSO LOOK FORWARD WITH CONFIDENCE TO OPENING MORE CLAS OHLSON STORES.

A relevant assortment with many new products

Despite the fact that customers generally have less money to spend, we have seen strong demand for practical home fixing products. We have succeeded in creating the right offers and the trend of growth in all prioritised product categories continued in the second quarter. Customers have appreciated the large flow of new products during the autumn and together with a high level of service in stores and online, this has contributed to an increase in customer satisfaction from already high levels. Customer satisfaction and our many customer relationships are strong competitive advantages. The Club Clas loyalty programme, which enables us to communicate directly with our customers, is an important piece of the puzzle for future growth. The membership base in Club Clas now exceeds 5.2 million members.

A relevant product range will always be a prerequisite for profitable growth. How we work with the product range is also the single most important part of our sustainability pledge. At Clas Ohlson, the customer should always be able to find a carefully selected range of relevant products that in addition to solving concrete problems in everyday life also contribute to a more sustainable life. This is why we are focusing on increasing the availability of our large range of spare parts. In November, we rolled out spare parts sales in another 100 stores, which means that we now have spare parts for sale both online and in all stores in Sweden, Norway and Finland.

The structurally increasing demand for spare parts is also an important reason why we during the autumn chose to acquire Spares Europe. Spares is a leading company in spare parts and accessories for electronic products and batteries and with Spares as part of the Clas Ohlson group, we will strengthen the core business and create new growth opportunities in a growing market segment. In addition, Spares is assessed to be earnings per share accretive upon closing, and I look forward to working with the team at Spares to take the next step in our common journey.

Growing online sales and store network

E-commerce grew by 15 per cent in the second quarter. We have launched many new products exclusively in our online channel and we are continuing to fine-tune our logistics to handle larger volumes and increased demands for rapid deliveries. With a growth in comparable units of 10 per cent in the quarter, we also look forward with confidence to opening more Clas Ohlson stores. When we opened at Kungsholmen in Stockholm and Notodden in Norway on 9 November, the queues were long and the initial sales trend is promising. The fact that we are already noticing great interest in future store openings is an additional sign of the strength of the brand and that customers appreciate when we become

even more accessible in their neighbouring area. The target is to open about ten new stores in 2023/24, which we will achieve, and in addition, four contracts for the next financial year have been signed.

Full focus on our long-term goals

To summarise, we see that the work we are doing on the product range, e-com and growing the number of stores in attractive locations is moving in the right direction. To enable the growth initiatives and a stronger Clas Ohlson in the long term, work is also continuing to simplify ways of working and to reduce costs. The macroeconomic challenges we have seen recently are likely to remain, including the uncertainty about customers' spending power. We are determined to work hard to stay relevant to our customers and achieve our long-term goals of sustainable and profitable growth. The key, as always, is to satisfy the customer and thus also create the conditions for shareholder value over time. Confident in knowing that we have Christmas gifts that suit most interests and wallets, we are now entering the final period of Christmas shopping with great energy. Looking forward to seeing you in the stores and online!



Kristofer Tonström
 President and CEO of Clas Ohlson AB

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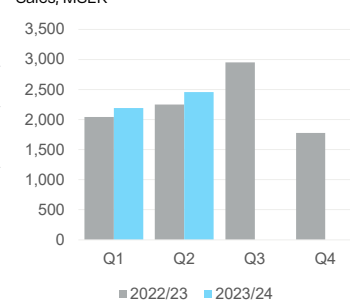
Clas Ohlson's new store on Kungsholmen in Stockholm got off to a flying start with thousands of customers on opening day on 9 November.

Sales

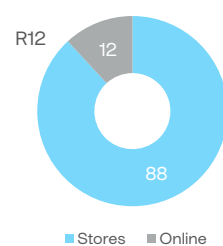
Distribution of sales

MSEK	3 Months				6 Months			
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	Percentage change		May 2023 - Oct 2023	May 2022 - Oct 2022	Percentage change	
			SEK	organic			SEK	organic
Sweden	1,102	1,011	9	9	2,116	1,941	9	9
Norway	1,056	972	9	13	1,989	1,842	8	12
Finland	302	267	13	4	548	498	10	1
Outside the Nordics	0	1	-	-	0	13	-	-
Total	2,460	2,250	9	10	4,653	4,294	8	9
Of which online sales	297	258	15	15	550	490	12	13

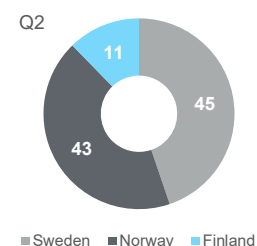
Sales, MSEK



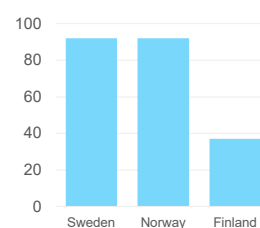
Distribution of sales R12, %



Distribution of sales, %



Distribution of numbers of stores



Distribution of sales increase

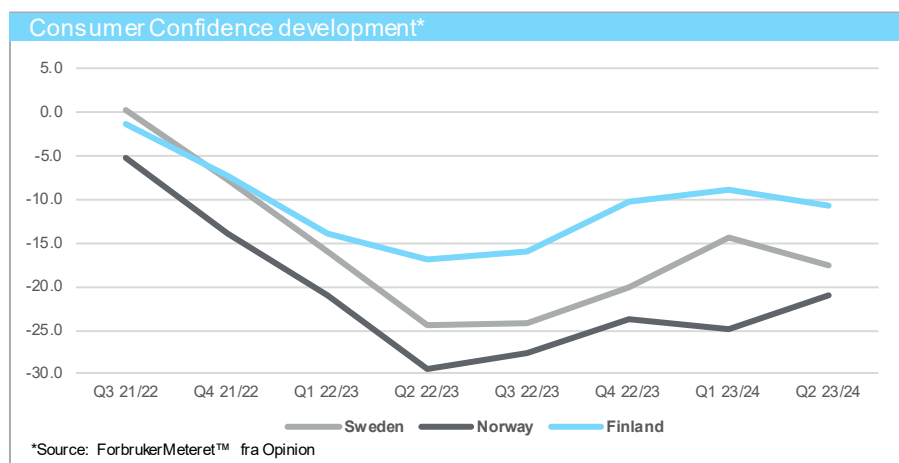
Per cent	3 Months		6 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022
Comparable units in local currency	10	10	10	10
Change in store network	0	-1	-1	-1
Exchange-rate effects	-1	-1	-1	-1
Total	9	8	8	8

Second quarter

Sales increased 9 per cent to 2,460 MSEK (2,250). Organic sales growth was 10 per cent compared with the preceding year. Sales in comparable units and local currencies increased by 10 per cent compared with the preceding year. Online sales increased 15 per cent to 297 MSEK (258). At the end of the quarter, the total number of stores was 221, which was a decline of net three stores compared with the year-earlier period (a net decrease of four stores in the previous year). For a store overview, see page 29.

Six months

Sales increased 8 per cent to 4,653 MSEK (4,294). Organic sales growth was 9 per cent compared with the preceding year. Sales in comparable units and local currencies increased 10 per cent compared with the preceding year. Online sales increased 12 per cent to 550 MSEK (490). During the first half of the year, the store network was reduced by one store (a net decrease of five stores in the previous year).



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 the uncertain economic climate..

Results

Extracts from Consolidated Income Statement

MSEK	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Sales	2,460	2,250	4,653	4,294	9,384	9,024
Cost of goods sold	-1,445	-1,402	-2,801	-2,727	-5,714	-5,641
Gross profit	1,015	848	1,852	1,567	3,669	3,384
Selling expenses	-691	-681	-1,343	-1,330	-2,741	-2,728
Administrative expenses	-50	-50	-96	-95	-187	-185
Other operating income/expenses*	-29	-5	-183	-46	-303	-166
Operating profit**	245	112	230	96	438	305

*Acquisition costs related to Spares Europe AB during Q2 current year amounted to -20.6 MSEK.

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

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

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

**Head count reductions during Q2 current year allocates: Cost of goods sold -5.6 MSEK, Selling expenses -4.1 MSEK, Administrative expenses -1.1 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	6 Months
	Aug 2023 - Oct 2023	May 2023 - Oct 2023
Operating profit corresponding period previous year	112.5	96.3
Change in profit from sales channels	41.7	83.8
Change in gross margin	88.5	154.5
Change in administrative expenses	-0.3	-1.8
Change in expansion costs stores	1.5	3.1
Change in depreciation (excl right of use assets)	16.8	27.8
Change in depreciation right of use assets	8.3	2.8
Change in other operating income/expenses	-23.8	-136.9
Operating profit actual period	245.2	229.7

Second quarter

The gross margin increased by 3.6 percentage points to 41.3 per cent (37.7). The gross margin has been positively affected by reduced sourcing costs, which during the quarter also included lower inventory management costs, and an improved product and price mix. This was largely offset by a weaker Swedish krona in relation to the purchasing currency (USD).

The share of selling expenses declined by 2.2 percentage points to 28.1 per cent (30.3). The share declined mainly as a result of higher sales and cost reductions connected to previously communicated activities in 2022/23 and during the first quarter in the current year.

Administrative expenses amounted to -50 MSEK (-50).

Operating profit totalled 245 MSEK (112). Excluding transaction costs and costs for headcount reductions of 31 MSEK, the operating profit totalled 277 MSEK (112). The operating margin was 10.0 per cent (5.0). Profit after financial items totalled 227 MSEK (96). Depreciation for the quarter amounted to 184 MSEK (205).

Spot exchange rates for key currencies averaged 1.02 for NOK and 10.98 for USD, compared with 1.06 and 10.80, respectively, in the year-earlier period. Currency hedging was undertaken in USD and NOK. Currency hedging that fell due during the quarter had a negative impact of 7 MSEK (NOK) on earnings and a positive impact on inventory value through a decrease of 18 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.

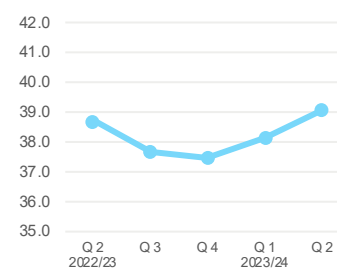
Six months

The gross margin increased by 3.3 percentage points to 39.8 per cent (36.5). The gross margin has been positively impacted by reduced sourcing costs, which during the period also included lower inventory management costs, improved product and price mix and effects related to forward hedging (NOK). This has largely been offset by a weaker Swedish krona in relation to the purchasing currency (USD).

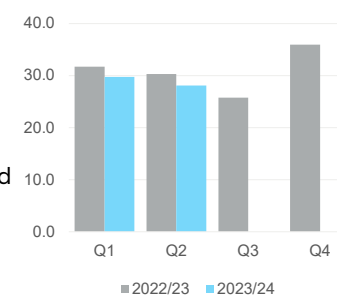
The share of selling expenses declined by 2.1 percentage points to 28.9 per cent (31.0). The share declined mainly as a result of higher sales and cost reductions connected to previously communicated activities in 2022/23 and during the first quarter in the current year.

Administrative expenses increased compared with the preceding year and amounted to -96 MSEK (-95).

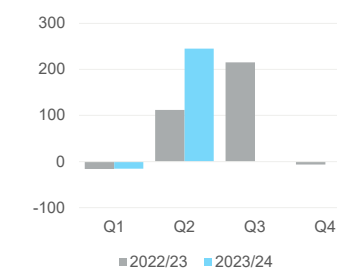
Gross margin rolling 12 months, %



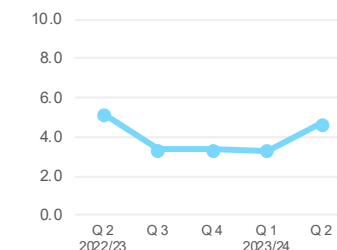
Share of selling expenses, %



Operating profit, MSEK



Operating margin rolling 12 months, %



Operating profit totalled 230 MSEK (96). Excluding previously announced write-down of IT systems and costs for headcount reductions of 170 MSEK during the first quarter and transaction costs and costs for headcount reductions during the second quarter of 31 MSEK, the operating profit totalled 431 MSEK (previous year 131 MSEK, excluding costs for the closure of operations in the UK of 35 MSEK). The operating margin was 4.9 per cent (2.2). Profit after financial items totalled 195 MSEK (65). Depreciation for the period amounted to 519 MSEK (395).

Spot exchange rates for key currencies averaged 1.01 for NOK and 10.78 for USD, compared with 1.05 and 10.45, respectively, in the year-earlier period. Currency hedging was undertaken in USD and NOK. Currency hedging that fell due during the period had a positive impact of 11 MSEK (NOK) on earnings and a positive impact on inventory value through a decrease of 17 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 during the six-month period amounted to 40 MSEK (78). Of this amount, investments in new or refurbished stores accounted for 21 MSEK (25). Investments in IT systems for the period amounted to 0 MSEK (31). The shares in Mathem were measured at fair value amounting to 6 MSEK, a decrease of 3 MSEK during the period.

During the six-month period, measures have been taken to rationalise the company's IT system in order to better reflect the company's strategy and simplified working methods. This has resulted in write-downs amounting to 152 MSEK.

Financing and liquidity

Cash flow from operating activities during the six-month period totalled 520 MSEK (-201). Cash flow for the period after investing and financing activities was -28 MSEK (-366). The resolved dividend of 1.50 SEK per share was paid during the quarter, totalling 95 MSEK.

The average 12-month value of inventories was 2,280 MSEK (2,319). Over a rolling 12-month period, the stock turnover rate at the distribution centre was 5.1 times (4.7).

At the end of the quarter, the inventory value was 2,614 MSEK (2,811). During the current financial year, the inventory value has been affected by external factors such as lower costs for incoming transports, which has largely been offset by increased costs for purchase of products, partly linked to a weaker Swedish krona in relation to the purchasing currency (USD).

The Group's net debt at the end of the period, meaning interest-bearing liabilities less cash and cash equivalents, amounted to 1,816 MSEK (2,182). Excluding the effect of IFRS 16, the Group's net cash position of 18 MSEK (net debt 510). Excluding the effect of IFRS 16, net debt in relation to EBITDA was 0.0 times (0.8), which is in accordance with the company's financial framework. Credits granted and loan commitments amounted to 600 MSEK at the end of the period, of which 100 MSEK had been utilized. The company's financial position remains strong. The equity/assets ratio was 27 per cent (23). After the end of the period, in connection with the acquisition of Spares Europe AB, credits granted and loan commitments was expanded by 510 MSEK, to a total of 1,110 MSEK. As of the closing date of 8 November following the completion of the acquisition, 506 MSEK had been utilized.

Employees

The number of employees in the Group was approximately 5,000. Recalculated to average full-time equivalents (FTEs) in the quarter, this corresponds to an average of 3,011 (3,114).



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 in the six-month period amounted to 3,958 MSEK (3,645) and profit after financial items totalled 167 MSEK (14). Investments for the period amounted to 23 MSEK (57). Contingent liabilities for the Parent Company amounted to 166 MSEK (172).

Events after the end of the reporting period

Sales in November

Sales in November, excluding the acquired Spares Group, increased by 4% to 1,130 MSEK (1,085). Organic sales increased by 7% compared with the preceding year. Sales in comparable units and local currency increased by 6%. Sales including Spares Group amounted to 1,196 MSEK (1,085). Online sales, excluding Spares Group increased by 12% to 172 MSEK (154). Online sales, including Spares Group, amounted to 239 MSEK (154). Compared with the same month of the preceding year, the store portfolio was reduced by a net of one store (reduction of five stores in the preceding year). The total number of stores at the end of the period was 224 (225). For more information about the store network, refer to page 29.

MSEK	Distribution of sales		Month				Accumulated		
	Nov 2023	Nov 2022	Percentage change		May-Nov 2023	May-Nov 2022	Percentage change		
			SEK	organic			SEK	organic	
Sweden	513	479	7	7	2,629	2,421	9	9	
Norway	487	490	-1	7	2,476	2,332	6	11	
Finland	130	116	12	6	678	614	11	2	
SPARES-Acquired sales*	66	-	-	-	66	-	-	-	
Outside the Nordics	0	0	-	-	0	13	-	-	
Total**	1,196	1,085	10	7	5,850	5,379	9	8	
Of which online sales***	239	154	55	14	789	644	22	13	

*Covers the period November 1st to 30th

**Sales excluding Spares increased by 4 % to 1,130 MSEK in November and by 8 % to 5,783 MSEK for the May-Nov 2023 period.

***Sales online excluding Spares increased by 12 % to 172 MSEK in November and by 12 % to 722 MSEK for May-Nov 2023 period.

Total sales during the May-Nov 2023 period, excluding the acquired Spares Group increased by 8% to 5,783 MSEK (5,379). Organic sales increased by 8% compared with the preceding year. Sales in comparable units and local currency increased by 9% compared with the preceding year. Sales including Spares Group, amounted to 5,850 MSEK (5,379). Online sales for the period, excluding Spares Group increased by 12% to 722 MSEK (644). Online sales for the period, including Spares Group, amounted to 789 MSEK (644).

Acquisition of Spares Europe AB

Clas Ohlson announced on 2 October 2023 that it has entered into an agreement to acquire approximately 91% of the shares in Spares Europe AB, a leading company in spare parts and accessories for electronic products and batteries. Clas Ohlson estimates that the acquisition upon closing will contribute to increase earnings per share. The acquisition strengthens Clas Ohlson's core business and creates new growth opportunities within a growing market segment. Following fulfilment of all conditions for the transaction, including regulatory approvals from competition authorities, the transaction was completed on 8 November 2023. Spares will continue to operate as a separate company under a decentralised structure and be consolidated in the Clas Ohlson Group from the third quarter 2023/24. See further information on page 16.

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, higher interest-rates, and more.

Assurance

The six-month report provides a fair review of the Parent Company's and the Group's operations, position and earnings and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Insjön, 6 December 2023

Kristofer Tonström
President and CEO

Kenneth Bengtsson
Chairman of the Board

Mengmeng Du

Mathias Haid

Patrik Hofbauer

Håkan Lundstedt

Charlotte Strömberg

Göran Sundström

Anne Thorstvedt Sjöberg

Freja Drakesson
Employee representative
Handels

Karin Lundin
Employee representative
Unionen

Review report

To the Board of Directors of Clas Ohlson AB (publ)

Organisation no. 556035-8672

Introduction

We have reviewed the interim report for Clas Ohlson AB (publ) as of 31 October 2023 and the six-month period ending on that date. The Board of Directors and the CEO are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on the interim financial information based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 6 December 2023

Deloitte AB

Johan Telander

Authorised Public Accountant

Financial statements

Consolidated Income Statement

MSEK	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Sales	2,460.1	2,250.2	4,653.3	4,293.8	9,383.8	9,024.3
Cost of goods sold	-1,444.7	-1,401.9	-2,801.0	-2,727.2	-5,714.5	-5,640.6
Gross profit	1,015.5	848.4	1,852.3	1,566.6	3,669.3	3,383.6
Selling expenses	-691.3	-681.0	-1,343.4	-1,329.8	-2,741.1	-2,727.6
Administrative expenses	-50.5	-50.2	-96.5	-94.6	-186.6	-184.8
Other operating income	4.3	4.4	8.6	8.4	18.6	18.4
Other operating expenses*	-32.8	-9.1	-191.4	-54.3	-321.8	-184.7
Operating profit**	245.2	112.5	229.7	96.3	438.4	305.0
Financial income	1.2	0.7	1.7	1.7	3.4	3.4
Financial expenses	-19.6	-17.5	-36.2	-33.0	-69.1	-65.9
Profit after financial items	226.8	95.6	195.2	65.0	372.6	242.4
Income tax	-53.4	-26.1	-48.2	-19.6	-90.4	-61.8
Profit for the period	173.4	69.5	147.0	45.3	282.2	180.6

*Acquisition costs related to Spares Europe AB during Q2 current year amounted to -20.6 MSEK.

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

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

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

**Head count reductions during Q2 current year allocates: Cost of goods sold -5.6 MSEK, Selling expenses -4.1 MSEK,

Administrative expenses -1.1 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

Comprehensive Income Statement

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
MSEK						
Profit for the period	173.4	69.5	147.0	45.3	282.2	180.6
Other comprehensive income, net of tax:						
Items that later can be reversed back to the Consolidated income statement:						
Exchange rate differences	-7.2	11.8	14.5	9.5	-6.2	-11.2
Cash flow hedging	31.8	4.1	-14.0	4.6	-1.5	17.1
Total	24.7	15.9	0.4	14.1	-7.8	5.9
Items that later can not be reversed back to the Consolidated income statement:						
Change in fair value of financial assets	-3.1	-72.8	-3.1	-99.1	-52.6	-148.6
Total	-3.1	-72.8	-3.1	-99.1	-52.6	-148.6
Total other comprehensive income, net of tax	21.5	-56.9	-2.7	-85.0	-60.4	-142.7
Total comprehensive income for the period	194.9	12.6	144.3	-39.7	221.8	37.9
Profit for the period attributable to:						
Parent Company shareholders	173.4	69.5	147.0	45.3	282.2	180.6
Non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0
Comprehensive income attributable to:						
Parent Company shareholders	194.9	12.6	144.3	-39.7	221.8	37.9
Non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0

Data per share

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Number of shares before dilution	63,357,289	63,356,565	63,357,281	63,356,508	63,356,926	63,356,536
Number of shares after dilution	63,466,125	63,357,198	63,461,663	63,357,154	63,457,374	63,357,260
Number of shares at end of period	63,357,289	63,356,565	63,357,289	63,356,565	63,357,289	63,356,565
Earnings per share before dilution, SEK	2.74	1.10	2.32	0.72	4.45	2.85
Earnings per share after dilution, SEK	2.73	1.10	2.32	0.72	4.45	2.85
Comprehensive income per share, SEK	3.08	0.20	2.28	-0.63	3.50	0.60

Consolidated Balance Sheet			
MSEK	31 Oct 2023	31 Oct 2022	30 Apr 2023
Assets			
IT- and software costs	120.9	460.8	307.5
Land and buildings	234.8	261.8	248.3
Equipment, tools, fixtures and fittings	401.2	449.5	413.7
Right-of use assets	1,763.3	1,573.0	1,553.6
Securities held as fixed assets	6.3	58.9	9.5
Deferred tax assets	80.0	72.6	71.3
Other non-current receivables	8.8	22.7	15.6
Total non-current assets	2,615.4	2,899.3	2,619.5
Inventories	2,614.1	2,811.3	2,177.1
Accounts receivable	69.3	79.0	51.1
Tax assets	36.3	24.3	28.7
Other receivables	21.3	18.1	16.5
Prepaid expenses and accrued income	90.3	78.5	73.8
Cash and cash equivalents	117.7	92.1	143.1
Total current assets	2,949.0	3,103.3	2,490.2
Total assets	5,564.4	6,002.7	5,109.7
Equity and liabilities			
<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	-38.8	-32.6	-40.7
Profit brought forward including profit for the year	1,356.0	1,218.6	1,305.6
Total equity	1,489.7	1,358.5	1,437.4
Long-term lease liabilities, interest bearing	1,280.7	1,163.4	1,111.2
Deferred tax liabilities	172.3	206.4	175.9
Total non-current liabilities	1,453.0	1,369.8	1,287.1
Current lease liabilities, interest bearing	552.7	509.1	521.2
Accounts payable	1,047.0	809.2	752.7
Tax liability	63.0	54.9	41.2
Other current liabilities	247.2	669.9	212.7
Overdraft facilities	100.2	601.9	244.4
Accrued expenses and prepaid income	540.0	547.1	517.7
Contract liabilities	71.7	82.3	95.3
Total current liabilities	2,621.7	3,274.4	2,385.2
Total equity and liabilities	5,564.4	6,002.7	5,109.7

Consolidated Cash Flow						
	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
MSEK						
Operating profit	245.2	112.5	229.7	96.3	438.4	305.0
Adjustment for items not included in cash flow	176.4	173.1	501.5	394.9	1,013.1	906.5
Interest received	1.2	0.7	1.7	1.7	3.4	3.4
Interest paid	-19.6	-17.5	-36.2	-33.0	-69.1	-65.9
Tax paid	-28.4	-25.5	-72.2	-95.2	-125.1	-148.1
Cash flow from operating activities before changes in working capital	374.8	243.2	624.5	364.6	1,260.6	1,000.7
Change in working capital	-183.3	-409.9	-104.7	-565.9	401.2	-59.9
Cash flow from operating activities	191.5	-166.7	519.8	-201.3	1,661.8	940.8
Investments in intangible assets	0.0	-13.9	0.0	-30.9	-5.0	-35.9
Investments in tangible assets	-25.6	-31.8	-39.7	-47.3	-79.9	-87.5
Cash flow from investing activities	-25.6	-45.7	-39.7	-78.2	-84.9	-123.4
Change in current liabilities, interest-bearing	76.7	601.9	-144.2	601.9	-501.7	244.4
Repayment of lease liabilities	-138.7	-146.7	-268.8	-276.2	-542.0	-549.5
Dividend to shareholders	-95.0	-411.8	-95.0	-411.8	-506.8	-823.6
Cash flow from financing activities	-157.0	43.3	-508.0	-86.2	-1,550.5	-1,128.7
Cash flow for the period	8.9	-169.1	-27.9	-365.6	26.4	-311.2
Cash and cash equivalents at the start of the period	108.9	260.1	143.1	456.6	92.1	456.6
Exchange rate differences in cash and cash equivalents	0.0	1.0	2.6	1.1	-0.8	-2.3
Cash and cash equivalents at the end of the period	117.7	92.1	117.7	92.1	117.7	143.1

Business combinations

Acquired companies	Country	Date
Spares Europe AB	Sweden	8 November 2023
Spares Nordic AB	Sweden	8 November 2023
Batteriexperter Europe AB	Sweden	8 November 2023
Zandgroup AB	Sweden	8 November 2023

Clas Ohlson has acquired 91.4% of the shares in Spares Europe AB with closing on 8 November 2023. Spares Europe AB owns 100% of the shares in Spares Nordic AB, Batterierexperter Europe AB and Zandgroup AB.

Spares Group sells spare parts and accessories for electronic products and batteries. Spares includes sales channels such as Teknikdelar and Batterierexperter. Main markets are Sweden, Norway, Denmark and Finland, the group is also present in Germany and the Netherlands. The group also distributes spare parts and other products to smaller business customers in Europe via Spares and Zand. The business has around 75 employees, with its headquarters and distribution center in Malmö. Private label sales, mainly through SiGN and Nextbatt, amounts to around 20% of total sales and are growing. Spares will continue to run operations as a separate company under a decentralised structure and will be consolidated into the Clas Ohlson Group as of the third quarter 2023/24.

Spares has a solid history of profitable growth and attractive cash flow generation. During the unaudited twelve-month period ending 30 June 2023, Spares generated sales of approximately SEK 820 million, with an adjusted EBITA of approximately SEK 49 million, corresponding to an adjusted EBITA margin of 6% (for the group pro forma).

The purchase price corresponds to a valuation of approximately SEK 500 million on a cash and debt free basis (EV). The initial purchase price for 91% of the shares in Spares corresponds to approximately SEK 430 million. Furthermore, there is a potential additional purchase price of up to SEK 225 million subject to the fulfilment of certain growth and profitability targets during a period that ends at the earliest on May 31, 2024, and at the latest on July 31, 2024. At full additional purchase price, the multiple can amount to a maximum of 10.5x Spares' EBITA. The initial purchase price was paid upon closing 8 November. The deal is financed through bank facilities, where credits granted and loan commitments was expanded by 510 MSEK, to a total of 1,110 MSEK, and cash.

Clas Ohlson estimates that the acquisition upon closing will contribute to increased earnings per share. The acquisition strengthens Clas Ohlson's core business and creates new growth opportunities within a growing market segment.

The market for the reuse of electronics is relatively underdeveloped in the Nordics, with considerable potential for growth as consumers and companies increasingly are choosing spare parts, repairs, and reuse rather than buying new units. This enables customers to act more sustainably while lowering their costs.

Group surplus values, in addition to goodwill, have been identified in private labels and customer relationships and will be calculated and booked in the third quarter together with estimated liability for future commitments. Due to the limited time frame from the acquisition date to the date of issue of this interim report, there is insufficient information available to provide further information on the financial effects of the acquisition. Information on the financial effects of the acquisition will be presented in the interim report for the third quarter.

Sales by segment and distribution of sales*

MSEK	3 Months		6 Months	
	Segment		Segment	
	Detaljhandel		Detaljhandel	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022
Total sales	2,460.1	2,250.2	4,653.3	4,293.8
Net sales by geographic markets:				
<i>Sweden</i>	1,102.0	1,010.7	2,115.7	1,941.2
<i>Norway</i>	1,055.7	972.3	1,989.3	1,842.4
<i>Finland</i>	302.5	266.7	548.2	497.6
Depreciation intangible and tangible assets	-47.8	-64.6	-100.5	-128.3
Depreciation right-of use assets	-132.4	-140.8	-264.1	-266.9
EBIT	245.2	112.5	229.7	96.3
Net financial items	-18.4	-16.8	-34.5	-31.3
Result after financial items	226.8	95.6	195.2	65.0
Tax	-53.4	-26.1	-48.2	-19.6
Profit for the period	173.4	69.5	147.0	45.3
Assets				
Non-current assets	2,615.4	2,899.3	2,615.4	2,899.3
Current assets	2,949.0	3,103.3	2,949.0	3,103.3
Investments				
Intangible assets	-	-13.9	-	-30.9
Tangible assets	-25.6	-31.8	-39.7	-47.3

*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	6 Months	
	May 2023 - Oct 2023	May 2022 - Oct 2022
Equity brought forward	1,437.4	2,221.6
Dividend to shareholders	-95.0	-823.6
Paid-in option premiums:		
Value of employee services	3.1	0.2
Total comprehensive income	144.3	-39.7
Equity carried forward	1,489.7	1,358.5

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 Oct 2023	31 Oct 2022
Securities held as fixed assets, valued at fair value at the beginning of the year	9.5	158.0
Change in fair value	-3.1	-99.1
Securities held as fixed assets, valued at fair value at the end of the period	6.3	58.9

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 30th June 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 32 percent compared to the multiple referenced from a peer group of inventory-holding e-commerce retailers.

Equity value of 6.3 MSEK. A +/- 10% change in the multiple would have affected the value by +/- 0.6 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 Oct 2023	31 Oct 2022
Sell/buy		
NOK/SEK	1.0	-3.8
NOK/USD	18.5	25.3
Total	19.5	21.5
Deferred tax liability	-4.0	-4.4
Forward contracts valued at fair value at the end of the period	15.5	17.0

The amount for forward contracts NOK/USD are allocated as follows:

NOK/SEK	6.3	-6.2
SEK/USD	12.2	31.4
Total	18.5	25.3

The currency pairs recognized in the balance sheet are as follows:

Current assets	22.8	27.4
Current liabilities	3.3	6.0

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		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Sales growth, %	9.3	6.3	8.4	2.9	5.4	2.7
Gross margin, %	41.3	37.7	39.8	36.5	39.1	37.5
Operating margin, %	10.0	5.0	4.9	2.2	4.7	3.4
Return on capital employed, %	-	-	-	-	13.6	8.8
Return on equity, %	-	-	-	-	19.2	10.6
Equity/assets ratio, %	26.8	22.6	26.8	22.6	26.8	28.1
Equity/assets ratio, excl IFRS 16, %	41.5	33.2	41.5	33.2	41.5	43.0
Net debt/EBITDA	-	-	-	-	1.3	1.6
Net debt/EBITDA, excl IFRS 16	-	-	-	-	-0.0	0.2
Sales per sq.m in stores, SEK thousand	8.9	7.9	16.9	14.9	34.1	31.7
Number of stores at period end	221	224	221	224	221	222
Average number of employees	3,011	3,114	3,077	3,186	3,066	3,128
Number of Club Clas members	5,222,619	4,701,862	5,222,619	4,701,862	5,222,619	5,025,512
Data per share						
Number of shares before dilution	63,357,289	63,356,565	63,357,281	63,356,508	63,356,926	63,356,536
Number of shares after dilution	63,466,125	63,357,198	63,461,663	63,357,154	63,457,374	63,357,260
Number of shares at period end	63,357,289	63,356,565	63,357,289	63,356,565	63,357,289	63,356,565
Earnings per share before dilution, SEK	2.74	1.10	2.32	0.72	4.45	2.85
Earnings per share after dilution, SEK	2.73	1.10	2.32	0.72	4.45	2.85
Comprehensive income per share, SEK	3.08	0.20	2.28	-0.63	3.50	0.60
Cash flow per share*, SEK	3.02	-2.63	8.20	-3.18	26.23	14.85
Equity per share, SEK	23.51	21.44	23.51	21.44	23.51	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		6 Months		12 Months	
		Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Sales		2,105.2	2,004.9	3,957.9	3,645.1	7,738.0	7,425.2
Cost of goods sold	1	-1,520.5	-1,532.7	-2,861.8	-2,785.8	-5,657.3	-5,581.4
Gross profit		584.7	472.1	1,096.1	859.2	2,080.7	1,843.8
Selling expenses	1	-342.7	-344.7	-685.3	-725.3	-1,451.5	-1,491.5
Administrative expenses	1	-41.0	-40.9	-80.5	-79.2	-143.9	-142.7
Other operating income		4.3	4.4	8.6	8.4	18.7	18.5
Other operating expenses		-12.0	-7.6	-170.6	-44.8	-300.2	-174.4
Operating profit		193.3	83.4	168.2	18.5	203.5	53.9
Dividends from group companies		8.3	0.0	8.5	0.0	130.0	121.5
Financial income		0.9	0.5	1.2	0.9	3.6	3.3
Financial expenses		-7.6	-4.0	-10.9	-5.1	-19.3	-13.4
Profit after financial items		194.9	79.9	167.0	14.4	317.8	165.3
Appropriations		0.0	0.0	0.0	0.0	175.2	175.2
Profit before tax		194.9	79.9	167.0	14.4	493.0	340.4
Income tax		-40.9	-16.1	-35.1	-2.5	-81.7	-49.1
Profit for the period		154.0	63.8	131.9	11.9	411.4	291.3

Parent Company Comprehensive Income Statement

MSEK	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Profit for the period	154.0	63.8	131.9	11.9	411.4	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	-3.1	-72.8	-3.1	-99.1	-52.6	-148.6
Total	-3.1	-72.8	-3.1	-99.1	-52.6	-148.6
Other comprehensive income, net of tax	-3.1	-72.8	-3.1	-99.1	-52.6	-148.6
Total comprehensive income	150.9	-9.0	128.8	-87.2	358.8	142.7

Note 1 Depreciations

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Depreciations for the period	34.8	50.5	74.9	100.5	166.8	192.4

Parent Company Balance Sheet

MSEK	31 Oct 2023	31 Oct 2022	30 Apr 2023
Assets			
IT- and software costs	117.3	457.0	303.4
Land and buildings	234.8	261.8	248.3
Equipment, tools, fixtures and fittings	224.3	249.8	235.0
Securities held as fixed assets	6.3	58.9	9.5
Deferred tax assets	3.4	4.4	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
Total non-current assets	631.9	1,080.0	845.5
Merchandise	1,888.0	2,107.4	1,599.1
Accounts receivable	36.1	46.7	33.1
Tax assets	33.8	21.2	26.5
Receivables from Group Companies	203.2	205.8	193.7
Other receivables	6.6	1.1	1.1
Prepaid expenses and accrued income	137.2	101.5	89.6
Cash and cash equivalents	42.3	24.7	52.4
Total current assets	2,347.1	2,508.3	1,995.5
Total assets	2,979.0	3,588.3	2,840.9
MSEK	31 Oct 2023	31 Oct 2022	30 Apr 2023
Equity and liabilities			
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	10.6	28.2	16.1
Total restricted equity	199.4	217.1	204.9
Profit brought forward	475.9	257.7	271.0
Fair value fund	-246.0	-193.4	-242.9
Profit for the year	131.9	11.9	291.3
Total non-restricted equity	361.8	76.1	319.4
Total equity	561.2	293.2	524.4
Untaxed reserves	805.5	980.6	805.5
Accounts payable	1,016.9	786.2	722.8
Tax liabilities	0.0	0.0	0.0
Liabilities to Group companies	46.1	29.6	69.2
Current liabilities, interest-bearing	100.2	601.8	244.4
Contract liabilities	47.3	58.3	73.1
Other current liabilities	41.3	472.1	65.4
Accrued expenses and prepaid income	360.6	366.4	336.2
Total current liabilities	1,612.3	2,314.5	1,511.1
Total equity and liabilities	2,979.0	3,588.3	2,840.9

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 26. The APMs recognised in this quarterly report may differ from similarly named measures used by other companies.

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Return on equity						
Net profit for the period, MSEK	-	-	-	-	282.2	180.6
Average equity, MSEK	-	-	-	-	1,469.7	1,699.7
Return on equity	-	-	-	-	19.2%	10.6%

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	-	-	-	-	438.4	305.0
Interest income, MSEK	-	-	-	-	3.4	3.4
Average capital employed, MSEK	-	-	-	-	3,245.1	3,504.3
Return on capital employed	-	-	-	-	13.6%	8.8%

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	1,015.5	848.4	1,852.3	1,566.6	3,669.3	3,383.6
Sales, MSEK	2,460.1	2,250.2	4,653.3	4,293.8	9,383.8	9,024.3
Gross margin	41.3%	37.7%	39.8%	36.5%	39.1%	37.5%

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	2,460.1	2,250.2	4,653.3	4,293.8	9,383.8	9,024.3
Cost of goods sold	-1,444.7	-1,401.9	-2,801.0	-2,727.2	-5,714.5	-5,640.6
Gross profit	1,015.5	848.4	1,852.3	1,566.6	3,669.3	3,383.6

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	1,489.7	1,358.5	1,489.7	1,358.5	1,489.7	1,437.4
Number of shares at end of period (millions of share)	63.36	63.36	63.36	63.36	63.36	63.36
Equity per share	23.51	21.44	23.51	21.44	23.51	22.69

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	245.2	112.5	229.7	96.3	438.4	305.0
Depreciation, amortisation and write-down	183.9	205.4	519.2	395.2	920.9	797.0
EBITDA	429.0	317.8	748.9	491.5	1,359.3	1,102.0

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

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
EBITDA excl IFRS 16, MSEK						
Operating profit excl IFRS 16	228.0	92.5	194.9	56.4	366.8	228.3
Depreciation, amortisation and write-down excl IFRS 16	51.4	64.6	255.1	128.3	397.4	270.6
EBITDA excl IFRS 16	279.4	157.1	450.1	184.7	764.2	498.9

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

Sales growth, MSEK						
Sales actual period	2,460.1	2,250.2	4,653.3	4,293.8	9,383.8	9,024.3
Sales previous period	2,250.2	2,116.8	4,293.8	4,172.4	8,905.1	8,783.7
Sales growth	9.3%	6.3%	8.4%	2.9%	5.4%	2.7%

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

Average inventory value, MSEK						
Average inventory value	-	-	-	-	2,280.3	2,396.8

Reason for use: Shows average inventory value over the past 12 months.

Operating profit excl non-recurring items						
Operating profit, MSEK	245.2	112.5	229.7	96.3	438.4	305.0
Non-recurring items, MSEK	31.5	-	201.8	35.0	320.7	153.9
Operating profit excl non-recurring items	276.7	112.5	431.4	131.3	759.0	458.9

Reason for use: Operating profit excl non-recurring items is intended to show operating profit adjusted for non-recurring costs.

Cash flow from operating activities per share, SEK						
Cash flow from operating activities, MSEK	191.5	-166.7	519.8	-201.3	1,661.8	940.8
Number of shares before the dilution (millions of share)	63.36	63.36	63.36	63.36	63.36	63.36
Cash flow from operating activities per share	3.02	-2.63	8.20	-3.18	26.23	14.85

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	-	-	-	-	1,933.5	1,876.8
Cash and cash equivalents	-	-	-	-	117.7	143.1
Total Net debt	-	-	-	-	1,815.8	1,733.7

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

Net debt excl IFRS 16, MSEK						
Interest bearing liabilities excl lease liabilities	-	-	-	-	100.2	244.4
Cash and cash equivalents	-	-	-	-	117.7	143.1
Total Net debt excl IFRS 16	-	-	-	-	-17.6	101.3

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

Working capital, MSEK						
Total current assets	2,949.0	3,103.3	2,949.0	3,103.3	2,949.0	2,490.2
-Cash and cash equivalents	-117.7	-92.1	-117.7	-92.1	-117.7	-143.1
-Current non-interest bearing liabilities	-1,968.9	-2,163.5	-1,968.9	-2,163.5	-1,968.9	-1,619.6
Working capital	862.3	847.7	862.3	847.7	862.3	727.5

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

	3 Months		6 Months		12 Months	
	Aug 2023 - Oct 2023	Aug 2022 - Oct 2022	May 2023 - Oct 2023	May 2022 - Oct 2022	Nov 2022 - Oct 2023	May 2022 - Apr 2023
Operating margin						
Operating profit, MSEK	245.2	112.5	229.7	96.3	438.4	305.0
Sales, MSEK	2,460.1	2,250.2	4,653.3	4,293.8	9,383.8	9,024.3
Operating margin	10.0%	5.0%	4.9%	2.2%	4.7%	3.4%

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	245.2	112.5	229.7	96.3	438.4	305.0
IFRS 16-effect	-17.2	-20.0	-34.7	-39.9	-71.5	-76.7
Operating profit excl IFRS 16	228.0	92.5	194.9	56.4	366.8	228.3

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

Equity/assets ratio

Total equity, MSEK	1,489.7	1,358.5	1,489.7	1,358.5	1,489.7	1,437.4
Total assets, MSEK	5,564.4	6,002.7	5,564.4	6,002.7	5,564.4	5,109.7
Equity/Assets ratio	26.8%	22.6%	26.8%	22.6%	26.8%	28.1%

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	1,591.0	1,475.8	1,591.0	1,475.8	1,591.0	1,540.9
Total assets excl IFRS 16, MSEK	3,832.3	4,447.5	3,832.3	4,447.5	3,832.3	3,580.8
Equity/assets ratio excl IFRS 16	41.5%	33.2%	41.5%	33.2%	41.5%	43.0%

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	5,564.4	6,002.7	5,564.4	6,002.7	5,564.4	5,109.7
Long-term non-interest bearing liabilities	-172.3	-206.4	-172.3	-206.4	-172.3	-175.9
Current non-interest bearing liabilities	-1,968.9	-2,163.5	-1,968.9	-2,163.5	-1,968.9	-1,619.6
Capital employed	3,423.2	3,632.8	3,423.2	3,632.8	3,423.2	3,314.1

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	194.9	12.6	144.3	-39.7	221.8	37.9
Average number of shares before dilution (millions of share)	63.36	63.36	63.36	63.36	63.36	63.36
Comprehensive income per share	3.08	0.20	2.28	-0.63	3.50	0.60

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	173.4	69.5	147.0	45.3	282.2	180.6
Number of shares before dilution (millions of share)	63.36	63.36	63.36	63.36	63.36	63.36
Number of shares after dilution (millions of share)	63.47	63.36	63.46	63.36	63.46	63.36
Number of shares before dilution	2.74	1.10	2.32	0.72	4.45	2.85
Number of shares after dilution	2.73	1.10	2.32	0.72	4.45	2.85

*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 and amortisation.

EBITDA excl IFRS 16

Operating profit/loss before interest, tax, impairment, depreciation and amortisation 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.

Comparable units

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

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.

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 October 2023, the share price was SEK 117.00 and the total market capitalisation amounted to 7,413 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 October 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 AGM on 8 September 2023 approved the proposed dividend of 1.50 SEK per share, to be paid out in one payment in September 2023. The record date was set as 15 September 2023.

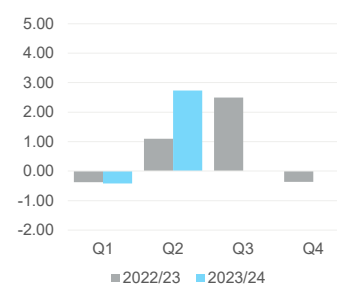
The largest shareholders per 31 October 2023

Owner	CLAS A	CLAS B	Capital	Votes
Haid family	3,023,880	12,029,103	23.0%	36.0%
Tidstrand family	2,736,120	7,079,828	15.0%	29.3%
Nordea Funds		5,250,770	8.0%	4.5%
If Skadeförsäkring AB		2,427,530	3.7%	2.1%
Vanguard		1,362,030	2.1%	1.2%
Norges Bank		957,145	1.5%	0.8%
SHB Fonder & Liv		908,543	1.4%	0.8%
JP Morgan Asset Management		803,942	1.2%	0.7%
Dimensional Fund Advisors		790,167	1.2%	0.7%
Acadian Asset Management		775,700	1.2%	0.7%
Fidelity International (FIL)		728,069	1.1%	0.6%
American Century Investment Management		635,279	1.0%	0.5%
BlackRock		576,008	0.9%	0.5%
SEB Fonder & Liv		480,267	0.7%	0.4%
WisdomTree Asset Management		340,528	0.5%	0.3%
Total top 15	5,760,000	35,144,909	62.4%	79.0%
Other shareholders		24,695,091	37.6%	21.0%
Total	5,760,000	59,840,000	100.0%	100.0%
Shares owned by Clas Ohlson		2,242,711	3.4%	1.9%

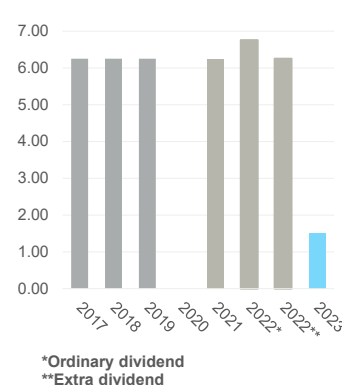
Share data

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/

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 224 (225).

Openings/closings Q2 2023/24

- Sweden, Kalmar Baronen, closed 11 August 2023
- Norway, Kristiansand, opened 24 August 2023

Openings/closings after the end of the reporting period

- Sweden, Stockholm Västermalmsgallerian, opened 9 November 2023
- Norway, Notodden, opened 9 November 2023
- Norway, Kolbotn, opened 23 November 2023
- Sweden, Halmstad City, scheduled to close in March 2024
- Sweden, Halmstad Hallarna, scheduled to open in March 2024
- Sweden, Sundsvall city, scheduled to open in March 2024
- Norway, Oslo Stenersgata, scheduled to open in April 2024
- Sweden, Falkenberg, scheduled to open in April 2024
- Sweden, Malmö Kronprinsen, scheduled to open in April 2024
- Sweden, Vetlanda, scheduled to open in April 2024
- Finland, Oulu Kaakkuri, scheduled to open in May 2024
- Norway, Drammen, CC Drammen, scheduled to open in May 2024
- Sweden, Helsingborg Kullagatan, scheduled to open in June 2024
- Norway, Fredrikstad Værstetorvet, scheduled to open in November 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

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