



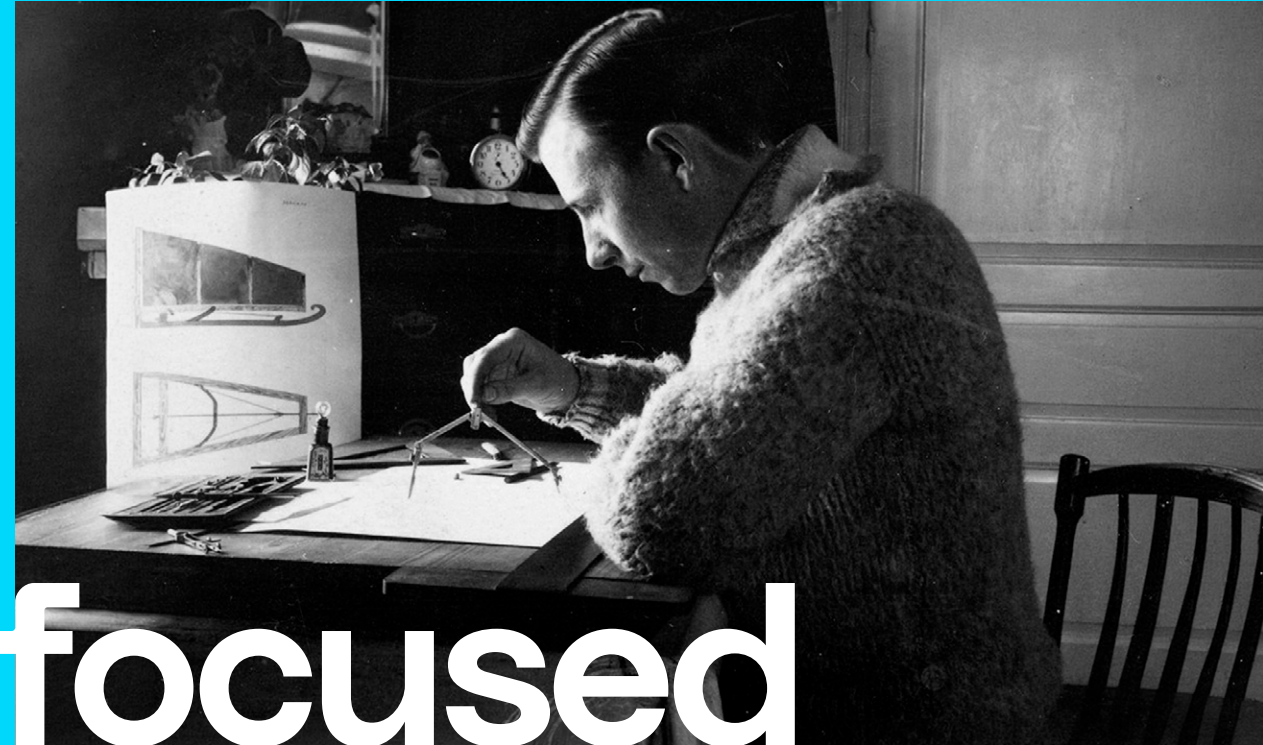
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Clas Ohlson's Directors' Report, which is provided on pages 23–96, has been reviewed by the Company's auditors. The Sustainability Report forms part of the Directors' Report and constitutes the statutory sustainability report pursuant to the Swedish Annual Accounts Act. Clas Ohlson prepares its sustainability report in accordance with the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation. Please note that the original version of the Annual Report in the European Single Electronic Format (ESEF) is available at: about.clasohlson.com.

This Annual Report is an English translation of the Swedish original. In the event of any discrepancies, the Swedish version shall govern.





Customer focused – since 1918

Clas Ohlson was founded in 1918 as a mail order company in Insjön, Dalarna, central Sweden. Our founder was fascinated by the new inventions that were emerging at the beginning of the last century and decided to make them accessible to everyone. He also invented a fair number of new products himself.

When customers visit Clas Ohlson today, they are met by a mix of smart and value-for-money solutions in carefully selected product niches that help solve all kinds of everyday needs. This, combined with the high level of customer satisfaction and availability via stores and online, makes us uniquely positioned in the market.

Our team of more than 5,000 co-workers guides and advises with a combination of knowledge and a shared ambition to provide customer satisfaction. The Club Clas loyalty scheme has

more than 6.2 million members and the total number of customer interactions each year runs into hundreds of millions.

Clas Ohlson has sales in three markets (Sweden, Norway and Finland) via stores in attractive locations, and a rapidly growing and profitable online business. Through subsidiaries, we also offer spare parts, batteries and technology accessories to customers in the Nordics and several other European markets.

Clas Ohlson series B shares have been listed on Nasdaq Stockholm since 1999 and are held by about 45,000 shareholders. Much has happened since 1918, but the passion for smart solutions and exceeding customer expectations is as strong today as it was then.

A product-driven omnichannel retailer

At Clas Ohlson, we usually say: *Let's fix it!*
We do this by delivering practical solutions via a carefully selected and affordable product range that simplifies and improves everyday life for everyone, everywhere.

Total addressable market, BNSEK

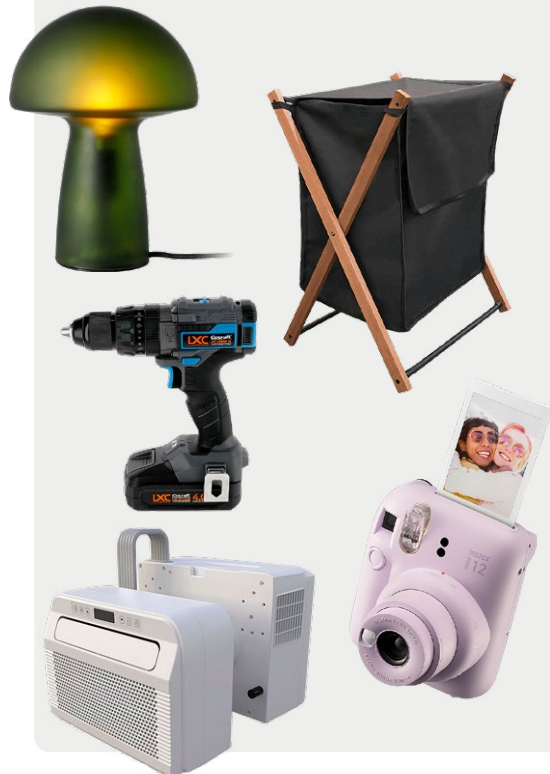
~350

Total sales in 2025/26, BNSEK

~12.5

Number of customer visits annually, in-store/online, millions

~200



Clas Ohlson

In-store and online sales of products that fulfil everyday needs, primarily in product niches:

- Tidy up & Organise
- Light up & Decorate
- Home comfort & Prepping
- Tech, Connect & Entertain
- Fix & Repair

Spares

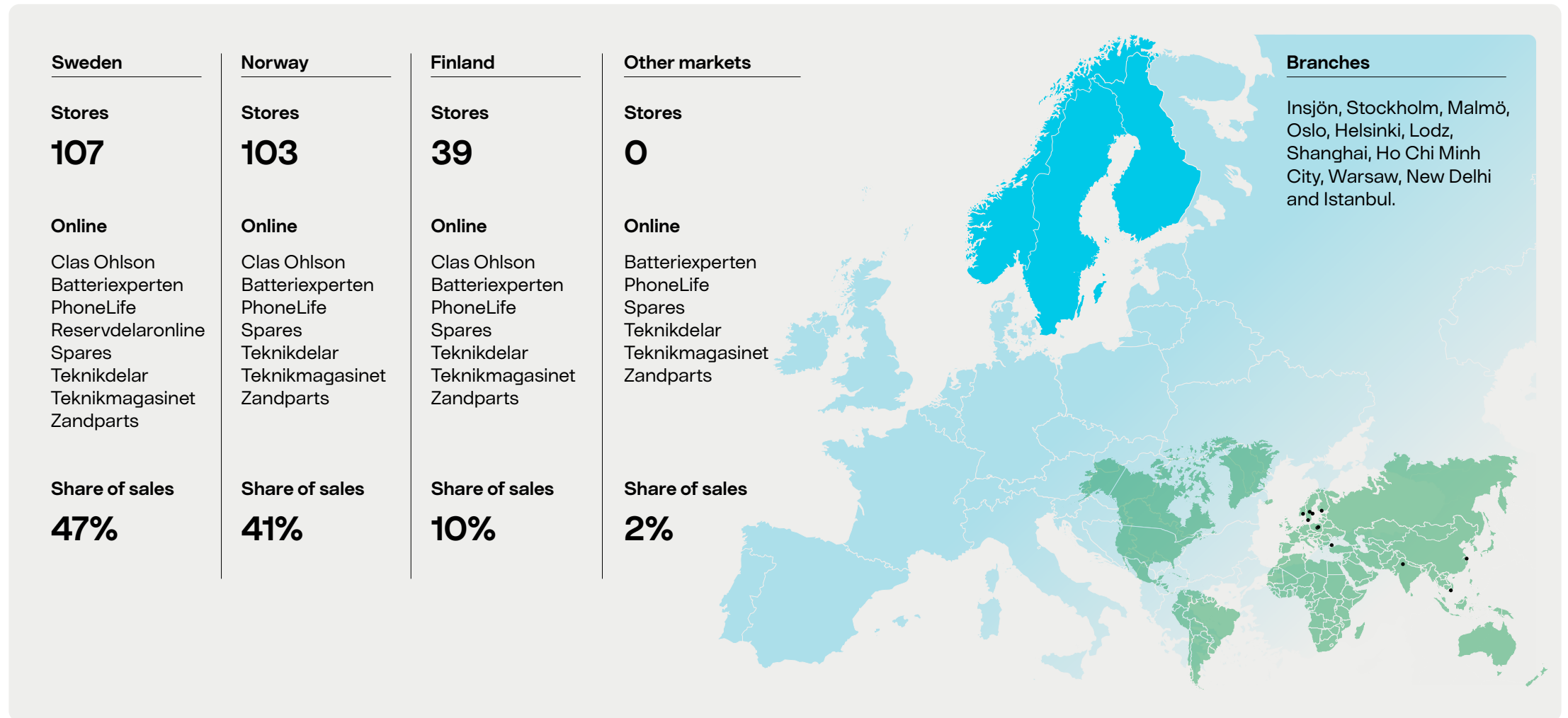
Online sales of technology accessories, spare parts and batteries, primarily in the Nordic region, but also in other European markets via sales channels:

- Teknikdelar
- Batteriexperter
- Zandparts
- Teknikmagasinet
- PhoneLife
- Reservdelaronline
- Spares

Clas Fixare

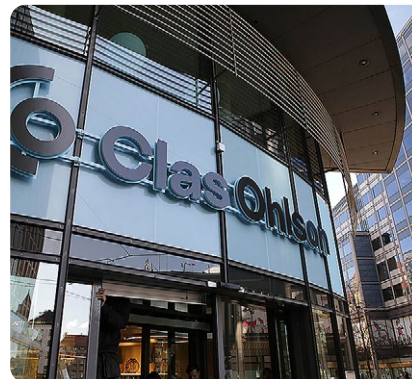
Services such as carpentry, electrical work and plumbing, as well as services such as gardening and cleaning on the Swedish market.

Broad geographical presence, based in the Nordics



New strides towards an even stronger Clas Ohlson

Over the past financial year, we continued to add to our strengths in assortment, brand and customer meeting. Through this combined focus, we have succeeded in growing both sales and profitability despite an uncertain market climate, while maintaining a focus on detail in our day-to-day operations.

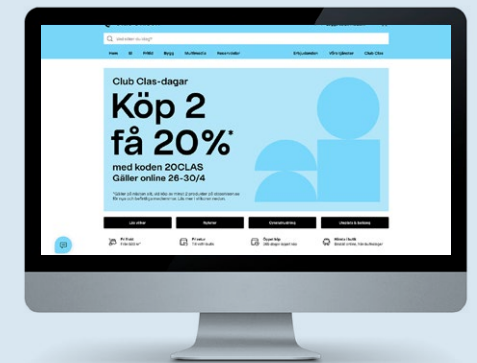


Most powerful brand in Norwegian retail sector!

In February 2026, market research firm YouGov nominated Clas Ohlson as the most powerful brand in the Norwegian retail sector.

Acquisitions of PhoneLife and Reservdelar-online

Through the acquisitions of PhoneLife and Reservdelaronline, we are further advancing our positions in technology accessories and spare parts.



Stronger omnichannel

Like-for-like growth is increasing, while online continues to grow even faster. The online business now accounts for 21 per cent of total net sales.

A constantly updated product range

By renewing around 30 per cent of our product range in 2025/26, we consolidated our relevance among customers throughout the year.



Motivated co-workers = satisfied customers

Clas Ohlson continuously measures employee satisfaction and customer satisfaction through eNPS and NPS, respectively. Co-worker satisfaction maintained record levels during the financial year, while we measured customer satisfaction NPS of 56, despite more transactions than ever before.



Lower emissions

In 2025/26, we reduced our own emissions (in Scopes 1 and 2) by 73 per cent compared to the previous year.

Investing in even more efficient logistics

Decision to expand and modernise the distribution centre by installing a state-of-the-art automation solution. The ground-breaking ceremony took place on 28 April 2026.



New purchasing offices in India and Turkey

During the financial year, Clas Ohlson continued to diversify its purchasing activities. With new purchasing offices in India and Turkey, we are opening up to more purchasing markets and better products for customers.

Key financial ratios

	2025/26	2024/25
Net sales, MSEK	12,514	11,627
Net sales, online, MSEK	2,572	2,231
Gross margin, %	47.7	45.6
Operating profit, MSEK	1,527	1,171
Operating margin, %	12.2	10.1
Profit after tax, MSEK	1,169	882
Earnings per share, SEK	18.40	13.91
Cash flow from operating activities, MSEK	2,119	1,830
Free cash flow, MSEK	1,268	1,114
Net debt/EBITDA, ratio	0	0.4
Net debt/EBITDA, ratio, excl. IFRS 16	-1.1	-0.8
Equity/assets ratio, %	40.0	37.0
Number of stores at period end	249	241
Number of Club Clas members, millions	6.2	5.9

2045=0

Science-based climate targets

In April, the Science Based Targets initiative (SBTi) validated Clas Ohlson's science-based climate targets, one of which is achieve net zero greenhouse gas emissions across its entire value chain by 2045.



One of the most gender-equal companies in Sweden

When the Allbright Foundation published its annual survey of gender equality among Swedish listed companies, Clas Ohlson again featured on the foundation's Green List.



Eight new stores

During the financial year, Clas Ohlson opened eight new stores and continued to enhance and renovate existing stores.

New milestones on our growth journey

Clas Ohlson continues to deliver a strong performance. During the 2025/26 financial year, we continued to build a better, more relevant and efficient company.

Despite a world dominated by uncertainty, we have maintained a strong sales trend and improved our profitability. This has been achieved through a consistent focus on the things we can influence and an organisation that strives every day to provide solutions to everyday problems for our customers.

During the year, we passed a number of historic milestones. For the first time in Clas Ohlson's history, net sales surpassed 4 BNSEK in a single quarter. Organic sales growth maintained or was close to double digits throughout the year, with several months breaking the SEK billion barrier for the first time. The fact that we have been able to grow so quickly, with an operating profit that firmed up to 1.5 BNSEK, demonstrates the strength of our business model.

Validated climate targets

We also passed an important milestone in our sustainability work, through the validation of our climate targets by the Science Based Targets initiative. The Company will grow responsibly, and science-based climate targets are an important step on the way. Our long-term perspective

is also reflected in how we continuously streamline our operations, ensuring that we can afford to invest in whatever makes a difference to our customers, and to the Company's competitiveness.

A product range that meets needs all year round

The work we do to create an all-weather portfolio of demand-driven products continues to deliver results. The aspiration is to offer customers everything they need for a better and more comfortable everyday life, all year round. A flexible approach enables us to meet both long-term needs and accommodate seasonal variations. For example, during the summer we dealt with a surge in demand for fans and air conditioning, while in the winter months we were well stocked with heaters and snow clearing products when the cold hit our sales markets. This flexibility, combined with a high renewal rate involving the launch of thousands of new products every year, is a key driver of customer traffic and relevance. During the year, we consolidated our position in all our priority product niches. More and better



"We leave 2025/26 with our confidence high and a solid platform for future growth."



products are under development in close collaboration between our central purchasing organisation, the work on quality in our own lab in Insjön and our purchasing offices in Europe and Asia. As part of our ongoing development, we have also established new purchasing offices in India and Turkey, further broadening the scope of our opportunities going forward.

Expansion and strategic acquisitions online

Our omnichannel strategy is crucial to our growth. E-commerce continues to serve as a profitable engine of growth, now accounting for around 21 per cent of total sales. Robust growth in the various sales channels of both clasohlson.com and within the Spares subsidiaries was posted during the year. In order to further strengthen our position online, we have made

two strategic add-on acquisitions: PhoneLife (including Teknikmagasinet) and Reservdelaronline. These companies boost our offering in the form of thousands of new products in the technology accessories and spare parts product categories, but also add more sales channels, more customer relationships and clearly defined expertise in each niche. We have also identified clear synergies between our brands. For example, we now offer selected products from Batterixpertern via Clas Ohlson's own channels, further augmenting our customer offering.

Strong position in all markets

Developments in our home markets have been positive. In Norway, having consolidated our role as market leader we were ranked as the strongest retail brand as recently as February. In Finland, our wide-ranging change programme has yielded clear results. We have rebuilt all our stores and adjusted the product range to better reflect the needs of Finnish customers, delivering organic growth of seven per cent in Finland over the financial year. In Sweden, too, we are continuing to perform very well despite tough comparative figures. Like-for-like units are performing well and we are looking forward with confidence to following developments in our new stores as well. In all,

we opened eight new stores during the year, three in Sweden, three in Norway and two in Finland. Our objective for 2026/27 is to open around ten more new stores net.

Investing in the logistics of the future

To enable continued profitable growth and increase efficiency in our goods handling, we have made one of the Company's largest ever investment decisions. We are investing between 400 and 450 MSEK in expansion and a new, state-of-the-art automated system at our distribution centre in Insjön. The groundbreaking ceremony took place in April 2026 and the extension is expected to be completed in the second half of 2027. Once the new solution is in place, we will have the capacity to handle significantly higher volumes at lower cost.

Our people make the difference

Everything we achieve is built on the commitment of our approximately 5,200 co-workers. Our corporate culture is robust, and I feel pride in that our latest employee survey shows employee satisfaction at record levels. It is this commitment that our customers meet every day, and it is this commitment that has helped to maintain customer satisfaction at high levels, as we meet more and more customers through our sales channels. As a clear

illustration of how our customer base is growing, membership of our Club Clas loyalty programme passed six million during the year.

A solid platform for future growth

We leave 2025/26 with our confidence high and a solid platform for future growth. The world around us is likely to continue to present the challenges of currency fluctuations and geopolitical uncertainty, but we have shown that we can counter external factors by being effective in what we can control ourselves. By continuing to simplify, standardise and invest in our customer offering, we are building a Clas Ohlson that is well equipped for the future.

Finally, I would like to extend my most sincere thanks to all our co-workers for their excellent work during the year and to our shareholders for your continued trust.

See you in stores and online!

Kristofer Tonström
President and CEO

Trends and business environment

Clas Ohlson operates in a changing market, where digitalisation and AI are creating new opportunities to boost productivity, develop customer relevance and improve the ability to adapt quickly. At the same time, the world around us is characterised by changing consumer behaviour, macroeconomic uncertainty and increasing demands for efficiency and resilience.

Area	Challenges	How Clas Ohlson works
Geopolitics	Geopolitical tensions, changes in trading conditions and climate-related disruptions increase uncertainty around sourcing, pricing and availability. Retail businesses need greater resilience in more volatile supply chains.	We are addressing these challenges through a flexible and diversified sourcing model. Close co-operation with suppliers, geographic diversification, flexible planning and operational discipline allow us to maintain rapid adaptation and relevance to customers.
Technological developments and digitalisation	AI, automation and digital tools are reshaping the retail sector, while labour shortages and cost pressures are driving the demand for higher productivity and quicker decisions.	Supported by data and digital tools, including AI, Clas Ohlson is improving the quality of its forecasting, planning and execution. This is boosting efficiency, enhancing responsiveness and developing the customer offering.
Sustainability	Expectations as to sustainability remain high, but customers are more selective and regulation is becoming more and more demanding, with increasing requirements for transparency, traceability and compliance.	The focus is on combining sustainability with practical benefits and commercial relevance. We prioritise sustainable, repairable and more resource-efficient products, while adapting our operations to increasingly stringent regulatory requirements.
Prudent and value-driven consumption	Consumer trust remains fragile and consumption is more selective. Customers are increasingly prioritising affordability, functionality and products that deliver clear value in everyday life.	Clas Ohlson is well positioned through a practical, needs-based product range and a strong value offering. Our products help customers solve day-to-day needs at attractive prices.
Demographic changes	Ageing populations and a shrinking working-age population are creating structural labour shortages, while customer expectations and behaviours are continuing to become more demanding.	In order to respond to long-term changes, customer offerings, work processes and capacities are under continuous development. In-depth customer insights and investment in skills development are helping to maintain long-term relevance and competitiveness.



Investing in Clas Ohlson

Clas Ohlson is a leading retailer in the Nordic market, with a large network of stores and a rapidly growing online presence. We have a simple and clear path to sustainable and profitable growth: with an efficient and responsible business model, we aim to gradually develop the Company's competitive advantages in terms of assortment, brand and customer meeting.

Well-positioned in large and growing product niches

- Focus on five major product niches with underlying growth and attractive margins.
- Major addressable market offers potential for qualitative growth in existing markets.
- Customers know who we are and understand our offering – high brand recognition.

Size of market* **350** BNSEK

Brand recognition **85%**

[Read more on pages 14–19](#)

Demand-driven product range and high customer satisfaction

- All-weather portfolio with smart products that meet a need, irrespective of external conditions.
- Extensive value-for-money product range with high annual renewal rate. Right quality at right price.
- Balance between own and well-known brands drives traffic, gross margin and rate of capital turnover.
- Customer-centric organisation that scores highly in every channel.

Annual renewal rate in product range **30%**

NPS* (scale -100 to 100) **56**

[Read more on pages 14–19](#)

Central store locations, full-scale online business and effective marketing

- Stores in central locations provide accessibility and build brand.
- A growing and profitable online business, linked to the store network for the best customer experience and efficient logistics.
- Accurate marketing, primarily via digital channels.
- Around 6.2 Club Clas members provide a wealth of customer data and insights for further development.

Stores **249**

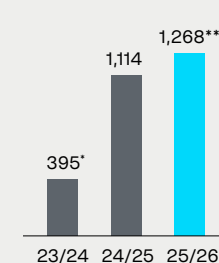
Online (share of total sales) **21%**

[Read more on pages 14–19](#)

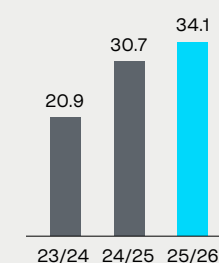
Strong financial position and focus on increasing earnings per share over time

- Cost focus and operational efficiency **create value** for all stakeholders.
- Proven ability to **generate strong free cash flow** and disciplined capital allocation with high return on capital employed.
- Increasing **earnings per share** (EPS) enables attractive dividends and investments in future growth. The Company's policy is to distribute at least 50 per cent of earnings per share.

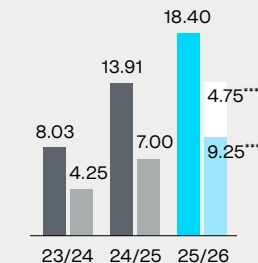
Free cash flow, MSEK



Return on capital employed



Earnings per share/dividend, SEK



■ Earnings per share
■ Ordinary dividend
■ Special dividend

*Source: Eidra Consulting

*Net Promoter Score

* Free cash flow affected by acquisition of Spares, -436 MSEK
** Free cash flow affected by acquisitions of PhoneLife and Reservdelaronline, -131 MSEK
*** Proposed dividend

Financial targets and outcomes

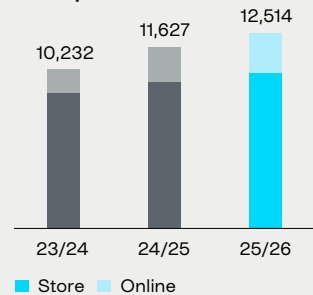
With stable cash flows and a solid financial position, conditions are being created for sustainable and profitable growth, as well as attractive returns to shareholders.

Growth

Target: Sales are to increase organically by 5 per cent per year.

Outcome: In 2025/26, net sales totalled 12,514 MSEK (11,627). Organic sales were 9 per cent higher than in the preceding year. Online sales totalled 2,572 MSEK (2,231).

Sales, MSEK

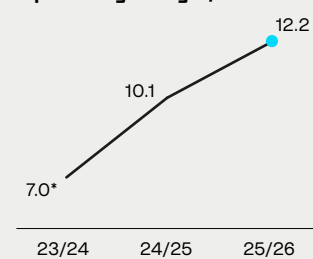


Profitability

Target: The operating margin is to be between 7–9 per cent per year.

Outcome: In 2025/26, the operating margin was 12.2 per cent (10.1).

Operating margin, %

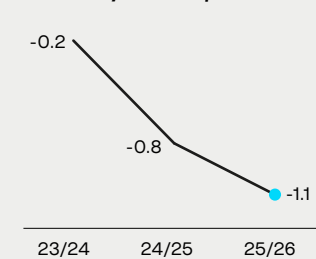


Financial position

Target: The net debt to EBITDA ratio (excluding the effect of IFRS 16), is to be less than two (2) times. Investments are to be planned with regard to the Company's financial position, cash flow and strategic activities.

Outcome: In 2025/26, the net debt to EBITDA ratio (excluding the effect of IFRS 16), was -1.1 times (-0.8).

Net debt/EBITDA, ratio

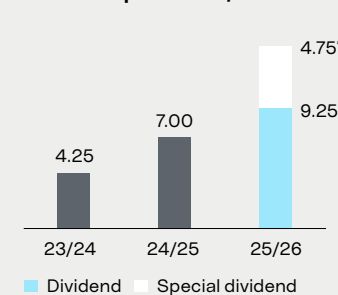


Dividend policy

Target: Dividend is to constitute no less than 50 per cent of earnings per share after tax, with due regard to the Company's financial position.

Outcome: The Board of Directors proposes that an ordinary dividend of 9.25 SEK (7.00) per share be paid for 2025/26, to be paid on two separate occasions. In addition, a special dividend of SEK 4.75 per share is proposed, to be paid on two occasions. It is proposed that payments be made in September and January. The proposed dividend amounts to a total of 890 MSEK (445). The dividend represents 76 per cent (50) of earnings per share.

Dividend per share, SEK



[Read more on pages 23–26](#)

* Proposed dividend

Updated financial targets

In June 2026, the financial targets for the next three-year period were updated. The dividend policy is unchanged from previous years.

Growth **5%**

An organic sales growth of 5 per cent per year

Operating margin **~12%**

An operating margin of around 12 per cent per year

Return on capital employed **~30%**

Return on capital employed (ROCE) of around 30 per cent per year

Dividend policy **>50%**

Dividends are to comprise at least 50 per cent of earnings per share after tax, with consideration to the financial position

[Read more at about.clasohlson.com](#)

* Excluding items affecting comparability, the operating margin in 2023/24 was 9.0 per cent.

Sustainability targets and outcomes



*Targets validated by the Science Based Targets initiative (SBTi)

We have reinforced our sustainability agenda. During the year, the Science Based Targets initiative validated our climate targets – an important step in assuring responsible growth.

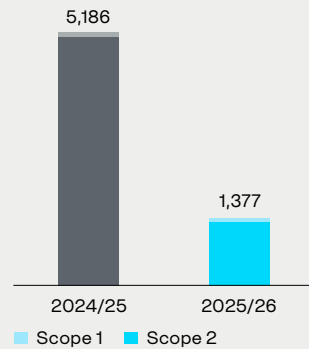
Climate*

Target: Reduce absolute scope 1 and 2 GHG emissions by 90 per cent by financial year 2030 from a 2024 base year.

Maintain a minimum of 90 per cent absolute scope 1 and 2 GHG emissions reduction for financial years 2030 through 2045 from a 2024 base year.

Outcome: -73%

Scopes 1 & 2, tCO₂e



Comment: The decrease was mainly due to increased purchases of fossil-free electricity, further energy efficiency measures in stores and electrification of more company cars.

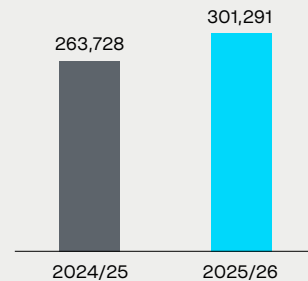
[Read more on pages 60–73.](#)

Climate*

Target: Reduce absolute scope 3 GHG emissions from purchased goods and services and use of sold products by 90 per cent by the financial year 2045 from a 2024 base year.

Outcome: +14%

Scope 3, tCO₂e



Comment: Emissions increased due to growth, both organic and through acquisitions. The high level of assortment renewal during the period also affected the composition of the product portfolio and thereby its emissions.

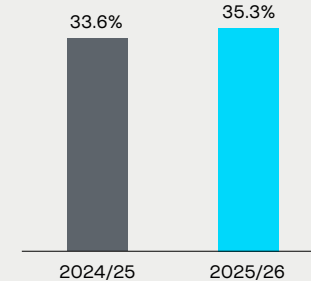
[Read more on pages 60–73.](#)

Climate*

Target: 75 per cent of suppliers (measured by purchased value) of goods and services, shall have science-based climate targets by financial year 2030.

Outcome: 35%

Purchased value from suppliers with SBTi targets, %



Comment: The increase happened because the purchased value from suppliers with pre-existing SBTi targets rose faster than the total purchased value, and because more suppliers validated their targets.

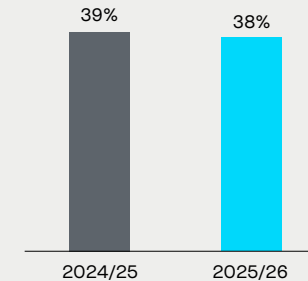
[Read more on pages 60–73.](#)

Gender equality

Target: At least 40 per cent of the under-represented gender among managers with responsibility for personnel.

Outcome: 38%

Proportion of women among managers with personnel responsibility, %



Comment: The share decreased slightly, mainly as a result of natural variation linked to employee turnover. Developments are monitored on an ongoing basis as part of our focus on equal opportunities, inclusion and succession planning.

[Read more on pages 74–83.](#)



Operations

Business model

Clas Ohlson has identified a number of areas that are fundamental to the Company's ability to create sustainable and profitable growth. The three areas that most clearly set the Company apart, from a customer perspective, are the assortment, the brand and the customer meeting. This is what we call our ABC.

Our ambition is to focus at all times on developing these areas to further set ourselves apart from our competitors and create an even better customer experience.

The following two areas are enablers to create value for all stakeholders. Through a cost focus, efficiency and accountability, we ensure our ability to invest in future growth and quality across the value chain. That way, we always take long-term responsibility for the Company.

The last area comprises our dedicated and skilled staff and our customer-centred corporate culture. Our corporate culture is based on founder Clas Ohlson's own ways of behaving and the principles with which he led the Company.

Our focus areas for sustainable and profitable growth

Assortment

A

Brand

B

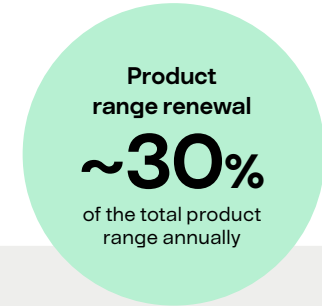
Customer meeting

C

Efficiency and accountability

People and culture

A All-weather product range with high rate of renewal



We monitor trends and changes in patterns of consumption to be able to continuously develop our offering to meet customer demands and wishes.

In recent years, we have maintained a high rate of renewal in our customer offering, with around 5,000 new products per year – around 30 per cent of our total range. With this rate of renewal, we are constantly fine-tuning our product range to cater to new needs, which in turn helps boost traffic to our sales channels.

High customer ratings

We aim for our products to be value-for-money and of good quality to ensure a long product lifespan. If they break or fail, we aim to be able to offer a spare part or ensure that the material choices are such that the product can be recycled. Over the financial year, the average customer rating for our products was 4.4 on a scale of 1 to 5.

Private label and external brands

Our product range focuses on a wide variety of products in five carefully selected product niches. It consists of a mix of own and external brands. These product niches show underlying growth and are large enough to offer good prospects for future growth.

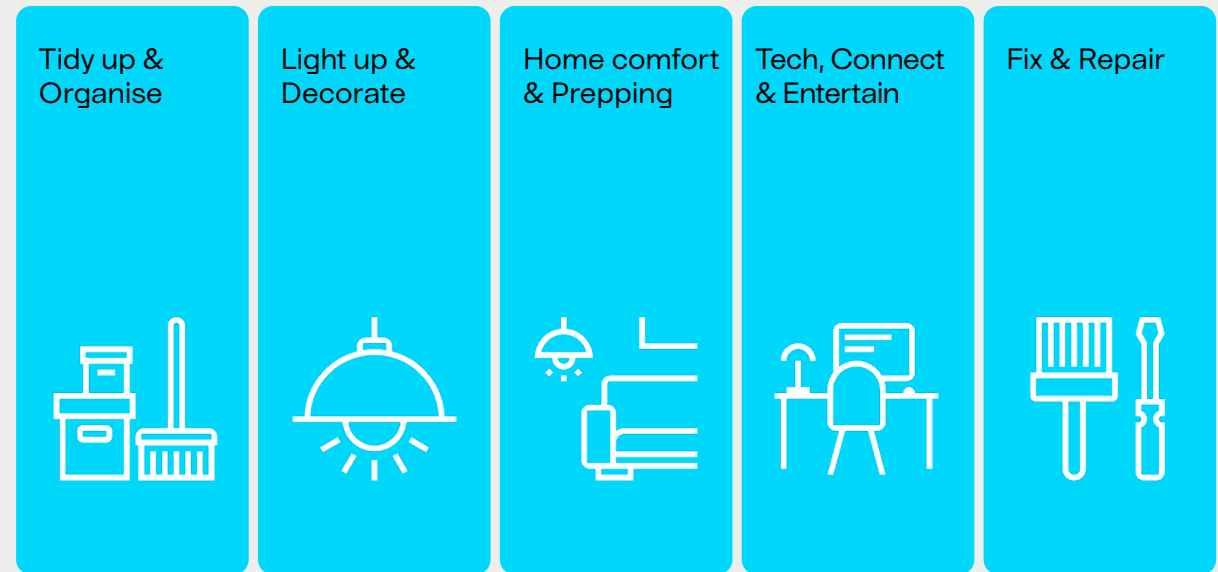
Spare parts for thousands of products

Other than for the major product niches, Clas Ohlson provides spare parts for thousands of products, both in stores and online, which makes it easier for our customers to extend the service life of the products they already have. The Spares subsidiary offers an even wider range of technology products and accessories, as well as spare parts.

Seasonal variations

Our ambition is to offer a relevant product range all year round – an all-weather portfolio of products that are always in demand irrespective of external conditions – while also addressing a number of clear seasonal variations. By far the most important of these is the Christmas period from November to December. As a result, we make it a clear focus to be the first choice Christmas destination. To make life simpler for customers and to capitalise on the potential created by more frequent visits by our loyal customers, we also constantly expand our range of consumables that are typically used every day.

Our priority product niches



Adjacent product segments



B A well-known brand

Clas Ohlson has one of the strongest brands in the Nordic retail sector. With our many customer relationships and more than a century of history, we have established a unique position with our customers.

Around 85 per cent of all residents in our sales markets Sweden, Norway and Finland are familiar with Clas Ohlson and what we offer. Our strong brand helps to build high customer loyalty and, with our focus on priority product niches, customers often think of Clas Ohlson first when they have an everyday problem to fix.

First choice for many customers

We regularly measure how many consumers mention Clas Ohlson, unprompted, as a first choice in our prioritised product niches and we recorded stable growth in all markets during

the financial year, with the strongest growth in Finland. Although our customer base is already substantial, it continues to grow year-on-year. Not least through targeted – mostly digital – marketing, we get a high return on our marketing initiatives while reaching out to new customer groups.

Club Clas

Our Club Clas loyalty programme now has around 6.2 million members in Sweden, Norway and Finland, with young women representing the fastest-growing customer category. Club Clas creates value for customers through unique and targeted offerings, as well as benefits to Clas Ohlson, as the loyalty programme creates opportunities for cost-efficient communication with our customers.



C How we interact with the customer

The way our co-workers interact with customers is one of our strongest competitive advantages. Customer meetings take place in stores in attractive locations in conjunction with the online business.

To us, customer satisfaction goes hand-in-hand with our corporate culture, and we interact with our customers in a proactive way, with expertise and engagement, irrespective of whether the contact takes place in stores, online, on the phone or in the home.

Well above the industry average

We continually survey what our customers think of us and put these insights to work in our continual improvement process. We measure our customer satisfaction using the internationally recognised standard NPS (Net Promoter Score). Over the financial year, we recorded a weighted score of 56 for all our sales channels – stores,

online and customer service (scale -100 to +100), which is well above the industry average.

Motivated co-workers

Our co-workers who interact with customers every day do a brilliant job of putting the customer first. In addition to co-workers in stores, Clas Ohlson has a much-appreciated customer service function that handles thousands of customer enquiries every year on the phone, and via e-mail and chat support.

Read more about our co-workers on pages 20–21.

A destination for everyday fixing

To consolidate our position as the destination of choice for everyday fixing, and to continue to offer customer interactions that exceed expectations, we invest in staffing our stores and training our co-workers such that customers will always receive knowledgeable help in finding the product they need.

C Where we interact with the customer

Clas Ohlson's store network is continuously undergoing optimisation to ensure that we are where our customers are, with the right product range, while online sales are also growing rapidly and profitably. Our sales via physical stores in Sweden, Norway and Finland account for around 79 per cent of total sales. Online in turn accounts for around 21 per cent of total sales. The Group also sells services on a minor scale via its Clas Fixare subsidiary.

New and updated stores

We are investing in new stores that will make Clas Ohlson even more accessible, while we are also updating our existing store network. In 2025/26, Clas Ohlson opened eight new stores and rebuilt 16 stores to create an even better customer experience.

Online customer interaction

Our online business is expanding fast and profitably, with a unique product range, enhanced delivery options and a regularly updated customer experience. Development is being coordinated with the store network and around half of the product flow from online sales is distributed in one way or another via our stores. We also interact with customers on social media and gain many valuable insights from other external platforms such as Trustpilot, where we have an average customer rating of 4.4 (scale 1–5).

Contribution of the stores to profitability targets

Clas Ohlson's store network undergoes a constant process of optimisation to ensure that we are where our customers are, with the right product assortment and retail space at a cost that enables each store to contribute to the Group's profitability targets. Store locations are carefully chosen, often in central locations in city centres and shopping centres, to get near to the customer and build the brand. The stores are well laid out and the products arranged according to a coherent concept to inspire and drive sales.

High energy, as the new store in Vantaa, Finland, opened its doors for the first time in October 2025.

Organic increase in sales

9%

2025/26



Efficiency and accountability

Our founder often emphasised the benefits of doing things as simply and efficiently as possible, and this approach is still ingrained in every part of the business today. Through a cost focus and operational efficiency, we ensure our ability to invest in future growth and quality across the value chain.

Rate of renewal, product range and brands
Our business model is based on both a higher rate of renewal and a wider range of products than many of our competitors. To obtain the right return on these investments, the balance between own and external brands is a key factor. A higher share of own-brand products in certain product categories boosts the gross margin, while well-known brands contribute to customer traffic, shorter lead times and higher rates of capital turnover. External brands account for about 50 per cent of total sales, while the products we buy directly from suppliers and sell under our own brand or unbranded account for the other 50 per cent.

Accountability at every level
The major share of Clas Ohlson's climate impact arises in the production of the goods that the Company sells. This is precisely why Clas Ohlson's sustainability strategy is strongly linked to its

operational activities as an integral part of the Company's overall business plan. In terms of social aspects, we have been using the amfori sustainability platform for several years to ensure that our products are produced under good conditions. In addition to assure product quality and safety, we test thousands of products every year in our own lab and through partners. Clas Ohlson also offers a wide range of spare parts as part of our product offering. To reduce the climate impact from production, one of our most important endeavours is to increase the proportion of suppliers that work to science-based climate targets, as Clas Ohlson does.

Read more in the Sustainability Report on pages 44–96.

Advanced logistics
Finally, an efficient and sustainable logistics chain is key to good customer service and increasing sales. Our distribution centre in Insjön is the hub where goods from our suppliers are received and stored for picking and packing to our stores, or directly to customers. During the financial year, we decided to invest even more in automation for better efficiency, scalability and flexibility in the supply of goods both to our store network and to meet the needs of the growing online business. Our stores play an important role in our logistics system, helping to speed deliveries to many of our online customers, whether they choose to collect in-store or have the goods delivered to the door.



During the financial year, we decided to invest even more in automation for better efficiency, scalability and flexibility in the supply of goods.





Customer first

Keep it simple

One step ahead

Welcome home

"The customer should be satisfied with every interaction with us", said Clas. Although Clas always had many things on his plate, he started every day by answering letters from customers. His conviction was that whatever your role is in the Company, the customer and customer experience should always come first. Today, we are the ones putting the customer first.

Clas never used fancy words and saw no value in making things more complicated than they were. He often asked, *"How can we make this simpler and more efficient? Where can we cut costs to give the customer a better deal?"* With that mindset, he turned a small bicycle repair shop in Insjön into a successful retail business. Today, we are the ones who are getting the Company to grow by keeping it simple and efficient.

Clas was curious, honest and direct. He never hesitated to try out new ways of staying one step ahead of the competition, and he expected nothing less from his co-workers. He also knew that out of 100 ideas, only one or two would be good ones, which meant that learning from mistakes, sharing knowledge and then trying again was the key to success. Today, we are the ones making sure that Clas Ohlson is one step ahead.

Every morning, Clas greeted his co-workers by asking them what was going on in their lives and how they were getting on in their work. He knew that every relationship mattered. Besides making his co-workers feel welcome, he recognised great value in getting different perspectives on what customers wanted and how to develop the business. Today, we are the ones making everyone – customers and colleagues – feel welcome.

Leadership principles

- Focus on customer value
- Encourage listening and empathy
- Be clear about priorities and common targets
- Encourage speed, efficiency and keeping costs down
- Be proactive and foster a winner mentality
- Encourage continuous improvement
- Create a positive and inclusive workplace
- Encourage respect and co-operation



Directors' Report

Directors' Report

The Board of Directors and Chief Executive Officer of Clas Ohlson AB (publ), with registered office and headquarters in Insjön in the Municipality of Leksand, Sweden, hereby present the Company's annual report for the financial year 1 May, 2025 to 30 April, 2026. Unless otherwise indicated, figures refer to the Group. Figures in parenthesis pertain to the preceding year. Unless otherwise indicated, all figures are stated in millions of Swedish kronor (MSEK).

Operations

Clas Ohlson offers a carefully selected range of value-for-money quality products that simplify everyday life for our customers. Sales are conducted in Sweden, Norway and Finland via stores and online to these countries and additional markets in Europe. In addition to its offices and distribution centre in Sweden, Clas Ohlson also conducts activities in Norway, Finland, China, Poland, Vietnam and Turkey.

The product range marketed via Clas Ohlson's sales channels spans around 17,000 items purchased from a large number of suppliers in some 30 countries. Products are purchased for the distribution centre in Insjön, Sweden, and from there distributed to stores, or via online orders, directly to customers.

In addition, tens of thousands more technology products, accessories and spare parts are offered via the Teknikdelar, Batteriexperten, PhoneLife, Teknikmagasinet, Reservdelaronline, Spares and Zandparts sales channels.

Clas Ohlson's ongoing review of its store network considers market conditions, new patterns of customer behaviour, demand projections and leases signed with property owners. At the financial year-end the Group had 249 stores – 107 in Sweden, 103 in Norway and 39 in Finland. The Group's most important intangible key resources comprise the Clas Ohlson brand, the Club Clas loyalty programme and its customer data, employees' expertise in assortment development, sales and customer interactions, as well as the Group's digital platforms. The business model depends on these resources to build customer loyalty and customer satisfaction, enable

data-driven decision-making and develop a relevant customer offering.

Significant events during the financial year

In the 2025/26 financial year, the Company has had a strong earnings performance. This was driven above all by the organisation's focus on Clas Ohlson's strengths in selected product niches, further development of the strong Clas Ohlson brand and investments in the customer meeting, in stores and online. During the financial year, the focus on a relevant product assortment, combined with the right offerings, led to growth in all prioritised product niches in every quarter.

A large number of new products also generated customer traffic and sales both in stores and online. Overall, we launched around 5,000 new products during the financial year, at the same high rate as in recent years. Work on the product range is also the single most important aspect of the sustainability promise. Customers should be able to find a carefully selected range of fit-for-purpose products that not only solve specific everyday problems but also contribute to a more sustainable life. Spare parts play a key role and processes have long been in place to ensure that the products sold are of high quality and are long-lasting. Together with our suppliers, we are also improving production processes and material choices to make products easier to reuse and recycle.

Customer satisfaction and Clas Ohlson's many customer relationships are strong competitive advantages. The Club Clas loyalty programme, which enables direct communication with customers, is an important piece of the puzzle in

unlocking future growth. Club Clas now has approximately 6.2 million members, which is more than one in four inhabitants in our three home markets and an increase of 9 per cent year-on-year.

During the financial year, we continued to invest in expanding our store network, with a net increase of 8 stores. At the same time, our existing stores are being modernised to improve the conditions for maintaining sales growth.

Clas Ohlson is also aiming for profitable growth online. As part of this process, many new products have been launched exclusively online and fine-tuning of the logistics system continues, in order to cope with larger volumes and growing demand for fast deliveries.

During the financial year, Clas Ohlson acquired 70 per cent of the shares in PhoneLife AB and Reservdelaronline Sverige AB. PhoneLife conducts online sales of technology products and accessories via the PhoneLife and Teknikmagasinet sales channels. Reservdelaronline conducts online sales of spare parts via the Reservdelaronline sales channel. The acquisitions boost Clas Ohlson's offering in technology, accessories and spare parts, and create further growth opportunities in segments with strong underlying demand. The transactions have been financed with cash and the two companies were consolidated into the Clas Ohlson Group as of 1 December 2025. The acquisitions initially consist of 70 per cent of the shares in the companies, with call and put options to acquire the remaining 30 per cent after three years. The initial 108 MSEK purchase consideration and 40 MSEK earn-out were paid during the financial year, with the total purchase

Breakdown of sales:

Sales areas, MSEK

Countries	2025/26	2024/25	Percentage change (SEK)	Percentage change, organic	Percentage change, acquisitions ²
Sweden	5,867	5,364	9	8	1
Norway	5,116	4,678	9	13	0
Finland	1,220	1,187	3	7	0
Other markets	311	398	-22	-24	2
Total¹	12,514	11,627	8	9	1
Of which online sales	2,572	2,231	15	12	4

¹ Breakdown by increase in comparable units 7 per cent and change in store network 2 per cent for the period May 2025–April 2026.

² Acquisitions of PhoneLife AB and Reservdelaronline Sverige AB.

consideration for 70 per cent of the companies amounting to 148 MSEK. A breakdown per company shows 110 MSEK, including earn-out, for PhoneLife and 38 MSEK for Reservdelaronline. For further information, see page 128–129.

Sales and profit

Net sales totalled 12,514 MSEK (11,627), an increase of 8 per cent from the previous year. Organic sales increased by 9 per cent, with an acquisition-related increase of 1 per cent and currency effects of -2 per cent. Sales in comparable units and local currency increased by 7 per cent and by 2 per cent in the store network. Online sales amounted to 2,572 MSEK (2,231), an increase of 15 per cent, of which 4 per cent was acquisition-related.

Operating profit totalled 1,527 MSEK (1,171), the increase being mainly attributable to higher sales combined with an improved gross margin. The operating margin was 12.2 per cent (10.1).

Goods for resale totalled -6,543 MSEK (-6,321), an increase reflecting higher volumes. The gross margin increased by 2.1 percentage points to 47.7 per cent (45.6). This change was attributable in the main to improved purchase prices, lower freight costs and positive product mix effects in the Spares group. The currency impact was marginally positive, with more positive purchasing currencies offsetting weaker selling currencies.

Personnel expenses totalled -2,495 MSEK (-2,341). The increase in employee costs was mainly attributable to higher volumes being handled, salary increases, new stores and operations acquired.

Other external costs totalled -1,227 MSEK (-1,044). The increase was largely attributable to marketing initiatives and, with operations acquired accounting for 42 MSEK.

Depreciation/amortisation and write-down of property, plant and equipment and intangible assets totalled -720 MSEK (-748).

Net financial items totalled -48 MSEK (-53). Tax for the year totalled -310 MSEK (-236), the increase being attributable to higher income.

Profit after tax for the period totalled 1,169 MSEK (882). Earnings per share amounted to 18.40 SEK (13.91).

Over the 12-month period, spot rates averaged 0.94 for NOK and 9.39 for USD, compared with 0.97 and 10.55, respectively, in the preceding year. Currency hedges in NOK with maturity during the period generated a positive impact of 16 MSEK (7) on earnings. Currency hedges in USD led to an increase of 72 MSEK (-11) in the value of inventories. The Company's policy is to hedge 50 per cent of the expected flow in each currency continuously, with maturities of three to nine months.

Outlook for the next financial year

As part of the Company's continued growth journey, Clas Ohlson will continue to invest in new and existing stores. The aim is to open around 10 new stores net in 2026/27 while continuing to upgrade existing stores.

Clas Ohlson will also invest in a new, state-of-the-art automation system in its Insjön distribution centre to improve both productivity and health and safety. Work started on the project during the financial year and once completed – in the second half of 2027 – we will have the capacity to handle significantly higher volumes at a lower cost.

Work on simplifying and updating the IT environment will also continue during the year.

In the 2026/27 financial year, we expect to invest a total of approximately 600 MSEK, of which approximately 350 MSEK relates to the logistics investment.

The initiatives we are progressing in assortment, brand and customer meeting will help power sustainable and profitable growth. We are continuing to engage in growth-driving focus areas in 2026/27 and are constantly adding new activities in order to continue growing with quality. The aim, as always, is to meet or exceed our long-term financial targets.

As part of the day-to-day work of developing our offering, we continuously analyse the overall market for Clas Ohlson's product range in Sweden, Norway and Finland. Clas Ohlson is well positioned, albeit with a relatively small market share of a growing market valued at approximately 350 BNSEK. On that basis, we envisage major opportunities for growing the core business for many years to come.

Risks and uncertainties

A description of the Company's material risks and uncertainties is provided in the Risks and uncertainties section on pages 28–33.

Investments

Investments during the financial year amounted to 313 MSEK (157). Of this amount, investments in new or refurbished stores accounted for 78 MSEK

(99). Investments in IT systems totalled 52 MSEK (31). Investments in the distribution centre amounted to 35 MSEK during the period. The acquisitions of PhoneLife AB and Reservdelaronline Sverige AB initially consist of 70 per cent of the shares in the companies, with 148 MSEK (0) being paid as purchase consideration (initial purchase consideration 108 MSEK and earn-out 40 MSEK); for further details, see page 128–129.

Financing and liquidity

Cash flow from operating activities during the financial year totalled 2,119 MSEK (1,830), mainly attributable to a higher operating profit. Free cash flow – cash flow after investing activities including amortisation of lease liabilities – amounted to 1,268 MSEK (1,114) during the period. Cash flow for the period, after investing and financing activities, totalled 824 MSEK (845), affected by a higher dividend and acquisitions.

The dividend approved, of 7.00 SEK per share, was paid out during the financial year, in a total amount of 445 MSEK (269).

At the end of the period, the inventory value was 2,480 MSEK (2,415). New stores, an expanded product range and businesses acquired have led to an increase in inventory, but this has been offset by lower purchasing prices and currencies.

The Group's net debt, consisting of interest-bearing liabilities less cash and cash equivalents, totalled 63 MSEK (691). Excluding the effect of IFRS 16, the Group's net cash position was 1,837 MSEK (1,011). Excluding the effect of IFRS 16, the net debt to EBITDA ratio was -1.1 (-0.8). Lines of credit granted and loan commitments at the end of the period totalled 600 MSEK, of which 0 MSEK was utilised. The Company's financial position is strong, with an equity ratio of 40 per cent (37).

The Clas Ohlson share and share capital

Clas Ohlson series B shares are quoted on Nasdaq Stockholm. The share capital totals 82 MSEK, represented by 5,760,000 series A shares and 59,840,000 series B shares, each with a quotient value of 1.25. Each series A share carries a right to ten votes, while each series B share carries a right to one vote. All shares carry

equal rights to payment of dividends. Holders of series A shares can request that their A shares be converted to series B shares. The share capital is unchanged from the preceding year. On 30 April 2026, the share price was 398.40 SEK (274.20) and the total market capitalisation was 25,424 MSEK (17,399). On 30 April, 2026, the Company held 2,036,009 shares (2,147,196) in treasury, representing 3.1 per cent of the total number of shares registered. At the end of the period, the number of shares outstanding, net after buyback, was 63,563,991 (63,452,804).

On 30 April, 2026, the Company had a total of 43,892 shareholders (41,282). The five largest shareholders at that point in time held 52.0 per cent of the capital (52.1) and 73.2 per cent of the votes (73.3). A summary is provided on page 146.

The Company's Articles of Association contain no post-sale purchase rights clause or other restrictions on the transferability of series B shares. Apart from the authorisation regarding share swap agreements with third parties, whereby the third party shall be able to acquire and transfer shares in its own name within the framework of LTI 2025, there are no other circumstances such that the Company is obliged to disclose in accordance with the provisions of the Swedish Annual Accounts Act, Chapter 6, Section 2a, points 4–11.

Employees

The number of co-workers in the Group was approximately 5,200. Recalculated as average full-time equivalents (FTEs), this corresponds to an average of 3,151 (3,109). The difference from last year is attributable in the main to new stores and acquired companies. Further information about employees is provided in Notes 7 and 8 in the Annual Report.

Sustainability

The Company's statutory Sustainability Report is included in this Annual Report. For further information, see pages 44–96.

In 2025/26, we had our climate targets validated by the Science Based Targets initiative

(SBTi). The targets, calculated in line with SBTi's Net-Zero Standard, refer to both short-term emission reductions and a long-term target of net-zero emissions throughout the value chain. The base year is 2024, and by 2025/26, Scopes 1 and 2 emissions had been reduced by 73 per cent. Clas Ohlson has a duty of notification with respect to activities relating to the temporary storage of electronic waste. This duty of notification applies in every Swedish municipality in which Clas Ohlson has a store. The Company also sells chemical products, including plant protection products and biocides, and thus conducts activities within the scope of the applicable chemicals legislation. To fulfil its producer responsibility regarding electronic products and batteries, the Company partners with the producer responsibility organisation EI-Kretsen in Sweden. With regard to packaging, the Company is affiliated to the Swedish Industry's Producer Responsibility, NPA, and with regard to fishing gear, the Company is affiliated to the Fiskekretsen organisation. In Norway, the Company is affiliated to the recycling organisations RENAS (electronics and batteries) and Grønt Punkt (packaging). The Company is also a member of the environmental organisation Handelens Miljøfond and pays an environmental fee for plastic carrier bags. In Finland, producer responsibility is fulfilled through membership of Serty (electronics), Recser (batteries) and Sumi (packaging). On Åland, producer responsibility is fulfilled by affiliation to Finlands Förpackningsproducenter (the Finnish packaging producers association).

Guidelines for remuneration of senior executives

Guidelines for remuneration of senior executives are proposed to the Annual General Meeting for adoption. These guidelines were followed in the financial year. The principles have been updated to comply with amendments to the Swedish Companies Act. The general principles of remuneration of senior executives are to be based on the position held, individual performance, the Group's financial results and remuneration being compet-

itive in the country of employment. The combined remuneration of senior executives is to consist of fixed salary, variable pay in the form of a short-term incentive based on annual performance targets, a long-term incentive based on multi-year performances, pension and other benefits. In addition, notice of termination and severance pay are subject to terms and conditions.

Clas Ohlson aims to offer a competitive overall level of remuneration, focusing on performance-based payments. The target is that the fixed annual basic salary will be on a par with or around the median of the competing market. When Clas Ohlson achieves or exceeds the performance targets established, the overall remuneration is to be on a par with or around the upper quartile of the competing market. This means that the variable remuneration may represent a significant portion of the total remuneration.

Basic salary

The fixed annual basic salary is to constitute the basis of the overall remuneration package. The salary level is to be related to the relevant competing market and is to reflect the extent of the responsibilities that the position involves. The adjustment of the fixed base salary shall be based on the general salary movement in the competing market and the performance level of the senior executive. The fixed basic salary will be reviewed annually to reward individual performance and ensure continued competitiveness.

Variable remuneration Short Term Incentive, STI

Short-term incentives (STIs) may be paid annually for performances that meet or exceed predetermined performance levels in a financial year. Performance targets are set annually by the Board. Performance is to be linked to predetermined and measurable criteria that may be financial or non-financial and related to the business plan. They may also be individualised quantitative or qualitative targets.

The criteria are to be designed to promote the Company's business strategy and long-term

interests, including its sustainability, for example, by being clearly linked to the business strategy, or favouring the executive's long-term development. Financial criteria are to be measured at Group level and linked to short and long-term shareholder value. No less than 25 per cent of overall target achievement will be based on EBIT and no less than 25 per cent on sales growth. Individual targets are to be linked to the Company's business plan and may include, for example, aspects related to the Company's sustainability goals, customer satisfaction, quality, leadership or corporate culture. Remuneration paid under the STI programme may not exceed 60 per cent of the fixed annual basic salary. Insofar as performance does not match the lowest performance level, no STI will be paid.

At the end of the measurement period for variable cash remuneration, the extent to which the criteria have been met shall be assessed. The Board of Directors is responsible for the assessment of the variable cash remuneration of the Chief Executive Officer. As regards variable cash remuneration for other executives, the People Committee is responsible for this assessment.

As regards financial targets, the assessment shall be based on the latest financial information published by the Company. The Board of Directors may, according to the law or contract provisions, and subject to any limitations that may result from them, recover all or part of any variable remuneration granted or paid on the basis of information that subsequently proves to be incorrect or on the basis of performance that proves not to be sustainable over time. Payment of remuneration under the STI programme may also be combined with requirements for a minimum holding of shares.

Long-term incentive (LTI)

The aim of LTI programmes is to create the conditions for attracting co-workers to the Group and retaining them. The programmes were designed to encourage participants to become shareholders in the Company, which is expected to have a positive impact on their long term work

performance. Connecting participants' rewards to growth in the Company's profit and value will continue to promote company loyalty and thus the Company's long-term value growth.

Long-term incentive programmes that entitle co-workers to acquire shares are subject to AGM approval. The performance period for LTI 2023, LTI 2024 and LTI 2025 applied during the financial year. All LTI programmes include performance shares. The Board of Directors annually evaluates whether long-term incentive programmes will be proposed to the AGM or not. For further information on allocation, see Note 7.

Pension, health insurance and other benefits

Pension benefits, including health insurance, shall, where possible under the provisions of mandatory collective bargaining agreements, be premium-based. Variable remuneration shall be pensionable only to the extent in accordance with provisions of mandatory collective bargaining agreements. Pension contributions for defined-contribution pensions shall not exceed 35 per cent of the fixed annual basic salary.

Other benefits may be provided in accordance with conditions applying in the country where the senior executive is employed and may include, for example, company car, health insurance, travel and accommodation. The value of benefits such as company car and medical insurance may not exceed 5 per cent of the fixed annual basic salary.

In employment relationships governed by rules other than those in Sweden – insofar as pension and other benefits are concerned – due adjustments may be made to comply with mandatory rules or established local practice, while recognising as far as possible the overall purpose of these guidelines.

Period of notice and severance pay

In the event of termination of employment, the period of notice shall not exceed six months. Fixed cash salary during the notice period and severance pay shall not exceed in total an amount equivalent to the fixed annual basic salary for 12 months. In the event of notice of termination on the executive's

side, the period of notice shall not exceed six months, without entitlement to severance pay.

In addition, remuneration may be paid for any anti-competition restriction. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the former executive is not entitled to severance pay. The remuneration may amount to a maximum of 60 per cent of the monthly income at the end of the employment and will be paid for the duration of the anti-competition provision, which may be a maximum of 12 months after the end of the employment.

Authorisation for the Board to depart from the guidelines

The Board may temporarily resolve to depart from the guidelines, in whole or in part, if in a specific case there is particular cause for such and a deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. For more information about remuneration, see Note 7.

Parent Company

Parent company net sales for the financial year totalled 9,637 MSEK (8,891). Profit after financial items totalled 1,405 MSEK (1,017). The increase in operating profit is mainly attributable to higher sales. Investments in IT systems during the period totalled 125 MSEK (110).

Events after the year-end

Updated financial targets for the coming three-year period were presented at a Capital Markets Day in June 2026. The updated targets and dividend policy as follows:

- An organic sales growth of 5 per cent per year
- An operating margin of around 12 per cent per year
- Return on capital employed (ROCE) of around 30 per cent per year
- Dividends are to comprise at least 50 per cent of earnings per share after tax, with consideration to the financial position

Dividend

Clas Ohlson's dividend policy is that the dividend shall comprise at least 50 per cent of earnings per share after tax, taking due account of the Company's financial position.

The Board of Directors proposes a total dividend of SEK 14.00 per share. It is proposed that an ordinary dividend of 9.25 SEK per share be paid for the 2025/26 financial year, to be made as two separate payments, each of 4.625 SEK. In view of the Company's financial position, the Board also proposes a special dividend of 4.75 SEK per share to be paid, in two instalments, each of SEK 2.375. The proposed dividend totals 890 MSEK, which represents 76 per cent of profit after tax for the financial year.

The proposed record dates for payment are 15 September, 2026 and 12 January, 2027. It is anticipated that the dividend as resolved by the AGM will be distributed on 18 September, 2026 and 15 January, 2027.

Proposed allocation of earnings

The Board of Directors hereby submits the following proposal for the allocation of unappropriated earnings to the Annual General Meeting. Further details are provided in the Board's statement on the proposed allocation of earnings on page 130.

Profit brought forward	776,785,616 SEK
Profit for the year	977,883,268 SEK
	1,754,668,884 SEK

The Board proposes that the earnings be appropriated as follows:

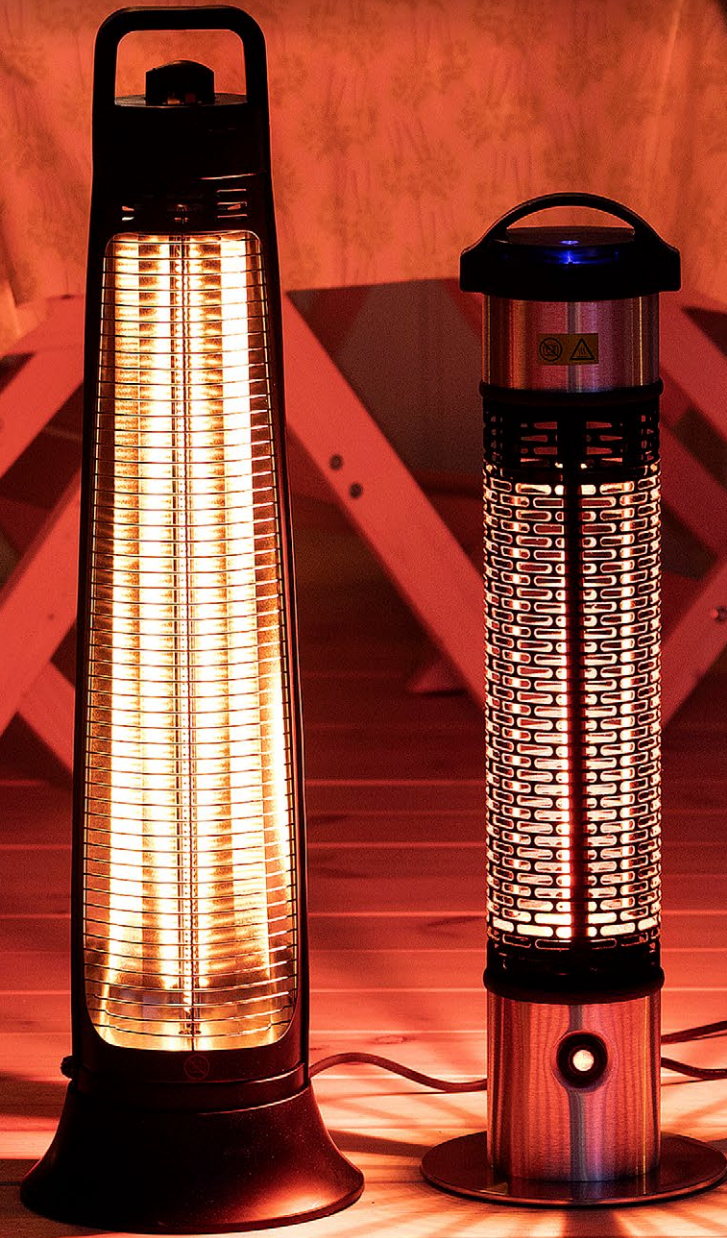
Dividend payable to shareholders:	
14.00 SEK per share	889,895,874 SEK ¹
To be carried forward	864,773,010 SEK
	1,754,668,884 SEK

¹ Dividends are based on the number of shares outstanding on the record dates.

The reasoned statement regarding the proposed appropriation of earnings is available at about.clasohlson.com and will be included in the documentation for the Annual General Meeting.



Risks



Risks and uncertainties

To develop an attractive and relevant customer offering and to ensure our future competitiveness, we must understand how our business environment is changing. The business we are engaged in involves risks that could negatively impact the Group to varying extents. These risks may be divided into the categories of strategic, operational, financial and sustainability risks. The Group's risk scenario may change quickly, and we work continuously to update the risk situation and ensure rapid and efficient risk management.

Strategic, operational, financial and sustainability risks all affect the ways in which we can achieve our strategic and business-related targets. Creating awareness of the risks in the business enables such risks to be controlled, limited and managed in the right way so they are transformed into a strategic opportunity for the business. Correctly managed, risks may create opportunities and add value to the business.

Risk management process

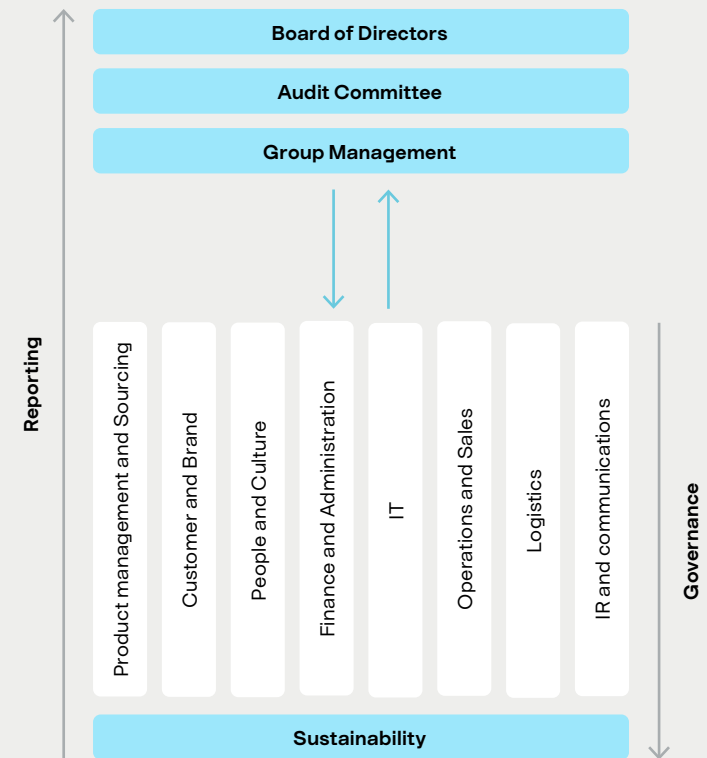
Clas Ohlson focuses continuously on updating the Group's risk exposure in a systematic process that identifies, evaluates, manages and reports risks. Priority is given to the risks assessed as potentially having the greatest negative impact in terms of probability and possible effect on operations. This work is conducted within each function, depending on how Group Management is structured. Internal reports on actions taken and changes in risk assessments are issued twice a year and on an ongoing ad hoc basis. Increased market volatility has made it necessary to continuously follow up and analyse the Group's risk status. Risks are summarised via risk maps as a way of clearly illustrating overall exposure and the actions to be prioritised. Maps are drawn up at Group level and are a key component of strategic and operational governance at Group Management and Board level.

Risk management

Work addressing risk is driven by Group Management, which compiles and coordinates governance and reporting. Results are reported to the Audit Committee and the Board.

Each function monitors and manages existing risks, identifies any new risks and reports to Group Management.

Sustainability risks are identified via DMA in line with CSRD expectations, and are integrated into other risk work with regard to each function for ongoing monitoring.



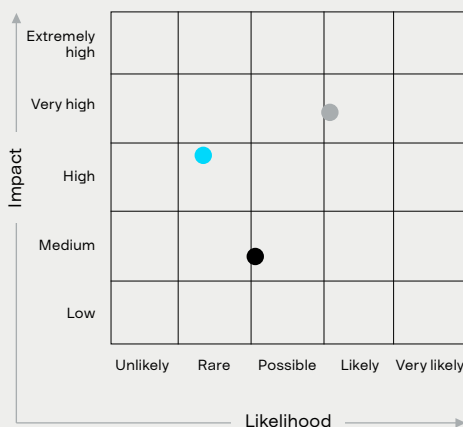
Strategic risks

Management of strategic risks aims to ensure that the Company's business model fulfils customer and stakeholder requirements, and complies with environmental, ethical and legal frameworks. Strategic risks consist of changes in the external environment that may affect the business, such as wars, pandemics, competition, technological shifts and changes in customer behaviour. Market position, product range and offering also fall within this category of risk.

Operational risks

Operational risks affect the Company's performance and finances, but are often managed via internal processes and expertise. Such risks are associated with purchasing, IT, logistics, key individuals, leases, waste and regulations. During the year, external factors such as wars and conflicts in Europe and the Middle East, energy prices and inflation affected these risks to varying degrees.

Risk map (example)



- Countermeasures implemented
- Countermeasures partly implemented
- Countermeasures required

Financial risks

Financial risks are risks with potential impact on earnings and financial position. Risks of a financial nature consist primarily of risks associated with changes in the economy, currency exposure, raw material prices and cost inflation.

Currencies, currency hedging and currency fluctuations

Mostly due to sales in Norway and the Group's purchasing, Clas Ohlson has a high degree of currency exposure. Roughly half of the Company's purchases are made in currencies other than SEK. The table (right) shows the impact of currency fluctuations on earnings, excluding futures hedging. Futures hedging is conducted monthly in USD and NOK, with a maturity of three to nine months, against half of the expected flow in each currency. This way, the Company is guaranteed the forward rate on a major proportion of its currency exchanges, but at the same time has the opportunity/risk of making the remaining exchanges at the spot rate.

Sustainability risks

Clas Ohlson's business model poses the risk of a potentially negative impact on people, the environment and society. Identifying and managing environmental, climate and social risks, including human rights, anti-corruption and climate issues, are an integral part of Clas Ohlson's overall risk management process. Even if some of these risks lie outside the scope of Clas Ohlson's direct operations, not addressing them may affect the Company's reputation as a serious and trusted brand and company. They may also affect the confidence that co-workers, owners, customers and other stakeholders have in the business, impact the Company's market position, disrupt production and deliveries, result in unforeseen costs and cause breaches of the law.

In 2025/26, Clas Ohlson conducted a double materiality assessment (DMA) to define its material issues, in order to fulfil the statutory requirements of the Corporate Social Responsibility Reporting Directive (CSRD). The DMA identified

the organisation's most material impacts on the economy, the environment and people, including those related to human rights.

Uncertainty in our business environment

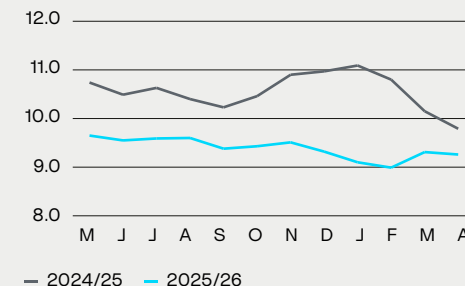
Rising geopolitical uncertainty, with conflicts in, for example, Ukraine, Gaza and Iran, has led to an increasingly uncertain situation in the world economy and in Europe. Clas Ohlson is indirectly affected by the conflicts and is constantly striving to reduce exposure to the associated risks, such as stoppages in the value chain, cost inflation, exchange rate fluctuations etc. We also constantly monitor rapid changes in customer behaviour. Customer preferences and reactions to global events differ in the various markets that Clas Ohlson serves, adding further to the complexity of the situation. Moreover, fluctuating prices of, for example, food, fuel, electricity and interest costs affected customers throughout the financial year.

Sensitivity analysis

Currency	Impact of +/- 10% in exchange rate on Group's pre-tax profit (MSEK)
NOK	+/- 313
USD	-/+ 204
EUR	-/+ 33
HKD	-/+ 1

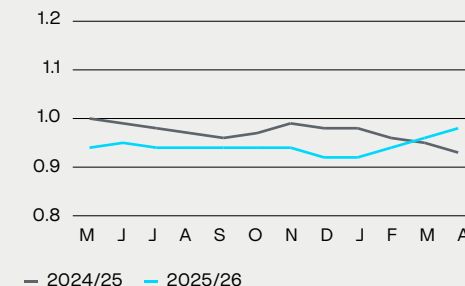
The two diagrams below show the trend of SEK against the Group's principal currency for purchasing (USD) and the Group's principal currency for sales (NOK).

Monthly average, USD/SEK



The graph illustrates the trend for the USD/SEK currency pair. USD is our most important purchasing currency. At the beginning of the financial year, 2 May 2025, the USD/SEK exchange rate was 9.64. The exchange rate weakened during the year. On 30 April 2026, it was quoted at 9.28 SEK, down 4 per cent. The highest rate was 9.82 SEK quoted in August 2025, and the lowest 8.83 SEK quoted in January 2026.

Monthly average, NOK/SEK



The graph shows the trend for the NOK/SEK currency pair. At the beginning of the financial year, 2 May 2025, the NOK/SEK exchange rate was 0.93. Over the financial year, the Norwegian krone weakened overall against the Swedish krona. On 30 April 2026, it was quoted at 0.99 SEK, up 7 per cent. The highest rate was 1.00 SEK quoted in April 2026, and the lowest 0.91 SEK quoted in January 2026.

Strategic risks

Risk	Description	Risk management
Customer buying behaviour and market position	<p>Consumers who are constantly online want to buy when, where and how they want, and irrespective of the sales channel used, they expect a smooth, consistent shopping experience tailored to their needs. Customers expect value-for-money, quick, reliable and convenient deliveries, and a comprehensive store network to provide the best option for them at that moment.</p>	<p>Clas Ohlson continues to focus on integrating and developing various sales channels and delivery options, and on its capacity to interact with customers through digital channels to further improve availability and service levels. Digitalisation provides the Company with tools to better understand customer behaviour, drive sales, build loyalty and seamlessly serve customers throughout the decision-making and purchasing process, with respect for their privacy (GDPR). We are also working on continually optimising our store network with a well-balanced mix of city-centre and out-of-town locations.</p>
Inflation, cost increases and price pressures	<p>The retail landscape is undergoing a rapid transformation, driven by factors such as inflation, changing patterns of consumption and geopolitical uncertainty. We are coming up against continued strong competition from both new and existing players, with a focus on low prices. Many companies are competing with similar offerings, and making comparisons is easier than ever.</p> <p>Related to costs, purchase prices for the Company's products are affected by global market prices for individual raw materials. Clas Ohlson is also affected by changes in pay levels in the countries where the Company's products are manufactured, and in the countries where it has retail operations.</p> <p>Higher volatility in the global economy brings a risk of rising costs and increased pressure on margins.</p>	<p>Clas Ohlson maintains an active focus on cost control to maintain a competitive position, work that runs through every aspect of leadership, processes and decisions in the Company. Our focus lies on what we can control ourselves, all the way from value-for-money and fit-for-purpose offerings for our customers, to reducing our costs through simplified and more efficient ways of working.</p>
Product purchasing	<p>Today, Clas Ohlson purchases just over one third of its products directly from manufacturers in Asia and Europe, the major share from China. The purchasing process involves a risk of bribery and corruption, and among suppliers in low-wage countries there is a greater risk of inadequate working conditions and a lack of respect for human rights. The major exposure to a single country means greater risk (political, transport, currency, pandemic and so on).</p>	<p>Clas Ohlson's Code of Conduct and ethical guidelines apply to all our suppliers and purchase agreements. In March 2024, Clas Ohlson signed up to the amfori BSCI Code of Conduct to further improve transparency regarding the environment, labour and human rights. The Company uses third-party audits to monitor compliance with requirements. Clas Ohlson works continuously on evaluating new potential markets for purchasing in both Europe and Asia. Clas Ohlson has also operated purchasing functions in Poland and Vietnam since 2021, and is working actively to broaden its sourcing markets.</p>

Operational risks

Risk	Description	Risk management
Logistics	<p>Clas Ohlson's distribution centre in Insjön is the hub of the Group's distribution chain. Goods from suppliers in Europe in Asia arrive here for distribution to all our stores and our online customers. Centralising logistics in one location carries certain risks. Limited storage space and lack of resources may create bottlenecks and delays, especially at peak times, affecting customer satisfaction and sales. Technical problems or staff shortages in the warehouse may lead to higher costs and reputational damage. At the same time, transport costs are affected by global factors such as fuel prices and geopolitical events, which may affect profitability and necessitate flexible planning.</p>	<p>Clas Ohlson invests regularly in further enhancing efficiency in its logistics operations and work in the distribution centre, as well as in boosting customer satisfaction. We operate a long-term logistics strategy and focus continuously on maintenance and inspection of systems, fire protection and security systems, and review the Company's insurance cover annually.</p> <p>Clas Ohlson works actively on cost control and has strategies to mitigate volatility in transport costs. The Company also continuously reviews the distribution chain to ensure efficiency and reduce impact on the environment.</p>
IT & digital transformation	<p>Clas Ohlson's operations are highly IT-dependent. This means that it is essential that such systems provide effective support for the Company's day-to-day operations and maintain a high level of reliability. It is also important in ensuring efficiency to support decision-making processes.</p> <p>For the business to operate efficiently, it is vital that IT systems are stable in operation. System failures, poor performance and extended downtime may affect key functions such as sales, logistics and customer service, with the risk of loss of revenue and poor customer experience.</p> <p>As a result, digitalisation is an important factor in enabling ongoing efficiency improvements at Clas Ohlson. Decisions on implementation of systems and processes that provide good support in day-to-day operations need to be constantly weighed against implementation costs, as well as the long-term relevance of the technology.</p>	<p>Through solid processes and a robust IT roadmap, Clas Ohlson can mitigate the potential risks associated with operational reliability.</p> <p>The Group is continuously monitoring and evaluating new technologies for possible implementation. Close co-operation with selected technology providers forms a base for both implementation and operation. Clas Ohlson intends to employ proven digital solutions to ensure high efficiency throughout the organisation.</p> <p>Focusing on the areas with the greatest potential impact ensures that the business benefits from the right IT support.</p>
Cybersecurity	<p>Sensitive information and business-critical systems are vulnerable to threats such as data breaches, ransomware and other cyber attacks. Cybersecurity failures may lead to business disruptions and financial losses, and may damage trust in the Company among customers and partners.</p>	<p>Clas Ohlson actively seeks to maintain a high level of cybersecurity awareness throughout the organisation. In addition to safeguards in the Company's IT systems and screening of third-party systems, the Company actively focuses on preventing, detecting and managing threats and disruptions, and on ensuring that the business can continue in the face of unexpected events. For example, regular training sessions are organised on security awareness and phishing campaigns.</p>

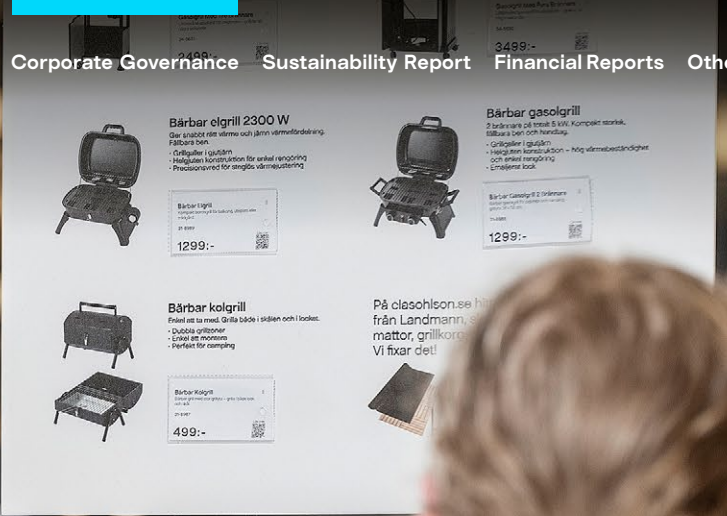
Financial risks

Risk	Description	Risk management
Currencies	<p>The Company's currency exposure is high, above all in connection with sales in Norway and the Group's purchasing. Roughly half of the Company's purchases are made in currencies other than SEK. The principal purchasing currencies are the US dollar (USD), Hong Kong dollar (HKD) and euro (EUR). In addition, fluctuations of the Swedish krona against the Norwegian krone (NOK) are significant to the Group as Norway accounts for about 40 per cent of sales.</p> <p>Net exposure to EUR is low, as the Company brings in currency via sales in the Finnish market. The table on page 29 shows the impact of currency fluctuations on earnings, excluding futures hedging. The risk of increased market volatility and fluctuations in the currency market may impact the Company's operations over the short and long term.</p>	<p>As a rule, futures hedging is conducted monthly in NOK and USD, with maturity after three to nine months against half of the expected flow in the currency concerned. In this way, the Company is guaranteed the forward rate on a major proportion of its purchases, but also has the opportunity/risk of making the remaining purchases at the spot rate.</p> <p>In addition, the Company focuses continuously on strategic pricing and product range development to balance exposure to currency risks. The effects of increased market volatility are routinely monitored.</p>

Sustainability risks

Risk	Description	Risk management
Environment		
Regulatory risk associated with climate change adaptation	The introduction of new climate-related regulations involving carbon taxes, emissions trading (ETS), CBAM, DPP and other EU initiatives is bringing additional requirements regarding traceability, reporting and reduction of greenhouse gas emissions. These rules are expected to impact the supply chain and production costs. They will also demand increased internal resources for compliance, which represents a transition risk.	In 2025/26, Clas Ohlson had its science-based climate targets validated by the Science Based Targets initiative (SBTi), and addresses emissions in the value chain by prioritising suppliers who themselves work to equivalent climate targets. In 2021, Clas Ohlson opened a purchasing office in Poland to better enable it to purchase goods from the European market. To manage transition risks associated with new environmental regulations, Clas Ohlson continuously develops its internal resources and data collection, analysis and reporting processes. This includes the development of systems support, skills development initiatives and greater cross-functional collaboration between sustainability, procurement and IT.
Social		
Co-workers	Ensuring well-being, skills development and compliance with labour law requirements among co-workers is key to Clas Ohlson's ability to attract and retain the right skills. Failure to do so may lead to lower productivity, increased sickness absence, negative impact on the employer brand and legal and financial consequences. Where poor working conditions, discrimination or non-compliance with Nordic labour law exist, there is a risk of sanctions and damage to the Company's reputation.	Clas Ohlson manages health and safety and non-compliance risks through clear guidelines, monitoring and continuing to invest in inclusive leadership. Skills development is provided mostly in the form of digital training programmes, including sustainability training. Structured performance reviews collect information on employee well-being and reinforce the organisation's ability to respond to change. Succession planning remains a priority. The Company complies with current labour law and maintains ongoing dialogue with workers' representatives and safety representatives to develop long-term, systematic work on health and safety.
Workers in the value chain	Clas Ohlson is exposed to labour law and social risks in the supply chain, especially in high-risk countries where there is an increased risk of breaches human rights, such as forced labour, child labour, discrimination, unreasonable working hours, lack of freedom of association and a poor working conditions. Long working hours are a particularly widespread risk that may lead to both reputational damage and delivery problems. Breaches of the Company's Code of Conduct and applicable regulations may lead to the termination of supplier partnerships, which in turn may have legal, operational and brand-related consequences to Clas Ohlson.	Clas Ohlson manages labour law risks in the value chain by consolidating purchases within strategic suppliers that show good compliance with social sustainability. All suppliers in high-risk countries must have undergone an audit in accordance with recognised standards under BSCI Grade C or the equivalent before any partnership begins. Compliance with the Code of Conduct and the Code of Business Ethics is continuously monitored. In the event of non-compliance, improvements are required to enable co-operation to continue.
Business conduct		
Corruption risk	Clas Ohlson is exposed to risks associated with corruption and failures in business ethics in the supply chain and in internal functions such as purchasing. These risks are particularly prominent in high-risk countries and may arise in the context of negotiations, contract management and day-to-day supplier contacts. Non-compliance with ethical guidelines may lead to regulatory consequences, higher costs, delivery problems and brand damage. This risk may also hamper expansion into new sourcing regions and affect relationships with financial markets and other stakeholders.	Clas Ohlson has a zero tolerance policy regarding corruption. The Code of Business Ethics is subject to annual adoption and is applied as part of the Company's Code of Conduct. All suspected irregularities must be reported and the Company offers an external, anonymous whistleblowing service. Risks are reduced through training and clear guidelines. Co-ordination between HR and purchasing is crucial. The following groups are trained in business ethics: co-workers involved in purchasing or managing high-value contracts, senior executives and agents in Asia.

Corporate Governance



Focus on long-term value creation in a changing world

During the 2025/26 financial year, Clas Ohlson continued to deliver strong results. The work of the Board was characterised by a clear focus on the Company's long-term value creation, where a balanced capital allocation, good risk management and a robust strategy were key starting points.

The world around us was also characterised by uncertainty during the year, with geopolitical unrest, currency fluctuations and changing macroeconomic conditions. In this situation, the Board's responsibility is to ensure that the Company has both financial strength and flexibility in how we approach the business. In our judgement Clas Ohlson is well equipped, with a robust financial position and a business model that has proved its resilience over time.

Capital allocation is one of the Board's most important tasks. The Board of Directors continuously assesses how to best utilise capital to create long-term shareholder value. I can conclude that the Company's strong cash flow and financial position create room for manoeuvre to both deliver attractive returns to shareholders in line with the Company's dividend policy and to invest in the business. The decision to invest in a new automation solution at the distribution centre in Insjön is a clear example of such an investment, as are the acquisitions of PhoneLife and Reservdelaronline. At the same time, we retain as always a clear focus on costs to maintain our competitiveness and our ability to act when needed.

The Board's work also includes ongoing monitoring of risks, internal controls and corporate governance. During the year, particular focus was placed on ensuring that the organisation had the right processes and systems support to meet the challenge of a more volatile environment, while continuing to develop operational efficiency.

Sustainability is also an integral part of governance and an essential in terms of long-term

competitiveness. The validation of the Company's climate targets by the Science Based Targets initiative (SBTi) during the year was an important step. It confirms that Clas Ohlson's ambitions are in line with science-based targets, and underpins the credibility of the Company's work on transition. As always, corporate governance at Clas Ohlson is based on international standards such as the UN Global Compact's ten principles regarding human rights, labour law, the environment and anti-corruption. This is also reflected in our policies, guidelines and how we build long-term relationships with our stakeholders.

I would also like to highlight the wholehearted efforts of the Company's management and co-workers. Their ability to combine long-term development with customer focus and attention to detail in day-to-day operations is a factor that is crucial to the Company's success and I am firmly convinced that Clas Ohlson has everything it takes to continue to develop strongly in the future.

Finally, I would like to extend my most sincere thanks to all our employees, customers and shareholders for your continued commitment and trust. The Board looks to the future with confidence and a clear strategy, financial discipline and a consistent focus on value creation, and we are grateful that so many people want to be part of the journey ahead.

Kenneth Bengtsson
Chairman of the Board



"With a focus on long-term shareholder value, the Board has during the year balanced capital allocation, risk management and execution of the Company's strategy."

Corporate Governance

Good corporate governance is a prerequisite in maintaining trust among shareholders, customers and other external stakeholders and is built on the Company's strategies, targets and values pervading the entire organisation.

Governance at Clas Ohlson is based upon Swedish legislation, above all the Swedish Companies Act, the listing agreement with Nasdaq Stockholm and the Swedish Code of Corporate Governance (the Code). Our governance also complies with the Company's Articles of Association, internal instructions and guidelines, and recommendations issued by relevant organisations. The Corporate Governance Report has been prepared in accordance with the Code.

The Swedish Code of Corporate Governance

The Swedish Code of Corporate Governance is applicable to all companies quoted on Nasdaq Stockholm. The aim is to improve corporate governance at listed companies and to foster trust in companies among the general public and in the capital market. The Code is based on the "comply or explain" principle, which means that deviations from the Code are permissible if an explanation is provided for the deviation. At Clas Ohlson, there were no deviations from the Code during the financial year.

Compliance with applicable regulations for stock exchange trading

No breaches of generally accepted stock exchange practices or of applicable stock exchange regulations were reported by either the Swedish Securities Council or the Stockholm Stock Exchange's Disciplinary Committee.

Annual General Meeting

Shareholders exercise their influence through participation in the Company's Annual General Meeting (AGM) (the ordinary annual general

meeting). The AGM, the Company's ultimate decision-making body, has traditionally been held physically at the Company's place of business in Dalarna, central Sweden, in September. Notification of the AGM, which is normally communicated about four weeks prior to the AGM, is published in *Post- och Inrikes Tidningar*, as well as on the Company's website. All shareholders who are registered in the share register and have notified the Company of their intention to participate within the time frame and in the manner stated in the notice are entitled to participate. Registration may be made by telephone, e-mail, letter or via the Clas Ohlson website.

The Annual General Meeting appoints the Board of Directors, the Chairman of the Board, and the auditors of Clas Ohlson each year. The AGM also resolves upon the proposed allocation of earnings. Other matters addressed include those required by the Swedish Companies Act and Clas Ohlson's Articles of Association, which are available at about.clasohlson.com.

At the Annual General Meeting held on 12 September 2025, it was resolved that the Company shall be able to enter into an equity swap agreement with a third party, whereby the third party in its own name shall be able to acquire and transfer shares in Clas Ohlson to the participants in LTI 2025 to hedge the financial exposure that the incentive programme is expected to entail. The Board of Directors was further authorised to resolve upon the repurchase of such a number of series B shares that the Company's total holding of own shares at any time does not exceed 5 per cent of all shares in the Company. The AGM also authorised the Board of Directors to issue new



series B shares in such a number that the total number of series B shares that may be issued does not exceed ten per cent of the Company's share capital at the time of the AGM's resolution regarding authorisation.

On 30 April 2026, the Company's largest shareholders in terms of votes, each representing no less than 10 per cent of the votes, were Helena Ek Tidstrand (16.85 per cent), Johan Tidstrand (12.22 per cent), Peter Haid (11.81 per cent), Mathias Haid and Charlotte Haid Bondergaard through their companies (12.48 per cent) and Claus-Toni Haid and Grischa Haid through their companies (11.3 per cent).

The objective of the work of the Nomination Committee is to ensure that the Board has the expertise, experience and background required by its mandate.

Nomination Committee

The Nomination Committee's mandate is to submit proposals for Board members, Chairman of the Board and auditors, as well as fees to Board members (including for committee work) and to auditors, to the next AGM at which the Board or auditors are due to be elected. The Nomination Committee also proposes the Chairman for the AGM and the principles for appointing the Nomination Committee.

Nomination Committee prior to the 2026 AGM

Prior to the AGM held on 11 September 2026, Clas Ohlson's Nomination Committee consisted of the following members: Malin Persson, appointed by the Haid family (chair), Johan Ståhl, appointed by the Tidstrand family, Richard Torgerson, appointed by Nordea Funds and Oscar Bergman, appointed by Swedbank Robur Funds. The Chairman of the Board, Kenneth Bengtsson, is co-opted to the Nomination Committee.

At Clas Ohlson, the Nomination Committee is appointed via a nominating process. The nomination committee shall consist of four members, appointed by the four largest shareholders (individual shareholder or group of shareholders) in terms of voting rights as per 30 September. If a shareholder does not appoint a member, the next largest shareholder is offered the option. The Chairman of the Board is co-opted to the Nomination Committee. The Chairman of the Nomination Committee shall, unless the members agree otherwise, be the member representing the largest shareholder in terms of votes. The work and composition of the Board was assessed during

the year. The assessment was performed via a written assessment and interviews with the Board members and the CEO. The findings from the assessment were presented by the Chairman of the Board. The conclusion is that the Board functioned well during the year. The intention of the report was to enable the Nomination Committee to assess the Board's combined expertise and experience as thoroughly as possible.

In all, the Nomination Committee represents slightly more than 72 per cent of the total number of Clas Ohlson's shares (votes). The Nomination Committee will serve until the election of a new Nomination Committee.

The objective of the work of the Nomination Committee is to ensure that the Board has the expertise, experience and background required by its mandate. In addition, the degree of diversity in the Board was examined and it is seeking to achieve an even gender balance. As part of the Nomination Committee's work, it examined the Company's diversity policy. Particular emphasis was placed on Clas Ohlson's strategies and targets, and on the demands that Clas Ohlson's focus is expected to place on the Board, going forward. The Nomination Committee also discussed the Board's long-term composition in terms of future requirements regarding expertise, diversity and succession.

The Committee addressed proposals for Clas Ohlson's AGM and held six recorded meetings, where the Board's composition was assessed, considered and discussed. In addition, individual contacts were made.

Composition of the Board and attendance during the financial year¹

Member ^{2,3}	Year elected	Independence ^{5,6}	Board meetings	Audit Committee	People Committee
Kenneth Bengtsson ⁴	2013	Yes	13/13		7/7
Mengmeng Du	2020	Yes	13/13		
Susanne Ehnååge ⁸	2025	Yes	3/13		
Mathias Haid ⁷	2015	Yes ⁵ /No ⁶	12/13		7/7
Patrik Hofbauer	2020	Yes	12/13	7/7	
Håkan Lundstedt	2018	Yes	13/13		7/7
Stefan Sjöstrand	2024	Yes	13/13		
Charlotte Strömberg	2017	Yes	12/13	6/7	
Göran Sundström ⁷	2014	Yes ⁵ /No ⁶	12/13	7/7	

¹ The trade-union organisations had no more than 3 representatives on the Board. For further information on Board members, see page 41–42. The work of the Board and its committees is described on page 36–40.

² For information on date of birth, professional experience, directorships and shareholdings, see page 41–42.

³ Details of remuneration of Board members are provided in Note 7, on page 112.

⁴ Chairman.

⁵ Independent in relation to the Company and Group Management as per the Swedish Code of Corporate Governance.

⁶ Independent in relation to major shareholders of the Company as per the Swedish Code of Corporate Governance.

⁷ Represents or is a major shareholder, see page 41–42.

⁸ At the 2025 Annual General Meeting, Susanne Ehnååge was elected as a Board member.

Auditors

The AGM appoints auditors for the Parent Company each year. The AGM held on 12 September 2025 appointed Deloitte as auditors of the Company, with Johan Telander as Key Audit Partner. The auditor is elected until the end of the next AGM.

Full details of auditors' fees are provided in Note 5 to the Financial Statements on page 111. Tasks in addition to auditing consist primarily of issues pertaining to consultation on tax matters and IFRS accounting rules. The independence of the auditors is assured firstly by the internal policies of the auditing firm and secondly by the Board's guidelines specifying the tasks that the auditing firm may undertake in addition to auditing.

Board of Directors

Clas Ohlson's shareholders elect the Board of Directors annually at the AGM. According to the Articles of Association, the Board of Directors may consist of no less than three and no more than nine members elected by the General Meeting. In addition to these members, the trade unions at the Company have appointed two members and one deputy to represent them.

The Board fulfils the Code's requirement for independence. All members elected at the General Meeting, with the exception of Mathias Haid and Göran Sundström, are regarded as independent in relation to the Company, Group Management and major shareholders.

Clas Ohlson seeks to achieve diversity on the Board, including, over time, an even representation of men and women on the Board. Gender representation on the Board among the members

elected by the General Meeting in the past financial year varied between 25 per cent and 33.3 per cent women and 66.7 per cent and 75 per cent men. In the preceding year, the distribution varied between 25 per cent and 37.5 per cent women and 62.5 per cent and 75 per cent men. Susanne Ehnåge was elected as a new Board member at the 2025 AGM. The other members of the Board were re-elected.

Board meetings

Immediately following the AGM, a statutory Board meeting is held, at which the rules of procedure for the Board and instructions to the Company's CEO are adopted. The members of the Board's Audit Committee and People Committee (remuneration committee), as well as the authorised signatories for the Company, are appointed at this meeting. In addition to this meeting, the Board holds quarterly meetings on the occasion of publication of the Company's financial reports, as well as other meetings according to an annually fixed schedule.

The Company's auditors attend three of the Board meetings to report on what has emerged during their audit. The Board meets the auditors once annually without the presence of Group Management. The Board held 13 Board meetings during the financial year. The Board assesses its work annually.

How the Board works

The working methods of the Board of Directors are set out in its Rules of Procedure. These include the items to be dealt with at Board meetings. Each Board meeting is normally to be devoted to a specific topic to enable the Board to gain more in-depth knowledge and understanding of the various aspects of the Company's activities. During discussions on these topics, co-workers responsible for various functions in the Company may deliver presentations.

The issues addressed by the Board during the year included strategic direction, monitoring of the business plan, review of risk management, important business processes, developments in current markets, expansion and sustainability targets.

The rules of procedure also state that the Board must meet with the Company's auditors no less than once per year. In addition, the rules of procedure govern certain formal matters, such as rules regarding the notification of meetings and confidentiality.

Audit Committee

At its first meeting following the AGM, the Board established an Audit Committee made up of members Göran Sundström (Chairman), Charlotte Strömberg and Patrik Hofbauer. The Board issued instructions for the work of the Committee. The Audit Committee is responsible for assuring the quality of financial reporting. The Audit Committee is also responsible for supervising the effectiveness of risk management and internal control over financial reporting. Other tasks for the Audit Committee are to serve as a



Examples of issues addressed by the Board during the year include strategic direction and monitoring of business plan.

communication link between the Board and the Company's auditors and to establish which services over and beyond auditing may be procured from the Company's auditors. The Audit Committee assesses the audit engagement and recommends an auditor to the Nomination Committee.

The Audit Committee held seven meetings during the financial year. Attendance is shown in the table on page 37. The meetings were recorded and reported on at the next Board meeting. Representatives of Group Management attended the Committee's meetings. The meetings addressed issues aimed at assuring the effectiveness of risk management in and internal control over financial reporting. In addition, the Audit Committee addressed issues regarding the Company's interim reports, annual report, accounting, liquidity, among others.

People Committee

At the statutory Board meeting, the Board appointed a remuneration committee, known at Clas Ohlson as the People Committee, consisting of members Kenneth Bengtsson (chairman), Mathias Haid and Håkan Lundstedt. The Board issued instructions for the work of the Committee. The People Committee prepares material for the Board's decisions on proposals for guidelines on remuneration of senior executives (for adoption by the AGM) and remuneration and conditions of employment for senior executives.

The Committee met seven times during the financial year. Attendance is shown in the table on page 37. The meetings were recorded and reported on at the next Board meeting. The Committee addressed such issues as fixed and variable remuneration, and prepared proposals for a long-term incentive programme (LTI).

Allocation of duties between Board and CEO

The Board appoints the Company's CEO. The allocation of duties between Board and CEO is set out in the Board's rules of procedure and in the instructions to the CEO. These state, for example, that the Board is responsible for the Company's governance, supervision, organisation, strategies, internal control, forecasts and

Selection of policies applied at Clas Ohlson

- Code of Conduct
- Code of Business Ethics
- Sustainability Policy
- Diversity and Inclusion Policy
- IT Policy
- Security Policy
- Information Policy
- Insider Policy and Guidelines
- Financial Policy
- Whistleblowing Guidelines
- AI Policy
- Information Security Policy

policies. Furthermore, the Board resolves on major investments and matters of principle relating to governance of subsidiaries, such as election of Board members and appointment of the CEO. The Board is also responsible for the quality of financial reporting.

The CEO is in turn responsible for ensuring that the Company is managed in accordance with the Board's guidelines and directions. The CEO is also responsible for forecasting and planning the Company's activities so that targets set are achieved. The CEO is to ensure that the control environment is effective and that the Group's risk-taking is at any one time consistent with the Board's guidelines. Any deviations are to be reported to the Board. The Board also receives regular information from the CEO.

CEO and Group Management

Clas Ohlson's CEO oversees the work of Group Management and takes decisions relating to operations in consultation with others in Group Management. At the financial year-end Group Management consisted of six members and meetings were held on a regular schedule, and as needed. These meetings focus primarily on

strategic and operational monitoring and development, as well as on follow-up of results. In addition to the meetings, members of Group Management engage in close day-to-day co-operation.

Governance of subsidiaries

The boards of the subsidiaries consist mainly of representatives from Clas Ohlson's Group Management and the CEO of the subsidiary concerned. The operating subsidiaries each have their own CEO and organisation.

Remuneration principles

The overarching principles of remuneration for senior executives are to be based on the position held, individual performance, the Group's financial performance and the remuneration being competitive in the country of employment. The combined remuneration of senior executives is to consist of fixed salary, variable pay in the form of a short-term incentive based on annual performance targets, a long-term incentive based on multi-year performances, pension and other benefits. In addition, notice of termination and severance pay are subject to terms and conditions. Clas Ohlson aims to offer a competitive total level of remuneration, focusing on payments based on performance. As a result, the variable remuneration may represent a significant portion of total

remuneration. The aim is for fixed remuneration to be in line with the median in the comparable market, while overall remuneration – for when Clas Ohlson meets or exceeds its objectives – is to be within the upper quartile of the market.

Remuneration

Fees paid to the Board of Directors during the financial year totalled 4.87 MSEK, in line with the resolution passed by the AGM. Of the fees paid, approximately 0.66 MSEK related to remuneration for work on the Board's People and Audit Committees. Of the Board's total fees, approximately 1.13 MSEK was paid to the Chairman of the Board. No remuneration is paid to members of the Nomination Committee. By individual agreement, Board member Susanne Ehnåge has taken up her active Board duties in January 2026, i.e. later than immediately after her election at the 2025 AGM, which is reflected in her remuneration. Read more in Note 7 on page 112.

Remuneration of the CEO comprises fixed salary and variable remuneration, as set by the Board. The CEO also participates in long-term incentive programmes adopted by the AGM. A more detailed presentation of remuneration, pension and severance pay for the CEO is provided in Note 7 on pages 112–114.

Guidelines on the remuneration of senior executives have been adopted by the AGM and cover basic salary, variable remuneration, pension benefits and other benefits. For detailed information on the guidelines on remuneration, pension and severance pay adopted, see Notes 7 and 8 on pages 112–114.

Risk management

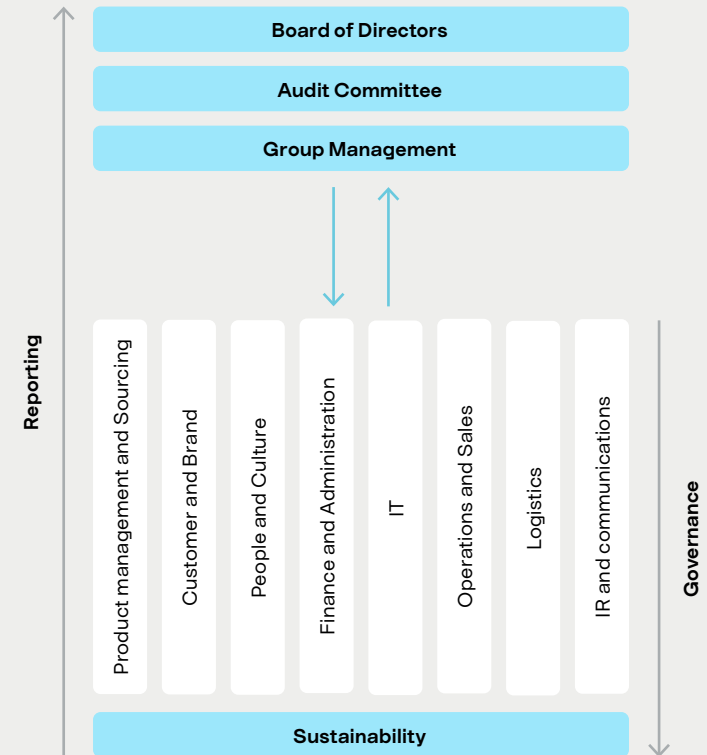
Overall responsibility for the Group's work on risk management lies with the Board. The risk situation at Clas Ohlson is regularly updated and analysed. This is done via a systematic process that identifies, values, assesses, manages, monitors and reports risks. Priority is given to the risks that in overall assessment regarding possible impact and probability are regarded as representing the greatest negative impact. A key aspect in this work is the control activities performed to pre-

Risk management

Work addressing risk is driven by Group Management, which compiles and coordinates governance and reporting. Results are reported to the Audit Committee and the Board.

Each function monitors and manages existing risks, identifies any new risks and reports to Group Management.

Sustainability risks are identified via DMA in line with CSRD expectations, and are integrated into other risk work with regard to each function for ongoing monitoring.



vent, reduce or shift the risk to another party, for example insurance.

The risks are summarised via risk maps to highlight the overall risk exposure. The maps, prepared at Group level, provide a tool for operational and strategic governance by the Board and company management. Risk mapping enables the focus to be centred on lowering the Company's risk exposure and reducing the consequences of any risks that materialise. The Group's overall risk status is reported internally to the Audit Committee and the Board twice annually. See also the section on Risk on pages 28–33.

Sustainability

At Clas Ohlson, it is important to protect, and assume responsibility for, the people and the environment that are impacted by our business. Our sustainability work, a naturally integral part of Clas Ohlson's business, is described in the Operations section on pages 15–21. See also detailed sustainability information on pages 44–96.

Internal control over financial reporting

The Board bears overall responsibility for the Company's internal control systems. This responsibility is governed by the Swedish Companies



Act, which also states that the Audit Committee bears a specific responsibility for monitoring the effectiveness of risk management and the internal control of financial reporting. The Company's work on internal control is aligned with the framework developed by The Committee of Sponsoring Organisations (COSO) of the Treadway Commission. This framework consists of five individual areas: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The control environment consists of the organisational structure and the values, guidelines, policies, instructions etc. under which the organisation operates. Effective Board work is at the heart of good internal control and Clas Ohlson's Board has established rules of procedure and clear instructions for its work. This also applies to the work of the Board's People and Audit Committees.

Part of the Board's work is to draw up and approve the policies that govern the Group's work of internal control. The Board is also required to create the conditions necessary for an organisational structure with clear roles and responsibilities that deliver effective management of risks in the business. The Group is subject to regulations governing decision-making and levels of authorisation that parallel the Group's organisational structure. The focus has been on clarifying who has a mandate to decide on investments, activities, signing of contracts etc. in each function, as well as the limits in terms of the amounts involved. In the event that an amount exceeds the mandate for the function, the decision is referred to the next level in the organisation. The aim is to maintain good corporate governance and knowledge of decisions taken at various levels in the organisation. The regulations governing decision-making and authorisation constitute the framework for decision-making at Clas Ohlson.

Executive Management is responsible for implementing guidelines for the maintenance of good internal control. Internal control is continuously being developed and improved. Executive

Management and the Audit Committee report regularly to the Board according to established procedures. All activity is undertaken in accordance with the Group's Code of Conduct and Code of Business Ethics.

Risk assessment and control activities

Clas Ohlson works continuously on the areas assigned the highest priority based on materiality and risk. The Group's income consists of sales in stores and online, where payment is mostly made by credit card, in cash or via partners. This income is recorded in its entirety in bank accounts that are reconciled daily.

There is limited risk of errors in income reporting. The Group's expenses consist primarily of the cost of goods, freight, salaries and social security contributions, rent and marketing. Forecasts are made for income and expenses for every store and department. Outcomes are checked monthly against both forecast and the preceding year. An overwhelming share of Clas Ohlson's assets consist of inventories and non-current assets. As a result, in the design of internal controls, particular emphasis has been placed on preventing and detecting shortcomings in these areas.

The processes and the control structure are documented in a financial manual, which is regularly updated. The critical processes in the Group are evaluated on an ongoing basis. The areas of highest risk in each process are analysed. An assessment is then made of whether the controls performed are adequate. Where necessary, further compensatory controls are introduced in order to reduce the risk to an acceptable level.

Group subsidiaries employ accounting managers and controllers to ensure that financial reporting is accurate and comprehensive. They are also required to ensure compliance with legislation, and that financial reporting takes place within established time frames for operational management and the Group's Finance function. In addition, major Group functions and the Group's Finance function employ controllers with similar responsibilities. The Group's Finance function works closely and efficiently with the subsidiaries in financial reporting and closing

accounts. Each month, all subsidiaries report detailed closing accounts, which constitute the basis for the Group's consolidated financial reporting.

Information and communication

Major policies, guidelines, instructions and manuals that are important to internal control are regularly updated and communicated to the co-workers concerned. General guidelines and instructions are also available on the Company's intranet.

Both formal and informal information channels to Group Management and the Board for information from co-workers are in place. Via the Audit Committee, the Board receives regular feedback from the organisation on issues relating to internal control. External communication is subject to guidelines meeting the requirement to provide the equities market with accurate information.

Monitoring of internal control

Company management and the Audit Committee regularly report to the Board via established procedures. The Board continuously receives information from the CEO about the Group, including about the earnings and financial position of the subsidiaries.

Every interim report is analysed by the Audit Committee with regard to the accuracy of the financial information. The Audit Committee also plays a key role in monitoring to ensure sufficient control activities are in place for the most material areas of risk associated with financial reporting, and in communicating material issues to company's management, Board and auditors. One important aspect is to ensure that any observations from the auditors are addressed.

The entire Board meets the Company's auditors three times a year to inform itself as to the external audit, and to discuss current issues. On the basis of the Auditor's Report, the Board forms a picture of the internal control and the accuracy of the financial information. The CEO does not take part in discussions of any issues relating to company management.

Internal audit

Following assessments during the financial year and earlier years, the Board has not, to date, found it necessary to establish an internal audit function. Instead, the Company's Group-wide controller function has been adapted to also address internal control. The question of whether to establish a separate internal audit function is re-examined every year. Group Management continuously evaluates material risks and control activities.

Clas Ohlson works continuously on the areas assigned the highest priority based on materiality and risk.



Board of Directors



Kenneth Bengtsson

Chairman of the Board since 2014, Board member since 2013. Chairman of the People Committee since 2014.

Born in 1961.

Professional experience: CEO and various executive positions at ICA Group for more than 30 years.

Other significant directorships: Chairman of the Board of Lyko Group, World Childhood Foundation, JumpYard, SJ and Glada Hudikstiftelsen. Board member of Synsam.

Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 87,000 series B shares.



Mengmeng Du

Board member since 2020.

Born in 1980.

Master in Business Administration, Stockholm School of Economics. Master in Science in Data Technology, Royal Institute of Technology.

Professional experience: Advisor to start-ups. Formerly held several positions at Spotify, COO at Acast, Product Development Manager at Stardoll, Management Consultant at Bain & Company.

Other significant directorships: Board member of Dometic Group. Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 2,500 series B shares.



Susanne Ehnåge

Board member since 2025.

Born in 1979.

Master's degree in Industrial and Financial Economics, Gothenburg School of Economics.

Professional experience: Chief Executive Officer of Lindex Group. Formerly served as CEO of Siba and NetOnNet Group.

Other significant directorships: Board member of Ahlsell Group. Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 1,370 series B shares.



Mathias Haid

Board member since 2015.

Member of the People Committee since 2015.

Born in 1970.

Professional experience: Captain in Lufthansa AG flight operations and several senior positions in Lufthansa flight operations from 1998. Board member of Clas Ohlson AS and Clas Ohlson Oy 2002–2005.

Other significant directorships: Board member of the Clas Ohlson Foundation. Owner and CEO ValAir GmbH.

Dependent in relation to major shareholders as per Swedish Code of Corporate Governance. Independent in relation to the Company and Group Management.

Own and closely associated shareholdings*: 503,980 series A shares and 2,328,072 series B shares.



Patrik Hofbauer

Board member since 2020.

Member of the Audit Committee since 2023.

Born in 1968.

IHM Business School, Diploma Marketing management and Master.

Professional experience: President and CEO Telia Company. Formerly held CEO roles at Svenska Spel, Telenor Group, Telenor Sverige, Telenor Broadcast Holding and Canal Digital. Formerly served as CEO of Clear Channel Sweden & Baltics and NEC Scandinavia AB; Sales Manager of Scandic Hotels Sverige AB.

Other significant directorships: Board member of the World Childhood Foundation.

Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 6,000 series B shares.



Håkan Lundstedt

Board member since 2018.

Member of the People Committee since 2023.

Born in 1966.

Professional experience: President and CEO of Synsam, formerly served as CEO of Mekonomen Group and Lantmännen, and held a number of senior roles at Orkla ASA.

Other significant directorships: Board member of Synsam.

Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 5,300 series B shares.

* Own and closely associated holdings as per 25 June 2026.



Stefan Sjöstrand

Board member since 2024.

Born in 1968.
DIHM Market Economist

Professional experience:
Currently CEO at Skistar.
Formerly held senior roles at IKEA, including Global Commercial Director and member of the Group Executive Board, CEO IKEA Canada, Vice President IKEA France and Business Area Manager IKEA of Sweden. Also served as CEO and a member of management at Weibulls, OLW, Malaco and Marabou.

Other significant directorships:
Chairman of the Board of Bertegruppen AB.

Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 2,000 series B shares.



Charlotte Strömberg

Board member since 2017.
Member of the Audit Committee since 2017.

Born in 1959.
Master in Business Administration, Stockholm School of Economics.

Professional experience:
Formerly served as CEO of Jones Lang LaSalle Nordics, several senior roles at Carnegie Investment Bank, worked at Alfred Berg/ ABN Amro, Consensus and Robur Capital Management.

Other significant directorships:
Chairman of the Board of Ersta Diakoni, Chairman of Sofina S.A., Board member of Höganäs AB and Lindéngruppen AB, member of the Swedish Securities Council, Founding Partner of DHS Venture, and independent member of Nasdaq Stockholm's Listing Committee.

Independent in relation to the Company, Group Management and major shareholders as per Swedish Code of Corporate Governance.

Own and closely associated shareholdings*: 5,000 series B shares.



Göran Sundström

Board member since 2014.
Member of the Audit Committee since 2016 and Chairman since 2018.

Born in 1962.
Master in Business Administration, University of Lund.

Professional experience: Founder and CEO of Sundström & Partners AB, various senior positions in Corporate Finance at Alfred Berg Fondkommission, Aros Securities and Nordea Securities.

Other significant directorships:
Chairman of the Board Parks & Resorts Scandinavia, Board member Unikum – Unikt lärande, Sundström & Partners and Clas Ohlson Foundation.

Dependent in relation to major shareholders as per Swedish Code of Corporate Governance. Independent in relation to the Company and Group Management.

Own and closely associated shareholdings*: 3,900 series B shares in own holding and 1,600 series B shares through a legal entity.



Freja Drakesson

Employee representative,
Handels trade union. Board member since 2018.

Born in 1979.

Employed in 2012.

Own and closely associated shareholdings*: 0 series B shares.



Anna-Karin Hållén

Deputy employee representative,
Handels trade union. Deputy Board member since 2024.

Born in 1968.

Employed in 2002.

Own and closely associated shareholdings*: 0 series B shares.



Karin Lundin

Employee representative,
Unionen trade union. Board member since 2023.

Born in 1971.

Employed in 2000.

Own and closely associated shareholdings*: 484 series B shares.

* Own and closely associated holdings as per 25 June 2026.

Group Management



Kristofer Tonström

CEO

Born in 1979.

Employed in 2021.

Master in Business Administration, University of Gothenburg.

Professional experience:

CEO of Filippa K, General Manager of Perrigo Northern Europe, CEO of Omega Pharma Nordic and held several senior positions at Procter & Gamble.

Other significant directorships: Board member of Svensk Handel and Axfood.

Own and closely associated shareholdings*:

71,858 series B shares. Kristofer Tonström also holds 15,000 call options issued by a group of shareholders under an agreement dated 19 March 2026, whereby each option entitles the holder to purchase one series B share in Clas Ohlson during a two-week period following the publication of the Company's financial statements for Q4 2029/2030, Q1 2030/31 and Q2 2030/31, respectively.



Pernilla Walfridsson

CFO

Born in 1973.

Employed in 2022.

Master in Business administration, University of Växjö

Professional experience:

CFO Nobina, CFO Byggmax Group, CFO Power, Business Controller IKEA Russia and Controller IKEA. Formerly held directorships at Ahlström-Munksjö, Sortera Group, NetOnNet Group AB and CTEK AB (publ).

Other significant directorships: Member of the Board of Systembolaget and Nimlas Group.

Own and closely associated shareholdings*: 16,724 series B shares.



Helena Holmström

Director of Customer, Brand and People

Born in 1983.

Employed in 2021.

Master in Business Administration, Stockholm School of Economics.

Professional experience: Director Customer & Brand since 2022, formerly Head of Customer, Loyalty and Insights at Clas Ohlson. Head of Marketing Development, Analytics and CRM at Scandinavian Airlines (SAS). Head of EuroBonus and other senior positions in the commercial division of the SAS Group. Senior Management Consultant at Ernst & Young Advisory Services.

Own and closely associated shareholdings*: 7,629 series B shares.



Stefan Lindwall

Director of Logistics

Born in 1975.

Employed in 2025.

Master in Engineering, Linköping Institute of Technology, LiTH

Professional experience: Supply Chain Director, Pierce Group, Supply Chain & Operation Director, Nordics, Brightstar, Supply & IT Manager, Dollarstore, and several positions at Rusta.

Other significant directorships: Chairman of the Board, OFC.nu

Own and closely associated shareholdings*: 1,500 series B shares.



Anders Molander

Director of Product Management and Sourcing

Born in 1977.

Employed in 2023.

Master in Engineering, Chalmers University of Technology, Business Studies (to B.A. level), School of Business, Economics and Law at the University of Gothenburg.

Professional experience: Investment Director, Storskogen Group, CEO, Klintberg & Way, Director Complementary Business, Plantagen, Management Consultant, Accenture, Global Sourcing Manager, Scania and several senior positions in the Mekonomen Group.

Own and closely associated shareholdings*: 1,550 series B shares.



Lene Iren Oen

Director of Operations and Sales

Born in 1977.

Employed in 2019.

Market Economist, BI Norwegian Business School.

Professional experience:

Commercial Director Komplett AS, Managing Director Blush AS, and several senior positions at Clas Ohlson AS.

Other significant directorships: Board member NHO Service & Handel, and Vice Chairman NHO, Handel trade association

Own and closely associated shareholdings*: 15,173 series B shares.

* Own and closely associated holdings as per 25 June 2026.

Sustainability Report

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Sustainability that makes fixing smarter – and the business stronger

At Clas Ohlson, sustainability starts with a simple conviction: a lot can be fixed. We want to make fixing easier, smarter and more sustainable. When we make it easier to maintain, organise, repair and use what people already have for a little longer, we create real benefits – for the customer, the climate and the business.

Our strength is that sustainability can be built into what customers already come to us for: practical solutions, expert service and help to make things work better and last longer. That's why sustainability is not a diversion; it is part of how we develop everything from product range and customer interactions to leadership and business decisions. Our ambition is clear – to combine profitable growth with an increasingly sustainable offering.

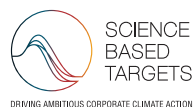
Confirmation that we are on the right track
The most important proof, which we see every day, is that customers choose us, come back and trust in what we offer. At the same time, it means a lot when our work is recognised and validated by others. In 2025, Clas Ohlson again appears on Allbright's green list of companies with an even gender balance in the management team. In addition, our emissions targets were validated by the Science Based Targets initiative (SBTi) during the financial year - an important recognition of both the direction and quality of our climate work. With this, we have a clear roadmap for reducing

emissions in our own operations, influencing the supply chain and working towards net zero emissions throughout the value chain.

Key steps during the year
During the year, we took several concrete steps forward in our sustainability work:

- **Deeper understanding of our emissions.**
We further refined our carbon calculations and embedded them deeper in the organisation, allowing our climate targets to be validated by SBTi.
- **Reducing emissions in own operations.**
Our Scopes 1 and 2 emissions decreased by 73 per cent. Activities included further LED conversion, increased purchases of fossil-free electricity and transition to electric-only cars as new company and pool cars.
- **Stronger circular offerings.**
Through the acquisitions of PhoneLife and Reservdelaronline, we strengthened our range of spare parts, while maintaining our focus on increasing the proportion of recycled materials used in our products.

ALLBRIGHT



- **Steps towards more sustainable transport.**
We launched a pilot project based on an electric truck for heavy transport and started work on developing the central warehouse in Insjön. In the long term, this will enable higher fill rates to be achieved, and thus lower transport emissions.
- **Investing in people and culture.**
We started rolling out The 7 Habits of Highly Effective People development programme to all employees. The programme gives added force to leadership, collaboration and personal development – a long-term investment in both people and Clas Ohlson's culture, performance and future.
- **Deepened activities with suppliers and on business ethics.**
We progressed our work on codes of conduct, third-party audits, supplier dialogue and strengthened internal controls in purchasing.

Our journey continues
We know that transformation is not driven by words, but by execution. That is why we are continuing to advance the positions where Clas Ohlson can make the greatest difference: in our offering to customers, in our own operations and in the value chain behind each product we sell.



When we make it easier to make things last longer, we create value for customers, for the climate and for business.

General disclosures

Basis of preparation

BP-1 General basis of preparation of the sustainability report

This sustainability report meets the requirements of the Swedish Annual Accounts Act and has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) as well as the EU Taxonomy Regulation. It has been prepared on a consolidated basis and refers to Clas Ohlson AB (publ) and its subsidiaries. The scope of the sustainability report corresponds to the scope of the consolidated financial statements, see Note 1 Accounting policies and Note 22 Investments in Group companies.

The sustainability report encompasses the organisation's own operations and, where relevant to the material sustainability issues, the upstream and downstream value chain:

- **Upstream** extends over the value chain including material selection, material extraction, manufacturing and transport
- **Own operations** include purchasing, warehousing, marketing and sales
- **Downstream** extends over the value chain including customers' use of products and the end-of-product-life cycle.

We have not taken up the option to omit information regarding intellectual property rights, know-how or results of innovation. Nor has Clas Ohlson utilised the exemption for imminent developments or issues that are under negotiation.

BP-2 Disclosures relating to specific circumstances

In the following, we describe the specific circumstances that have an impact on the preparation of the sustainability report, in particular with regard to estimates of value chain data, sources of measurement uncertainty, changes in sustainability reporting, and deferred adoption of disclosures under ESRS S2.

We apply the ESRS definitions of short, medium and long term. According to these definitions, short-term is one year, medium-term is one to five years and long-term is more than five years.

Estimates of value chain data and sources of measurement uncertainty

Several of our key climate metrics include estimates of upstream and downstream value chain data. This applies in particular to Scope 3 emissions, where a large measure of the climate impact is linked to products and the supply chain. In some cases, calculations are based on material specifications, emission factors from open databases, standard factors, statistical data and other indirect sources. The Scope 3 categories most affected are purchased goods and services, capital goods, use of products sold and final disposal of products sold. The calculation methods and the share of emissions calculated using primary data from suppliers or other value chain partners are reported in E1-6 under Scope 3 and the volume of primary data. This is particularly relevant against the background of our material IROs (Impacts, Risks and Opportunities) that emissions from products dominate our impacts and that energy use in the supply chain is significant. We are continuously working

on improving data coverage and methodology to improve the accuracy of these estimates.

Sources of measurement uncertainty are reported separately. The emission measure where the measurement uncertainty is considered to be most significant is category 1. In addition, some measurement uncertainty exists in category 2, category 11, category 12 and the part of category 9 that relates to transport and storage downstream from the business customers of Spares. The uncertainty mainly arises through the use of material data, cost-based emission factors, product weight, sales volumes, time-of-use and life-time assumptions, country-specific grid factors, waste treatment assumptions and proxy data. The emissions concerned are reported in E1-6, in the table showing gross greenhouse gas emissions and in the reporting principles for Scope 3.

Changes in the preparation of sustainability disclosures and comparability over time

During the year, we further developed the methodology for and basis of calculating Scope 3 emissions. For purchased goods (category 1), methodology and data quality have been improved through more appropriate emission factors and adjusted supplier data. Emissions from the use of products sold (category 11) have been calculated using a new, more detailed model. Otherwise, some methodological adjustments have been made, including completely new calculations for capital expenditure and methodological updates for emission calculations for waste in own operations, business travel, transport and end-of-life products.

In addition, we have included our subsidiaries in all emission calculations, unlike last year when

Clas Fixare and Spares were only included in Scopes 1 & 2. PhoneLife and Reservdelaronline, which were incorporated into the Spares Group in the financial year 2025/26, have also been included as of December 2025 (first full month after the acquisition), to reflect the financial consolidation.

Methodological improvements have also been applied retroactively to the previous period's (2024) emissions, except for adjustments to emission factors for Scope 3 category 5 (waste in own operations), transition to primary activity data for business travel by own car in category 6 (business travel) and improvement of how a freight forwarder reports emissions within our categories 4 and 9 (transport).

The overall effect of the changes is that the 2024 emission figures in this report have been made as comparable as possible with the 2025/26 financial year, although Scope 3 categories 4, 5, 6 and 9 are not fully comparable. As a result of the recalculations, the figures for 2024 differ from those published in the 2024/25 Annual Report. More details are provided in section E1-6.

Application of phase-in provisions for ESRS S2

In accordance with ESRS 2, we have elected to apply deferred adoption of disclosures under ESRS S2 (Workers in the value chain) for the financial year 2025/26 even though the area has been judged to be material to us. More information is provided in the sub-section of S2, Social information. This reflects our identified material impact associated with long working hours upstream in the value chain and the risk of breaches of labour law by suppliers that could harm workers and trust and reputation.

Governance

GOV-1 The role of the administrative, management and supervisory bodies

Our administrative, management and supervisory body as defined in the ESRS is the Board of Directors (including its committees).

Composition of the Board of Directors

Our shareholders appoint the Board at the Annual General Meeting. The starting-point for the work of the Nomination Committee is to ensure that the Board has the expertise, experience and background required by its mandate. The work of the committee also includes taking into account diversity, gender balance, the Company's strategy and targets, and future skills requirements. The Board consists of 9 owner-elected members, 2 employee representatives and 1 deputy who is also an employee representative. All members elected by the AGM are non-executive and independent of the Company and company management, as required by the Swedish Code of Corporate Governance, but two are not independent of major shareholders. As a result, 82 per cent of the Board (excluding the deputy) is fully independent. Finally, the gender balance on the Board is 45 per cent women and 55 per cent men.

Responsibilities of the Board

The Board is responsible for our governance, supervision, organisation, strategies, internal controls and policies. In sustainability, the Board adopts the Group's Sustainability Policy, Sustainability Strategy with associated targets, Code of Conduct and Code of Business Ethics. As such,

the Board also has overall responsibility for our work on business conduct, which includes business ethics, anti-corruption, whistleblowing and the treatment of irregularities. The Board as a whole monitors the functioning of policies, processes and reporting channels, while the Audit Committee, part of the Board, monitors risk assessments, whistleblowing cases and other business ethics and compliance issues.

The allocation of duties between Board and CEO is set out in the Board's rules of procedure and in the instructions to the CEO. The rules of procedure state that the Board is responsible for the Company's long-term operations, overall targets and strategy, issues of major financial, legal or general importance, risks associated with the business and compliance with laws and internal guidelines. It also requires the Board to set key policies and present the sustainability report annually. This is reflected in the Board's annual plan through regular consideration of the strategy and business plan with sustainability-related targets, risks including sustainability-related risks, key policies, the annual and sustainability report, information security, whistleblowing and business ethics.

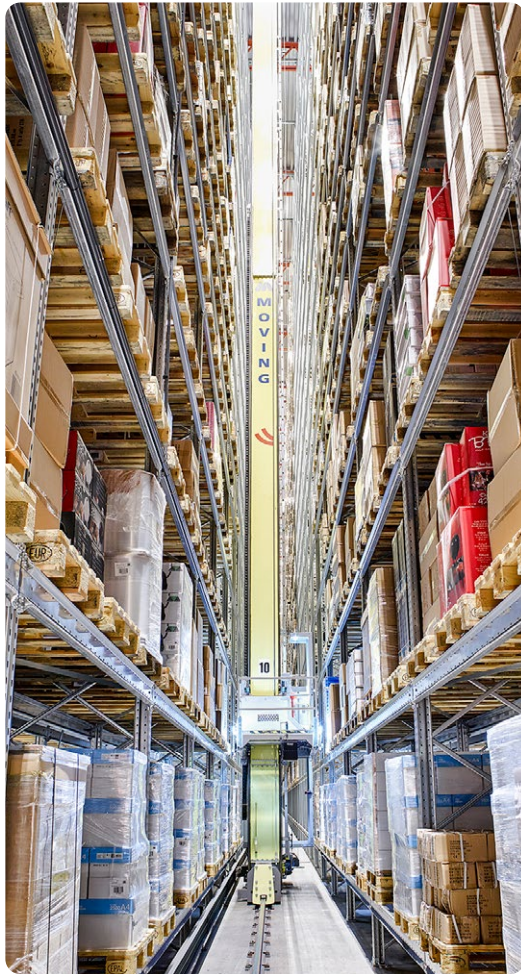
Board supervision and management responsibilities

Under the overall supervision of the Board, Group Management is responsible for the implementation of the sustainability strategy and for the integration of sustainability issues into decision-making, business management and reporting. The Director of Customer and Brand is a member of Group Management and has responsibility at



The Board sets key policies, monitors risks and has overall responsibility for the Sustainability Report

Sustainability issues are monitored in an integrated way with strategy, risks and business plan



Sustainability risks are part of our regular risk management process and are reported to the Board and Audit Committee

operational level for the sustainability strategy. Reporting to the Director of Customer, Brand and People, the Group Sustainability Lead drives the strategic development and operational implementation, as well as the relevant functions, monitors targets and oversees work on the ESRS-compliant sustainability report. Reporting to the Board of Directors is performed by the CEO, Group Management and the Group Sustainability Lead within the scope of the normal annual plan of the Board and the Audit Committee.

Our Chief Financial Officer, who is also a member of Group Management, is responsible for the Group-wide risk management process and risk management policy. Sustainability risks are included as a separate risk category in the process, which links the double materiality analysis to the Company's regular risk management work. The risk assessment and mitigation actions of Group Management are reported to the Audit Committee and the Board twice a year. Risk reports are reviewed by the Audit Committee before they are considered by the Board. The Audit Committee and the Board also receive regular reports on internal control, policy work, training, significant whistleblowing and incident cases, IT, cyber and information security, and data protection.

Evaluation of the work of the Board of Directors and competence of directors

The work of the Board is evaluated annually and the results used as a basis for the Nomination Committee's assessment of the overall competence and experience of the Board. Overall, the Board has experience relevant both to our sector, and to our products and geographic markets, including in Nordic retail, consumer goods, digital business development, marketing, logistics, corporate finance and corporate governance.

In addition, the Board has overall sustainability-related expertise in accounting and regulatory requirements, climate and environmental issues, circular economy, social sustainability and sustainability governance. This is complemented by competence in business ethics, compliance,

anti-corruption, responsible supply chains and internal control.

The Board has also received training in sustainability reporting, regulatory requirements, codes of conduct, anti-corruption and ethics. Together, these competences cover our material impacts, risks and opportunities. Where necessary, the combined competence in sustainability of the Board, management and the sustainability function is also complemented by external expertise.

GOV-2 Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies

Flow of information to the Board of Directors and Audit Committee

The Board and the Audit Committee are informed according to established annual plans and through regular reporting channels from the CEO, Group Management, Group Sustainability Lead, Chief Financial Officer, Head of Legal and external auditors. The Board receives continuous business and operational updates at regular meetings and addresses specific sustainability-related issues via regularly addressed agenda items, including strategy and business plan with sustainability-related targets, risks including sustainability-related risks, ESG updates, new legislation affecting the business, data protection reporting, annual report and sustainability report, and sustainability targets in incentive programmes. Risk reporting is conducted twice a year. The Audit Committee addresses issues such as risk reporting, internal control, IT and cyber issues, whistleblowing, irregularities and the review of the sustainability report. During the financial year, the Board also approved the annual updates of key sustainability policy documents, such as the Sustainability Policy, the Risk Management Policy, the Human Rights Policy Statement, HR Policy and Health and Safety Policy.

Consideration of material sustainability issues during the year

During the financial year, the Board addressed sustainability issues both as part of the regular business and risk agenda and in terms of specific reporting items. The Board discussed, *inter alia*, the strategy and business plan including sustainability-related targets, the relevance of the product range over the year, the in-house workforce, risks including sustainability-related risks, the ESG update, new legislation affecting the business, the annual report, the corporate governance report and the sustainability report, and sustainability targets in the LTI programme. The Audit Committee considered issues such as risk reporting, internal control, IT, cyber and information security, loss prevention and fraud, whistleblowing, and the review of the annual report, corporate governance and sustainability report. In addition, the Audit Committee and the Board were informed about the update of the double materiality analysis, the material issues reported in the Sustainability Report and the main changes from the previous year.

How sustainability issues are addressed via governance and risk management

Sustainability issues are taken into account in the regular processes of strategy, business planning, risk management, product range development, purchasing, human resources and compliance. Therefore, when considering strategy, major financial commitments, incentive programmes, risk reporting and annual reporting, the Board weighs issues that may affect both the long-term development of the business and the Company's impact on people and the environment. Such issues include the climate impact of products and transport, energy use and transition issues, product quality and material requirements, health and safety and skills, working conditions in the supply chain, corruption risks in purchasing and supplier relationships, and information security and data protection. Trade-offs are handled within the context of the respective decision-making framework and risk assessment, for example between cost, availability, quality, climate impact, regulatory compliance and customer benefit.

Material sustainability issues addressed by the Board and the Audit Committee during the financial year

During the financial year, the Board and/or the Audit Committee addressed, *inter alia*, the following material sustainability issues:

- Climate and energy, including climate targets, emissions from products and transport, energy use in own operations and the supply chain, and new and upcoming reporting and regulatory requirements.
- People and culture, health and safety, well-being, skills and leadership development, employee engagement, succession planning and equal opportunities.
- Supply chain and sourcing, including human rights, working conditions, responsible sourcing, material and product requirements, supplier monitoring and risks to workers in the value chain.
- Business conduct and control environment, including code of conduct, code of business ethics, anti-corruption, supplier relationships, whistleblowing, irregularities, loss prevention, fraud, IT, cyber and information security and data protection.

GOV-3 Integration of sustainability-related performance in incentive schemes

Our Board of Directors receives remuneration approved by the Annual General Meeting, but is not covered by any pension or incentive programmes and thus has no sustainability-related results integrated into its incentive scheme. On the other hand, senior executives and other key employees within the Group are covered by sustainability-related incentives. Total remuneration for senior executives consists of fixed salary, short-term incentives (STI), long-term incentives (LTI), pension and other benefits. The Board of Directors resolves on the overall terms and conditions and monitors the outcome, while the Annual General Meeting resolves on long-term incentive programmes.

Short-term incentives (STI)

STIs are based on annual performance targets set by the Board of Directors, as well as individual targets agreed between co-workers and managers. These may include sustainability-related targets and the outcome is linked to individual performance.

Long-term incentives (LTI)

LTIs, targeted at senior executives and key employees, are based on multi-year company-wide performance targets, covering both finance and sustainability. Sustainability targets can vary from one programme to another and to date have been linked to our climate, social and business conduct targets. As a result, part of long-term variable remuneration is determined by progress towards these targets.

For more information, see Note 7 (Personnel and personnel costs) to the financial statements or the separate remuneration report.

GOV-4 Statement on due diligence

Information on our due diligence is provided in different sections of this Sustainability Report as shown in the table below. This shows where in the report the key elements of ESRS due diligence are described.

Key elements of due diligence	Sections in sustainability report
a) Embedding due diligence in governance, strategy and business model	GOV-2, GOV-3, SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	GOV-2, SBM-2, IRO-1, S1-2, G1-2, S2 overview according to BP-2
c) Identifying and assessing adverse impacts	SBM-3, IRO-1
d) Taking actions to address those adverse impacts	E1-3, S1-3, S1-4, G1-2, G1-3, S2 overview as per BP-2
e) Tracking the effectiveness of these efforts and communicating	E1-4, E1-5, E1-6, S1-5, S1-9, S1-14, S1-16, S1-17, G1-3, G1-4



GOV-5 Risk management and internal controls over sustainability reporting

Scope and main features

Our risk management and internal control over sustainability reporting consists of the sustainability reporting process itself, from data collection and calculation to compilation, quality assurance and external reporting. This work is performed within the scope of the Group's overall risk management, but with data point and method-specific controls in the parts of the reporting where the risk of error is greatest. The work is performed cross-functionally, with each function responsible for gathering and quality assuring data in their areas, while the sustainability function performs an overall reasonableness

assessment, coordinates the process and consolidates the reporting. The double materiality analysis constitutes a key basis for sustainability reporting and for how we prioritise control activities in the reporting process.

Risk assessment and prioritisation

We identify, assess and manage individual risks continuously via our sustainability reporting process, having first systematically created an overview of which areas are most at risk of error and where such errors would give rise to the greatest impact. When prioritising control actions, we pay particular attention to whether the data is based on value chain data or other external inputs, whether the calculation involves estimates or modelling assumptions, whether the process

involves manual steps, and whether access to the data is limited in terms of time or systems. When collecting sustainability data, we prioritise our own data first, followed by category-specific external primary data, supplier data or other reliable external sources, depending on what is most relevant and robust for each data point. This means that the focus of our controls is on the aspects of the reporting that are linked to our material IROs in climate change, own workforce, business conduct and value chain.

Main risks and related controls

The main reporting risks are missing or non-comparable data, unverifiable external data, calculations and estimates based on incorrect assumptions, manual steps leading to errors, and discrepancies not detected before reporting. The controls described below are designed to mitigate these risks through clear data ownership, documented methods, traceable records, reconciliations and reasonableness checks.

Source data and collection

For climate data from purchased products, the main risk is that supplier data on material content is reported inconsistently, incompletely or in a way that cannot be used in the calculation model. Risk is mitigated through standardised material specification templates, checks by the Compliance team on incoming supplier data, and overall reasonableness assessment by the Sustainability function.

For electricity and transport data, the main risks are that consumption or transport operations are not fully reported, that data from external parties contain errors or do not refer to the correct period, and that electricity certificates or other supporting documents cannot be linked to reported data. To address this risk, we collect portal extracts, system exports, certificates, email responses and other verifications, which are analysed and assessed for reasonableness by the functions collecting the information, and stored in a transparent and traceable manner. Finally, the sustainability function performs an overall reasonableness assessment.

For social data and G1 data, the main risks are missing or double counting data, misclassification of cases, data not covering the whole reporting period or all relevant units, and insufficient traceability of underlying documentation. The data is mainly derived from HR and payroll systems, whistleblowing systems, incident reporting, supplier audits and monitoring of supplier compliance with the Code of Conduct. In these sections, we focus in particular on completeness, correct classification, and traceability.

Calculations, estimates and reasonableness checks

In the case of calculations and estimates, the main risk is linked to emission calculations and the possibility that modelling assumptions, emission factors, manufacturing mark-ups, manual calculations or scaling up result in incorrect or non-comparable values. Similar risks may also be present on a smaller scale regarding data related to social information or business conduct. Regardless, the risks are mitigated by documented methodological descriptions, stored data for key methodological choices and figures (not least emission factors), control tabs and logic checks in models, and reasonableness assessments of coverage, scaling up and outcomes compared to the previous year. As concrete examples, for electricity and transport data we use, *inter alia*, comparisons over time, key metrics per square metre, transported weight and tonne-kilometres to identify discrepancies, unit errors and other unreasonable values

Compilation, review and management of non-conformities

The main risk in compilation is that anomalies, misclassification or incomplete demarcations are not detected before publication. This risk is mitigated through reconciliations with financial reporting (for example, regarding the average number of co-workers stated in S1), internal review and documented management of deviations. Where data cannot yet be produced with sufficient quality or in a consistent manner in

current systems support, we set transparent and consistent boundaries for reporting.

Integration into functions and processes

We integrate the results of risk assessments and data quality checks into relevant functions and processes through documented methodologies, standardised extracts and common work files, with the responsible function producing evidence and the sustainability function coordinating and consolidating. The finance function provides reconciliation, support and quality assurance. This structure allows deviations, methodological issues and improvement needs identified to be fed back into the data process concerned. Over time, we intend to further develop internal control over sustainability reporting into a more formalised structure with clearer documentation of risks, control activities, control owners, control evidence, frequency and follow-up. We are achieving this with our internal control over financial reporting as a reference for the target.

Reporting to the Audit Committee and the Board of Directors

The overall risk assessment and mitigating actions of Group Management are reported to the Audit Committee and the Board on a semi-annual basis, with additional reporting as needed. Since this is the first year of CSRD reporting, sustainability reporting risks have not yet been integrated into this regular reporting to the Board, but the ambition is to integrate it over time in order for sustainability reporting to mirror financial reporting as far as possible. However, this year the Audit Committee and the Board of Directors have each already met to learn about some of the ongoing risks associated with the process of producing our first CSRD annual report.

Completeness, traceability and reasonableness checks are key when collecting data from across the organisation – often down to product level



Strategy

SBM-1 Strategy, business model and value chain

Strategy and business focus

Our strategy is based on our mission to offer our customers smart solutions for a comfortable and functional everyday life, irrespective of their budget and level of expertise. We deliver through safe, quality products at reasonable prices, allied to expert service and high availability – through physical stores, online and via local customer service in multiple languages. Through relevant and effective marketing communications, we drive demand and strengthen brand awareness.

Implementation is characterised by a focus on a year-round relevant product range, profitable growth in stores and online and a competitive cost base. Our environmental and social responsibility forms an integral part of how we run and develop our business, with clear links to our business plan, priorities and monitoring. This ensures that we make informed decisions that underpin the business, while contributing to responsible development for people, businesses and society.

Offering, customers and geographical presence

Our offering consists in the main of products in our five priority product niches:

- Tidy up & Organise
- Light up & Decorate
- Home comfort & Prepping
- Tech, connect & Entertain
- Fix & Repair

The offering is supplemented with spare parts and accessories aimed at extending the service life of products, both within Clas Ohlson and through the subsidiaries' sales channels such as Spares, Zandparts, Teknikdelar, Batterixperten, PhoneLife, Teknikmagasinet and Reservdelar-online.

The customer base consists mainly of private individuals and a smaller proportion of corporate customers in Sweden, Norway and Finland. Through its subsidiaries, the Group also has private individual and corporate customers in other European countries such as Denmark and Germany.

Geographical presence is mainly in the form of stores, offices and warehouses in Sweden (2,673 co-workers), as well as stores and offices in Norway (1,969 co-workers) and Finland (538 co-workers). We also have purchasing offices in Poland (6 employees), China (35 employees), Vietnam (8 employees), India (1 consultant) and Turkey (legal entity registered in 2025/26, operations to start in 2026/27).



Our aim is to offer our customers smart solutions for a comfortable and functional everyday life, irrespective of their budget and level of expertise.

Sustainability-related targets and assessment of the offering

Our overall ambition is to enable a more sustainable everyday life for our customers through longer product lifespan, lower climate impact and a responsible offering throughout the value chain. To support this ambition, we have a number of main targets covering environmental and social issues, as well as several internal KPIs regarding targets and milestones.

Our current offerings, main markets and customer groups support several of our sustainability-related targets, but also make continued transformation necessary. For own brands, the aims of low complaint levels and high product ratings are closely linked to product quality, which reduces replacement needs and, in the long run, production requirements. At the same time, our main markets in Sweden, Norway and Finland make transport targets particularly relevant, as many of our goods are bought and shipped from Asia. Also, our business model as a retailer makes the aims of suppliers' SBTi-equivalent targets – and their compliance with the Code of Conduct – key to our business development. To our main customer groups, this means that the offering needs to continue to evolve towards safe, quality products, improved material and packaging choices, and lower emissions in the value chain. This is complemented by the target of gender balance among managers with personnel responsibility, as well as indicators such as engagement, well-being and equal opportunities, which are mainly linked to our own organisation.

Clas Ohlson's sustainability targets

Targets for each year

2030

2045

Gender equality

We work methodically on succession planning to strengthen the supply of leadership talent in the long term and to support a more equal gender representation among managers with responsibility for personnel.

Target

- At least 40 per cent of the under-represented gender among managers with responsibility for personnel.

Resource management

For own brands, the aims of low complaint levels and high product ratings are closely linked to product quality, which reduces replacement needs and, in the long run, production requirements.

Target

- ≤0.90 per cent complaint rate for our own brand products
- ≥4.4 average rating for our own brand products

Climate

Target*

- Reduce absolute scope 1 and 2 GHG emissions by 90 per cent by financial year 2030 from a 2024 base year.
- Maintain a minimum of 90% absolute scope 1 and 2 GHG emissions reduction for financial years 2030 through 2045 from a 2024 base year.
- 75 per cent of suppliers (measured by purchased value) of goods and services, shall have science-based climate targets by financial year 2030.

Target

- 100% FSC/PEFC certified wood products
- Fossil-free transportation in the Nordics

Target*

- Reduce absolute scope 3 GHG emissions from purchased goods and services and use of sold products by 90 per cent by the financial year 2045 from a 2024 base year.



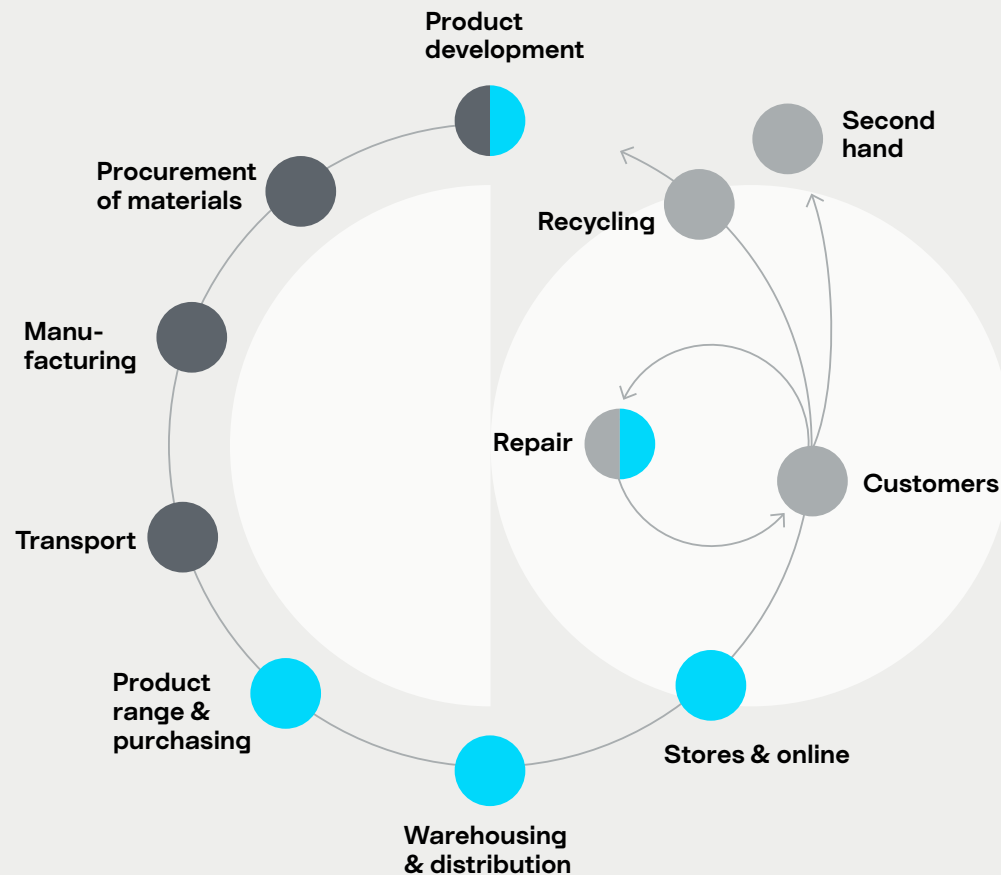
* Targets validated by the Science Based Targets initiative (SBTi)

Business model and value chain

Our business model is to serve as a retailer of everything needed for a comfortable everyday life. We do this by offering both own and well-known brands, through both physical stores and online.

The diagram below summarises our value

chain and the areas we are active in. As a retailer of finished products, our value chain extends much further upstream than downstream (in terms of both number of steps and geographical movements), but it is compressed here for clarity.



Upstream

In the supply chain, material selection, material extraction, manufacturing and transport take place. This stage accounts for the most important inputs in our business model, in the form of the very products we buy.

Our work focuses on supplier selection, product requirements, codes of conduct, dialogue and monitoring. In this way, we influence the choice of materials, manufacturing and transport, and strive for good working conditions, respect for human rights, reduced environmental impact and sound business conduct in the supply chain.

Our impact is greatest where we have direct business relationships, especially for products under our own brands.

Material Topics

- E1 Climate change
- S2 Workers in the value chain
- G1 Business conduct

Clas Ohlson

Our own operations encompass product development, purchasing, warehousing and distribution, marketing, operating stores and online services, and developing the spare parts offering. Through these functions, we develop, source, distribute and sell products, set requirements for products and suppliers, manage traceability and information, and take responsibility for working conditions and professionalism in our own operations.

We also contribute to longer product lifespan through quality, spare parts and solutions that facilitate repair.

Material Topics

- E1 Climate change
- S1 Own workforce
- G1 Business conduct

Downstream

After products leave our control, they are used, repaired, reused, recovered by the customer, and reach the end of their product life cycle.

At these stages, the quality, safety, durability, reparability and energy consumption of the products, as well as the information to the customer, affect both their environmental impact and the ability of customers to use, maintain and handle products responsibly at the end of the product's service life.

Material Topics

- E1 Climate change

The main commercial actors in this structure are suppliers, our sourcing and distribution functions, stores and e-commerce channels, and our end customers. Our supplier base consists of both major suppliers and small and medium-sized enterprises (SMEs), and our policy on payment terms and purchasing practices applies to all suppliers irrespective of size (see G1-2).

Our key inputs are goods purchased from suppliers, warehouse and distribution capacity, and our in-store and e-commerce channels. These are developed and secured through continuous product range renewal, quality, material and supplier requirements, efficient logistics, and offerings that facilitate the repair and extended use of products.

Our key input goods and resources are for the most part the products and materials we buy from suppliers, together with the warehousing, distribution and logistics capacity needed to get the goods to our sales channels. These are developed and secured via continuous product range renewal, close collaboration with suppliers, requirements as to quality, materials, traceability and accountability, and by gradually aligning the choice of materials and logistics with our sustainability targets.

Principal strategic challenges and implementation

The main strategic challenges linked to sustainability are reducing the climate impact of purchased products and the supply chain, meeting increasingly strict regulatory requirements for traceability, data and reporting, and ensuring good working conditions, respect for human rights and business ethics in the value chain. Elements crucial to implementation are improved data collection regarding materials and emissions, continued material and packaging improvements, moving towards a more circular product design and business model, progressively more sourcing from geographically closer markets, and continued monitoring of suppliers through codes of conduct and third-party audits.

SBM-2 Interests and views of stakeholders

Stakeholder perspectives in our strategy and business model

Understanding and taking into account our stakeholders' requirements, expectations and views is part of how we develop our business. We use ongoing dialogue, data and monitoring to gain intelligence on what is important to co-workers, customers, suppliers, shareholders, capital markets and society. The information obtained is used to inform our double materiality analysis, risk management, business planning and sustainability prioritisation.

Our key stakeholders and how we interact

- **Suppliers** We maintain close contact with suppliers and monitor requirements through codes of conduct, third-party audits and supplier dialogue. Key issues include sustainable materials and certifications, quality and product lifespan, human rights, working conditions, anti-corruption and bribery, and packaging optimisation. For workers in the value chain, we address concerns in particular through supplier dialogue, due diligence, third-party audits, and available grievance mechanisms. This is used as a basis for setting requirements and follow-up in purchasing and supplier activities, particularly with regard to issues of working hours, labour law, governance in supplier relations and corruption risk in the purchasing process.
- **Employees** We obtain feedback through regular employee surveys and appraisals, internal communication channels and our network of sustainability ambassadors. Key issues include leadership and skills development, diversity and gender equality, health and well-being and corporate culture, as well as anti-corruption and bribery. Employee interests are taken into account in the development of leadership, competence, health and safety, internal communication and equal opportunities. This is

especially relevant in the light of our material IROs linked to sustainability education and engagement, well-being and compliance, and equal opportunities for all.

- **Customers** We use in-store and online customer interactions, customer service, social platforms, as well as customer, quality and sales data, to inform assortment and product decisions. Key issues are availability, value-for-money, quality, warranty and product lifespan, and product safety.
- **Society** We participate in projects, collaborations and standardisation settings relevant to our industry. This informs us as to expectations regarding chemicals, producer responsibility, recovery and reuse in our value chain.
- **Shareholders and capital markets** Dialogue takes place through regular reporting, AGMs, investor meetings and, on occasion, capital markets days. Key themes are sustainable and long-term returns, and the impact of sustainability on the business.

Link to business model, value chain and priorities

Our stakeholder dialogues and double materiality analysis indicate that our most significant sustainability issues exist above all in the product life cycle, the supply chain and our own organisation. This applies in particular to the climate impact of products and supply chains, working conditions and business ethics in the value chain, as well as skills, well-being and equal opportunities in our own operations. The insights gained are continuously applied to our priorities in business planning, purchasing and product and product range development. Customer reviews, customer feedback and input from store co-workers are used, for example, in the development of product ranges and delivery options, while supplier dialogues and follow-up are used to develop requirements and working methods in the supply chain.

Governance and information flows

The Board has adopted our sustainability strategy and our overall targets, and sustainability issues are a recurring item on the Board's agenda. The Director of Customer and Brand is a member of Group Management and is responsible for sustainability in that area, and thus also for integrating the sustainability agenda into business planning and risk management. Moreover, sustainability forums are held quarterly as part of Group Management meetings, where Group Management is joined by the Group Sustainability Lead, who leads such meetings. The agenda for the sustainability forum is directed by the Group Sustainability Lead, varying from one event to another, with updates and discussion and decision points being common features. The Group Sustainability Lead engages exclusively in sustainability issues strategically as well as operationally, reporting to the Director of Customer and Brand.

During the updating of the double materiality assessment, the Audit Committee and the Board were informed of the process and outcomes. In addition, the Company's risk assessments and mitigating measures are reported to the Audit Committee and the Board twice a year. This provides our administrative, management and supervisory bodies with information regarding how the interests and views of relevant stakeholders relate to our sustainability-related impacts.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Material sustainability topics and material IROs

According to our updated double materiality analysis, climate change (E1), our own workforce (S1), workers in the value chain (S2) and business conduct (G1) are material sustainability areas. These areas, and the material IROs they encompass, form the basis for how we prioritise our

sustainability work, and how we align our strategy, business model and risk management. The ESRS disclosure requirements cover our material sustainability topics, so no entity-specific disclosures needed to be added.

The table below summarises the material IROs on which this year's assessment is based. It shows which IROs are actual and which are potential, whether they are impacts or risks, and where in the value chain they arise and over which time horizons they are mainly concentrated.



Material impacts, risks and opportunities

Material topic	Description of impact, risk or opportunity	Main impact on strategy, business model and decisions	Impact/risk/opportunity	Actual/potential, positive/negative	Value chain	Time horizon
E1 Climate change						
Climate change mitigation	Emissions from products dominate impact	Affects work on product and material selection, climate data, supplier dialogue and development of the offering, including quality, spare parts, repair and other solutions that may extend the use of products.	Impact	Actual, negative	<ul style="list-style-type: none"> ● Upstream ● Downstream 	Short / Medium / Long
	Own operations give rise to Scopes 1 & 2 emissions	Affects priorities associated with energy use, transport, buildings and monitoring of emissions in own operations.	Impact	Actual, negative	<ul style="list-style-type: none"> ● Own operations 	Short / Medium
	Climate-related regulatory transition risk	Affects the need for traceability, reporting, system support and compliance in products, materials, purchasing, emissions data and other sustainability information.	Risk	Potential, negative	<ul style="list-style-type: none"> ● Upstream ● Own operations 	Short / Medium
Energy	High energy consumption in suppliers' facilities	Affects supplier dialogue, data collection and prioritisation in purchasing and climate work, especially in parts of the value chain where production and material processing are energy intensive.	Impact	Actual, negative	<ul style="list-style-type: none"> ● Upstream 	Short / Medium / Long

Material topic	Description of impact, risk or opportunity	Main impact on strategy, business model and decisions	Impact/risk/opportunity	Actual/potential, positive/negative	Value chain	Time horizon
S1 Own workforce						
Working conditions	Risks to employee wellbeing and legal compliance	Affects work on health and safety, HR processes, internal monitoring and leadership in own organisation, especially in stores, logistics, purchasing and other functions.	Risk	Potential, negative	● Own operations	Short / Medium
	Inadequate conditions for employee training, learning and engagement	Affects skills development, sustainability engagement and internal capacity to implement changes in working practices, product range, data and compliance.	Impact	Potential, negative	● Own operations	Medium
Equal treatment and equal opportunities for all	Diversity Valuing different strengths and perspectives creates fairness and equal opportunities at Clas Ohlson and in society	Affects work on inclusion, leadership, recruitment, development and employee engagement, which is important in terms of our long-term skills supply and attractiveness as an employer.	Impact	Actual, positive	● Own operations	Short / Medium / Long
S2 Workers in the value chain						
Working conditions	Excessive working hours upstream in the value chain	Affects setting of requirements, risk-based monitoring, third-party audits and supplier dialogue in purchasing, especially upstream in the supply chain and in manufacturing and other value-adding in high-risk countries	Impact	Actual, negative	● Upstream	Short / Medium
	Breaches of workers' rights among suppliers' employees may damage trust and reputation	Affects human rights due diligence, supplier selection, codes of conduct, audits, corrective actions and management of supply chain non-conformities.	Risk	Potential, negative	● Upstream	Short / Medium
G1 Business conduct						
Corruption and bribery	Corruption risk in purchasing	Affects controls, training, codes of conduct, whistleblowing and business ethics procedures in purchasing and supplier processes.	Risk	Potential, negative	● Upstream ● Own operations	Short / Medium / Long
Management of relationships with suppliers including payment practices	Failures in management of supplier relationships may lead to ethical breaches and legal consequences	Affects supplier management, contractual terms and conditions, monitoring, payment procedures and internal control processes related to supplier relationships.	Risk	Potential, negative	● Upstream ● Own operations	Short / Medium

How IROs affect strategy and business model

The material impacts, risks and opportunities (IROs) identified affect above all our priorities in the areas of product range, product and material selection, purchasing, supply chain management, logistics, data, compliance, health and safety, skills development and business ethics controls. IROs are integrated into business planning, risk management, product and product range development, purchasing, supplier monitoring and skills development. This results, for example, in improved data collection regarding materials and emissions, continued developments in selection of materials and packaging, longer product lifespans via quality and spare parts offering, progressively more sourcing from geographically closer markets, and continued monitoring of suppliers through codes of conduct, third-party audits and supplier dialogue. The table above illustrates where each IRO is concentrated in the business model and the time horizons over which each is deemed relevant. It also describes more specifically how each material IRO affects strategy, business model and decisions.

At present, the material risks are expected to affect above all cost levels, investments and internal resource requirements in, for example, materials, purchasing, transport, compliance, systems support, logistics, IT, data and analytical capacity. Financial effects are currently assessed on a qualitative basis, focusing on how IROs can affect cost levels, resource requirements and priorities in day-to-day operations. These issues are monitored as necessary in the context of regular business planning and risk management, and how financial effects are assessed is gradually being developed as the evidence becomes more specific.

Resilience in strategy and business model

Resilience in our strategy and business model is assessed against all material IROs by reference to E1, S1, S2 and G1. A qualitative analysis is performed on the basis of the double materiality analysis, the climate scenario analysis and regular risk management and business planning. The

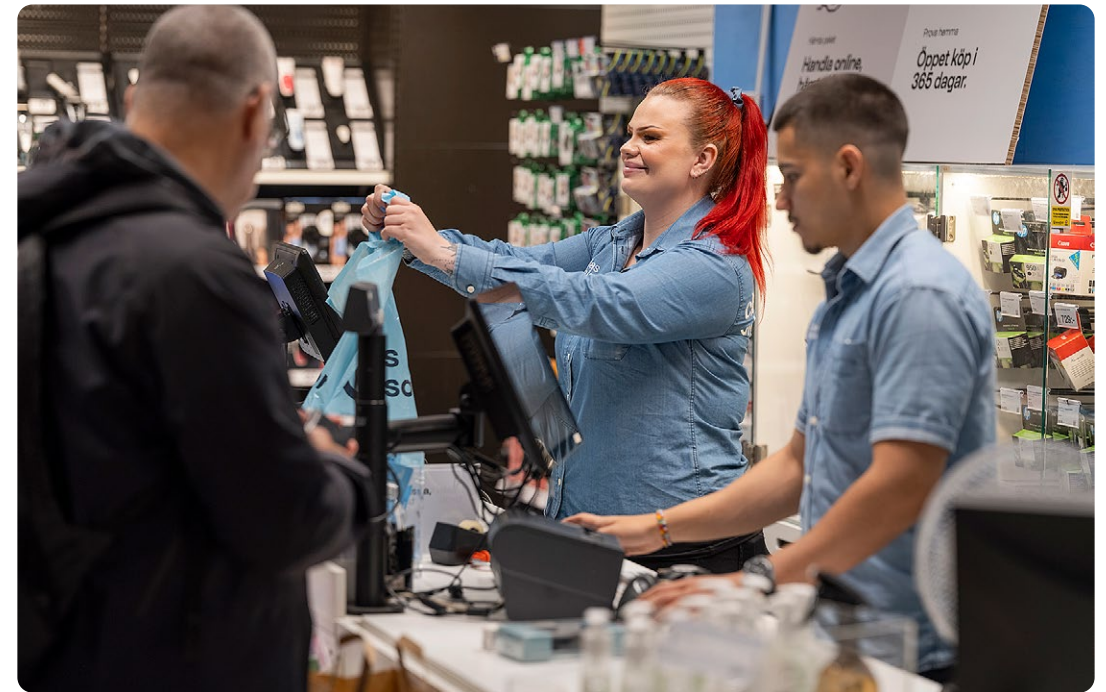
time horizons are short-term of one year, medium-term of one to five years and long-term of more than five years. Overall, we believe that the business model in major ways provides for resilience in the form of a wide-ranging needs-driven range, potential for developing sourcing and the supplier base, established supplier monitoring, health and safety and skills management, and control of sourcing and business ethics risks. At the same time, resilience requires ongoing development of data, traceability, material and product selection, supplier management, internal skills and compliance.

Climate change (E1)

Our material climate-related risks consist of both physical and transition risks. Physical risks relate for the most part to supply chain and operational disruptions such as flooding, extreme rainfall and other weather-related disruptions, including in low-lying sourcing hubs such as Shanghai and Ho Chi Minh City, and in Nordic infrastructure. Transition risks mainly relate to ever-increasing demands for traceability, reporting and emission reductions due to new regulations and changes in market expectations. The climate scenario analysis was conducted in 2025 based on the IPCC's low-, medium- and high-emission scenarios. The global supply chain, operational resilience and customer offering were analysed, with 2035 as the main time horizon, but also taking a view on developments up to 2100. According to the analysis, resilience can be strengthened through more regional and diversified sourcing, better forecasting and planning capabilities, investments in data, logistics and IT, and further enhancement of the customer offering, including repair and other solutions that extend the use of products.

Own workforce (S1)

For IROs relating to the Company's own workforce, resilience is based on the ability to attract, develop and retain committed and skilled employees in retail, logistics, purchasing and other functions, to maintain safe working



conditions and to develop equal opportunities. Material impacts and risks affect above all leadership, skills development, work on health and safety, monitoring and internal resilience. Work on reducing emissions, strengthening data and meeting new climate and sustainability requirements also requires increased demands on skills development, new ways of working and cross-functional collaboration.

Workers in the value chain (S2)

For IROs related to workers in the value chain, the material impacts and risks are concentrated mainly in the upstream supply chain, especially workers in manufacturing and other processing in high-risk countries. These risks mainly consist of long working hours, health and safety, other labour law issues and human rights. The negative supply chain impacts are mainly related to recurring and structural risks in certain sourcing

contexts rather than single isolated events. In line with the phase-in relief, we do not provide full ESRS S2 reporting for 2025/26, but the issues affect requirements setting, third-party audits, supplier dialogue, corrective actions and due diligence work.

Business conduct (G1)

For IROs linked to business conduct, resilience is based on the ability to ensure business ethics and compliance in purchasing and supplier processes. Corruption risk and shortcomings in supplier management affect controls, training, codes of conduct, whistleblowing, contractual terms, payment procedures and monitoring of business partners. These issues are closely linked to our operational performance and to confidence in Clas Ohlson as a buyer and brand.

Impact, risk and opportunity management

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

Starting point and purpose

For our first ESRS sustainability report, our double materiality assessment was conducted in three stages. In 2023/24, we produced an initial double materiality assessment, which was further developed substantially and revised in 2024/25. The initial process identified potential and material impacts, risks and opportunities in our value chain. In 2025/26, we updated the earlier analysis to determine whether new IROs had emerged, whether the materiality of existing IROs had changed, and whether the aggregated list remained relevant as a basis for sustainability reporting, risk management and strategic planning.

Methodology and assessment criteria

The original assessment was streamlined from a broadly-based gross list of potential IROs to a shorter list of material IROs. Potential IROs were identified through value chain mapping, the ESRS structure, previous assessments, internal interviews and workshops, customer, employee and supplier data, supplier audits, external monitoring and input from external experts. Each IRO was then assessed for both impact materiality and financial materiality. We assessed negative impacts in terms of scale, scope, irremediable character and likelihood. Positive impacts were assessed in terms of scale, scope and likelihood. As regards financial risks and opportunities, we assessed the likelihood of occurrence and the

potential magnitude based on our internal risk definitions and monetary thresholds. The assessment considered how impacts and dependencies could give rise to financial risks and opportunities, and covered short (0–1 years), medium (<5 years) and long term (>5 years). The thresholds were defined by first taking the average scores for scale, scope and irremediable character (each where applicable), which represented a level of severity. It was then multiplied by the likelihood. 9 points was used as the initial screening threshold and 10 points as the final threshold for material IROs. The assessment was made from a gross perspective, meaning that existing policies, internal controls, supplier monitoring and other mitigating actions were not used to lower the materiality assessment.

Value chain, due diligence and documentation

Both our original double materiality assessment and this year's update span the entire value chain, from material extraction, product development and manufacturing to transport, purchasing, warehousing and distribution, retail and online, customer use and end-of-life. The process is based on our due diligence and includes both our own operations and upstream and downstream business relationships. As part of the process, we use supplier audits and monitoring via amfori BSCI and, increasingly, also amfori BEPI. The assessment is based on ongoing dialogue with customers, employees, suppliers, owners and stakeholders, together with customer data, employee surveys, supplier audits, historical dialogues, previous assessments, external monitoring and external expertise. The assessment

was used both to identify potential IROs and to assess their scale, scope, irremediable character, likelihood, financial scale, value chain positioning and time horizon. The basic methodology also takes account of the perspectives of groups without a direct voice, such as ecosystems and future generations, through proxy perspectives and relevant research.

Internal anchoring and the update in 2025/26

During this year's update, the core methodology was supplemented via dedicated sessions of our CSRD Steering Group and our CSRD Working Group, as well as more broadly-based internal input from 35 colleagues in different functions and at different levels of seniority. The update was implemented in five steps:

- external benchmarking
- analysis of changes externally and in the business
- targeted reassessment of new and flagged IROs
- external peer review
- audit and governance validation.

As a result of the analysis, new IROs were identified and existing IROs were flagged for reassessment. Ultimately, this led to two new IROs being determined as material. The approach was deliberately focused and incremental, using the previous double materiality assessment as a baseline, in the absence of any new signals warranting change.

Governance, internal control and integration in risk management and governance

The process for the initial double materiality assessment was driven by the sustainability function with input from the functions concerned, Group Management, external experts and auditors. The 2025/26 update mirrored the original process but was performed as an update rather than a completely new double materiality assessment. Preliminary assessments were carried out by the Group Sustainability Lead together with the Director of Customer and Brand (who is also ultimately responsible for sustainability), as well as internal subject matter experts as required. Both in the original full double materiality assessment in 2024/25 and in the 2025/26 update, the IRO list and underlying process description were reviewed by both the external expert and our auditors. Following this review, our CSRD Steering Group (consisting of the CEO, the CFO, the Director of Customer and Brand, and the Group Sustainability Lead), as well as the Head of Global Sourcing, assessed and approved the final updated IRO list and the reasonings on which their materiality were based. In both 2024/25 and 2025/26, the Audit Committee and the Board of Directors were informed as to the process and outcome, and were given the opportunity to ask questions, provide comments and request adjustments before reporting. All steps were documented in the IRO register with weightings, notes from meetings and other documentation to ensure traceability and internal control. The double materiality assessment is one of several inputs for the Group-wide work of risk management.

Sustainability-related risks relevant to the Group's risk profile are incorporated into the overall process under a separate risk category and assessed along with other risks in Group Management's annual risk workshop and bi-annual risk review. This is based on common scales of probability and impact, with designated risk owners, risk-mitigating actions and reporting to the Audit Committee and the Board. In addition, impacts, risks and opportunities identified are used to inform sustainability reporting and business and strategic planning.

Climate-related IROs

As climate change is material to us, the process includes specific procedures to identify and assess climate-related impacts, risks and opportunities in our own operations and in the value chain. Within the process, we reviewed our operations and relevant plans across the value chain to identify actual and potential future sources of greenhouse gas emissions. The review extended over material extraction, product development and manufacturing, transport, purchasing, warehousing and distribution, stores and online, customer use and end-of-life. The main sources of emissions identified by the process related to products and materials, energy use in supplier facilities, transport and emissions from our own operations. No other drivers of climate-related impacts were identified as separate material climate-related IROs.

The climate-related assessment was based, *inter alia*, on the climate scenario analysis performed in 2025 with external experts, based on the IPCC's low-, medium- and high-emission scenarios with 2035 as the focus year and taking into account developments up to 2100. The analysis was used to gain an understanding of how physical and transition-related risks and opportunities created by climate change could affect our supply chain, our operational resilience and our customer offering. The material climate-related IROs that the process identified most clearly related to emissions from products, high energy use in supplier facilities, transition risks

linked to climate-related regulation, and Scopes 1 and 2 emissions from own operations.

IROs linked to the own workforce

Regarding the Company's own workforce, the assessment is based on input from HR, employee dialogues, employee surveys and management dialogue. The material S1-related IROs identified by the process mainly relate to sustainability training and employee engagement, well-being and compliance, equal opportunities and the value of different strengths and perspectives.

IROs linked to business conduct and the supply chain

In assessing business conduct issues, we pay particular attention to the where in the supply chain the risks exist, the activities and supplier relationships involved, and relevant geographical and sector-specific risks. At Clas Ohlson, this mainly involves purchasing, supply chain and high-risk countries. The material G1-related IROs identified by the process mainly consist of corruption risk in purchasing and shortcomings in governance in supplier relationships that may lead to ethical breaches and legal consequences. The process also identifies material IROs related to workers in the value chain, in particular, working hours and labour law risks in the supply chain.

Changes from the preceding year

Compared to the previous assessment, the main change in the process was that in 2025/26 we performed a targeted update instead of a new full double materiality assessment from scratch. The update was based on the same value chain structure, assessment criteria, time horizons and gross perspective as the baseline methodology. This resulted in several adjustments to time horizons, as well as the explicit identification of emissions from own operations as a material climate-related IRO, and the addition of a more aggregated positive IRO on equal opportunities and different strengths and perspectives under S1.

IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Index of disclosure requirements and data points from other legislation

We refer to the annexes for the index of the disclosure requirements represented in this Sustainability Report, as well as for the data points based on other EU legislation.

Determination of material information

Once the material sustainability areas and IROs had been identified, we determined which disclosure requirements and data points should be included in the reporting. The determination was

based on whether the information was needed to understand the material impacts, risks and opportunities and whether it was considered relevant to the decision-making needs of users. ESRS 2 has been included in its entirety, while disclosure requirements and data points in the thematic standards have been included as and when they relate to material sustainability areas or are otherwise needed to fulfil the purpose of a relevant disclosure requirement. We have not applied a separate quantitative threshold for information materiality per data point. What we have done is applied the ESRS criteria for materiality based on the importance, relevance and linkage of the information to our material IROs.



Environmental information



Climate work is a key aspect of how we are building a stronger and more relevant Clas Ohlson. During the year, our climate targets were validated by the Science Based Targets initiative, giving us a clearer direction and a more robust basis for our transition.

Our biggest climate impact derives from our products, materials and supply chain, which is why we focus our efforts where we can make the biggest difference: better product and material data, more sustainable material and packaging choices, longer product lifespan, spare parts and repair, reduced transport emissions, and higher energy efficiency and more renewable electricity in our own operations. Our climate scenario analysis indicates that the world will impose greater demands on resilience, but also that Clas Ohlson's business model provides a good foundation on which to build. When more things last longer and can be used smarter, we strengthen our customer offering, our business and our contribution to reducing climate impact.

E1 Climate change

Material impacts, risks and opportunities

Material topic	Description of impact, risk or opportunity	Link to policies and governance	Actions, targets and monitoring
E1 Climate change			
Climate change mitigation	Emissions from products dominate impact (impact)	The Sustainability Policy and guidelines on product materials and sourcing guide our work on materials, product development, supplier requirements and customer offering.	Addressed through work on product and material data, material and packaging selection, product life-time and spare parts. The IRO is subject to climate targets and is monitored via emissions reporting and E1 actions.
	Own operations give rise to Scopes 1 & 2 emissions (impact)	The Sustainability Policy and climate targets guide the work on emissions in our own operations, including stores, offices, warehouses and our own transport.	Addressed through actions in our own operations and monitored via Scopes 1 and 2 emissions and the climate target for own emissions.
	Climate-related regulatory transition risk (risk)	The Risk Management Policy, Sustainability Policy and relevant product and sourcing processes guide the Company's work on traceability, reporting and compliance.	Addressed through enhanced data collection, systems support, analytical capacity and adaptation to new regulations. This IRO is not subject to any separate time-bound target; follow-up is conducted through risk management and related E1 actions.
Energy	High energy consumption in suppliers' facilities (impact)	The Sustainability Policy, supplier requirements and environmental codes of conduct guide our work on the environmental performance of suppliers.	Addressed through supplier dialogue, follow-up and the goal of suppliers having SBTi-equivalent climate targets.

Climate scenario analysis and resilience analysis

Scope of analysis

To understand how climate change could affect our business, strategy and risk profile, we conducted a combined climate scenario analysis and resilience analysis. This aimed to highlight how physical climate-related risks, transition risks and climate-related opportunities may affect our global supply chain, our transport and logistics, the locations where we are physically present and our customer offering – as well as how resilient we are to such influences. The analysis encompassed our own operations and relevant parts of the upstream and downstream value chain. The material E1 IROs identified in the double materiality assessment were covered at category level and no such IROs were intentionally omitted. Physical climate-related risks were taken into account as scenario factors even when not reported as separate material IROs. The analysis did not involve quantitative modelling for individual locations or assets such as stores, facilities, transport routes or suppliers, but was a qualitative strategic analysis.

Implementation and scenarios

The work was performed in 2025, involving external experts, as a structured process with Group Management and other key personnel, supplemented by preparatory documentation and dialogues. We addressed three IPCC-based scenarios: a low-emission one with a rapid global transition (SSP1-RCP 2.6), a medium one with a more gradual and uneven transition (SSP2-RCP 4.5), and a high-emission one with continued fossil fuel dependence and greater physical climate risks (SSP5-RCP 8.5). SSP1-RCP 2.6 was used as the scenario closest to a 1.5°C scenario in the assessment of transition risks, although it is not a strict 1.5°C scenario with no, or a limited, overshoot.

The main drivers were climate policy and regulation, macroeconomic trends and purchasing power, energy use and mix, technology development and AI, geopolitics and customer behaviour,

as these affect our supply chain, operational resilience and customer offering. The low-emission scenario assumed robust global co-operation, ambitious climate policies, rapid technology development and an energy mix dominated by renewable energy. This was expected to cause limited physical disruption, but higher requirements for traceability, sustainable materials, circular solutions and longer product lifespan. The medium scenario assumed an uneven transition, with renewable energy growing but fossil energy and legacy infrastructure in part remaining. This was expected to create higher volatility, more climate-related disruptions in purchasing and logistics, increased raw material and transport costs, and more rapid shifts in customer needs. The high-emission scenario assumed continued fossil fuel dependence, weaker policy instruments, higher energy demand, greater physical climate risks, increased geopolitical tensions and greater social inequalities. This was expected to make the supply chain and logistics more vulnerable, while the need for products for emergency planning, repair, energy efficiency and self-sufficiency could increase.

Time horizons, data and constraints

The analysis was based on the same time horizons as used elsewhere in the sustainability report: short term is one year, medium term one to five years and long term more than five years. The year 2035 was used as for a long term in-depth analysis year, as it is beyond the reach of current business planning but still relevant for strategic decisions, capital allocation and investments in, for example, sourcing, logistics, IT and store networks. As a result, the analysis covered both our 2030 targets and progress towards the 2045 net zero target, as described in E1-4, and the business and investment issues that the scenario analysis is intended to support. Developments up to 2100 were also addressed as a longer-term reference perspective. The scenarios were tested against geographies particularly relevant to our business, including the Nordics and our purchasing hubs in Asia, including our purchasing offices in Shanghai and Ho Chi Minh City.

In several scenarios, the importance of products and solutions related to energy efficiency, emergency planning, repair and self-sufficiency may increase.



The main inputs were IPCC SSP/RCP scenarios, external climate and trend data, preparatory interviews, workshop materials and the operational knowledge of participants. The analysis was based on broadly-based data at global, national and regional levels and thus provided a strategic assessment of possible development pathways, not a quantitative physical climate risk model. It was not based on geospatial coordinates of individual locations, transport routes or suppliers, and it did not quantify probability, financial impact or adaptation costs per asset.

Link to IROs and financial reports

The climate scenario analysis thus highlights a wider range of possible development pathways than the IROs in E1 that were finally established as material in the double materiality assessment. This is because the scenarios are used to test different futures and assess the resilience of the organisation, while only the IROs that are most significant today are reported as material. Other factors serve as background assumptions, uncertainties or parts of a broader analytical framework.

The climate-related assumptions used in the financial statements are based on the same analysis, using the SSP2-RCP 4.5 medium scenario as a starting point. There, the analysis has in qualitative terms been taken into account in, for example, inventory valuation, impairment testing, recoverable amounts and useful lives, with no material impact on the carrying amounts or assumptions at the balance sheet date.

Main risks and opportunities

According to the analysis, our main climate-related risks and uncertainties in scenarios are concentrated in the supply chain, logistics and changing market conditions. Physical risks mainly relate to disruptions caused by floods, extreme precipitation, heat and other weather-related events, including in low-lying purchasing hubs such as in Asia and in Nordic infrastructure. The transition risks mainly relate to increased requirements for traceability, reporting and emission reductions,

as well as higher or more volatile costs for raw materials, energy, purchasing and transport.

At the same time, the analysis indicates that the change may create business opportunities. In several scenarios, the importance of products and solutions related to energy efficiency, emergency planning, repair and self-sufficiency may increase. The analysis also suggests that more exploratory solutions, such as circular services and alternative revenue models like rental and additional repair services, may become relevant in some futures. These were discussed as possible development pathways, not as confirmed actions.

On the financial side, the analysis points mainly to the risk of higher cost volatility and the need for investment in, for example, data, logistics and operational capabilities, but also to the possibility of strengthening customer relevance and market position if the offering is adapted in time. These financial impacts have been qualitatively addressed in the resilience assessment and in the actions and resources described in E1-3, specifically in product and material transformation, supply chain, transport, data and operational development. Financial impacts from the scenario analysis have not been quantified separately.

What the analysis says about our resilience

The analysis shows that Clas Ohlson is resilient on several important fronts, but also that its resilience needs continuous strengthening as the risk situation changes. However, the analysis did not identify any individual assets or business activities that are judged to be incompatible with a transition to a climate-neutral economy. A key strength is our business model as a retailer, where product range, purchasing and supplier base is capable of evolving over time.

At the same time, the analysis highlights that resilience in the business is increasingly dependent on more diversified and regional purchasing, better forecasting and planning capabilities, continued development of data, IT and logistics, and a customer offering that remains relevant as needs, purchasing power and seasonal patterns change. A continued focus on quality, spare parts, repair and other more circular elements

also lays the groundwork for resilience by making the offering relevant in a number of possible futures.

All in all, we believe that our business model, capital allocation and capacity for financing provide the conditions to enable continued financing to be secured at a reasonable cost of capital and our strategy and business model to be adapted.

Link to strategy and risk management

The climate scenario analysis is therefore not only a reporting tool, but also a basis for strategic prioritisation, investments and in-depth risk assessment. The main uncertainties relate to the development of climate-related regulations, energy prices and mix, technology developments, customer behaviour, supplier base, logistics chains and the frequency of physical climate events. These uncertainties and the asset and business areas concerned are taken into account in the prioritisations in the sustainability strategy and business plan, in particular regarding products and materials, supply chain, transport, data, systems support, logistics and operational development. The results are also taken into account in our internal risk management process. Overall, the analysis shows that long-term competitiveness in a more volatile climate and external environment requires continued adaptation, but also that we have a good foundation to build on.

E1-1 Transition plan for climate change mitigation

We have not yet adopted a fully-fledged transition plan for climate change mitigation, but our ambition is to do so in the next two financial years. However, we have several key components in place, including science-based climate targets validated by the Science Based Targets initiative (SBTi), a sustainability strategy approved by the Board and integrated into the business plan, a completed climate scenario analysis, prioritised transition pathways and continuously augmented climate data in the value chain. For further information on this, please refer to the rest of E1, in particular E1-3 for actions and E1-4 for targets.



E1-2 Policies related to climate change mitigation and adaptation

Our policy framework

Our Sustainability Policy is the overarching policy for climate action, supplemented by our Risk Management Policy and our Guidelines on Materials. At supply chain level, the policy framework is also supplemented by amfori BEPI, parts of which we apply for environmental responsibility and supplier requirements. In particular, the policy framework fit with our IROs, in that emissions from products dominate our climate impact, energy use in the supply chain is high, our own operations generate emissions and that climate-related regulations pose a transition risk.

What the policies cover

- **Climate change mitigation:** Our sustainability policy states that we will reduce greenhouse gas emissions in line with the Paris Agreement. This applies both to our own operations and the value chain, including through energy efficiency, greater use of renewable and low-carbon energy, sustainable and recycled materials, longer product lifespan, use of spare parts and reduced climate impact in transport.
- **Climate change adaptation** Climate-related physical risks are addressed via our risk management policy and our climate scenario analysis, rather than through a separate climate adaptation policy.
- **Energy efficiency:** Our policies encompass continuous improvements in energy efficiency in our own operations. In the supply chain, we partly use amfori BEPI to set expectations for efficient energy management practices and reduced emissions from energy use with relevant business partners.
- **Renewable energy and other:** The policy framework addresses renewable energy mainly through the increased use of renewable and low-carbon energy in our own operations. It also covers sustainable and recycled materials, third-party certifications, spare parts and customer guidance for more sustainable choices.

Material selection, increased product lifespan and recycled raw materials are key elements of our plan to reduce the climate impact of our products



Responsibility, implementation and follow-up

The Board of Directors approves the Sustainability Policy and Risk Management Policy and regularly monitors sustainability performance. The CEO and Group Management are responsible for implementation. Our Group Sustainability Lead owns the sustainability policy and is responsible for keeping it updated, communicated and implemented, and for monitoring it. The policy is monitored via specific key metrics, quarterly sustainability forums with Group Management and the risk management process. In the latter, relevant risks are assigned to owners and reported to the Audit Committee and the Board twice a year.

Scope, standards, stakeholders and accessibility

The Sustainability Policy applies to our own operations, products and services. It is applicable, as appropriate, to employees, suppliers and other stakeholders affected by our activities. The work is based *inter alia* on the OECD Guidelines for Multinational Enterprises, the UN Global Compact, the amfori Code of Conduct and the Paris Agreement. The Sustainability Policy also aims to integrate stakeholder interests by taking them into account in every annual update of the policy, based, for example, on external monitoring by the sustainability function, customer dialogue via store co-workers and customer surveys, as well as via dialogue with suppliers and other upstream stakeholders via our purchasing organisation.

Internally, relevant policies are communicated to the co-workers concerned, for example via the intranet, and externally the overall sustainability policy is published on our website. In the supply chain, relevant environmental requirements are communicated through our own sustainability policy as well as via amfori BEPI.

E1-3 Actions and resources in relation to climate change policies

Our key climate actions

Our climate actions are designed to address the material impacts and risks we have identified in the climate field. The emphasis is on products, materials, supply chains and transport, as most of

our climate impacts occur upstream in the value chain. At the same time, these actions will reduce emissions in our own operations and help us achieve our climate targets, which were validated by the Science Based Targets initiative during the year. On that basis, we categorise our mitigation actions according to the decarbonisation levers most relevant to our business: product and material changes, actions on the supply chain, transport transition, energy efficiency, renewable electricity transition and electrification.

Product and material transitions in the value chain

Most of our emissions arise in the upstream value chain, in particular in purchased goods and services, mostly driven by the production of input raw materials. Against that background, we are continuing to improve the evidence base on emissions from purchased goods and services by collecting detailed material specifications for own-brand products. We are also working to increase product lifespans, including via focused efforts to grow our spare parts business and by prioritising sustainable and recycled materials. By doing so, we are gradually improving material and packaging choices, working towards the goal of ensuring that all wood-based products are FSC or PEFC certified. Key actions during the year were the acquisitions of PhoneLife and Reservdelaronline to grow the spare parts business, as well as the continued compilation of specifications of materials and the transitioning of wood-based products towards FSC or PEFC certification. The latter two actions were ongoing at the end of the financial year. The aim is for all wood-based products to be FSC or PEFC certified by no later than financial year 2029/30.

Supply chain and energy

In the supply chain, we focus on reducing emissions linked to energy use in production and other supplier facilities. We have also started using amfori BEPI in the setting of expectations for energy management and reduced emissions from energy use by our suppliers. Finally, we are striving for a higher share of sourcing from geographically closer markets within Europe, to

We seek to reduce our climate impact throughout the value chain – from material sourcing to recovery

Climate action encompasses transport, energy and working with our suppliers – in every case with the aim of making our customer offering more sustainable



shorten transport routes and improve our ability to make more sustainable material choices. The single most significant progress during the year was to have our science-based climate targets validated by SBTi and thus begin the transition towards a supplier base that has its own science-based climate targets. The target is to ensure that 75 per cent of the supplier base, measured by purchase value, have satisfactory targets in place by the 2030/31 financial year.

Transport and logistics

We are continuing to reduce the climate impact of our transport through choice of transport mode, fuel, fill rate, packaging and loading. This includes all transport, from inbound shipments from Asia and Europe, to distribution to stores, and distribution to end customers via the online business. For example, we take a restrictive approach to air transport and continue to work with our logistics partners to reduce emissions in Nordic transport, including through the electrification of small distribution vehicles where such solutions are available. During the year, we also launched a pilot project involving electric trucks for heavy goods transport. This is a step towards the goal of fossil-free transport in the Nordics by financial year 2030/31. However, the biggest project during the year was to start work on expanding and upgrading our central warehouse in Insjön. This will make a higher fill rate in outgoing transports possible, and thus lower emissions per product shipped.

Own operations: energy efficiency, renewable electricity and electrification

In our own operations, we are focusing on energy efficiency, the transition to renewable electricity and electrification. This work involves continued conversion to LED lighting in the store network, a higher share of electricity with guarantees of origin for fossil-free electricity in stores, offices and distribution centre, and an ongoing transition to electric cars only as company cars and pool cars. Another project during the year was to identify a fossil-free backup solution for the oil-fired boiler in Insjön, which is used during district heating outages. Key steps during the year included

scaling up the purchase of fossil-free electricity, especially in Norway, continuing LED conversions in stores and replacing more fossil-fuelled company and pool cars with electric cars. Altogether, these actions are contributing to the target of a 90 per cent reduction in Scopes 1 and 2 emissions by no later than the 2030/31 financial year.

Outcomes and expected impact

The outcomes of some actions have been quantifiable individually:

- The shift to electric cars has been a driver behind the reduced emissions from our car use, by 7 tCO₂e from the 79 tCO₂e of 2024 to the 72 tCO₂e in the period
- Increasing the share of fossil-free electricity from 60 per cent to 94 per cent has been the single largest factor contributing to reducing emissions from electricity use according to the market-based method, by 3,793 tCO₂e from 5,080 tCO₂e in 2024 to 1,287 tCO₂e in the period
- Energy efficiency improvements (notably, conversions to LED) had by the end of the period reduced overall energy consumption per in-store square metre by 38 per cent from 2014.

Expected outcomes have also been quantified individually in one case. Efficiency improvements in the central warehouse are expected to enable a higher fill rate in the long term, which could reduce emissions from outbound transport by around 10 per cent.

Overall, the actions are designed to reduce emissions both in our own operations and in the value chain. In addition to the above, expected impacts include lower emissions through more energy-efficient operations, a higher share of renewable electricity, increased product lifespan, more sustainable material and packaging choices, lower emissions from transport and a more effective framework for managing emission reductions in purchased goods and services. The expected future impact is in line with our commitments and reduction targets under the SBTi objectives.

Resources and financial link

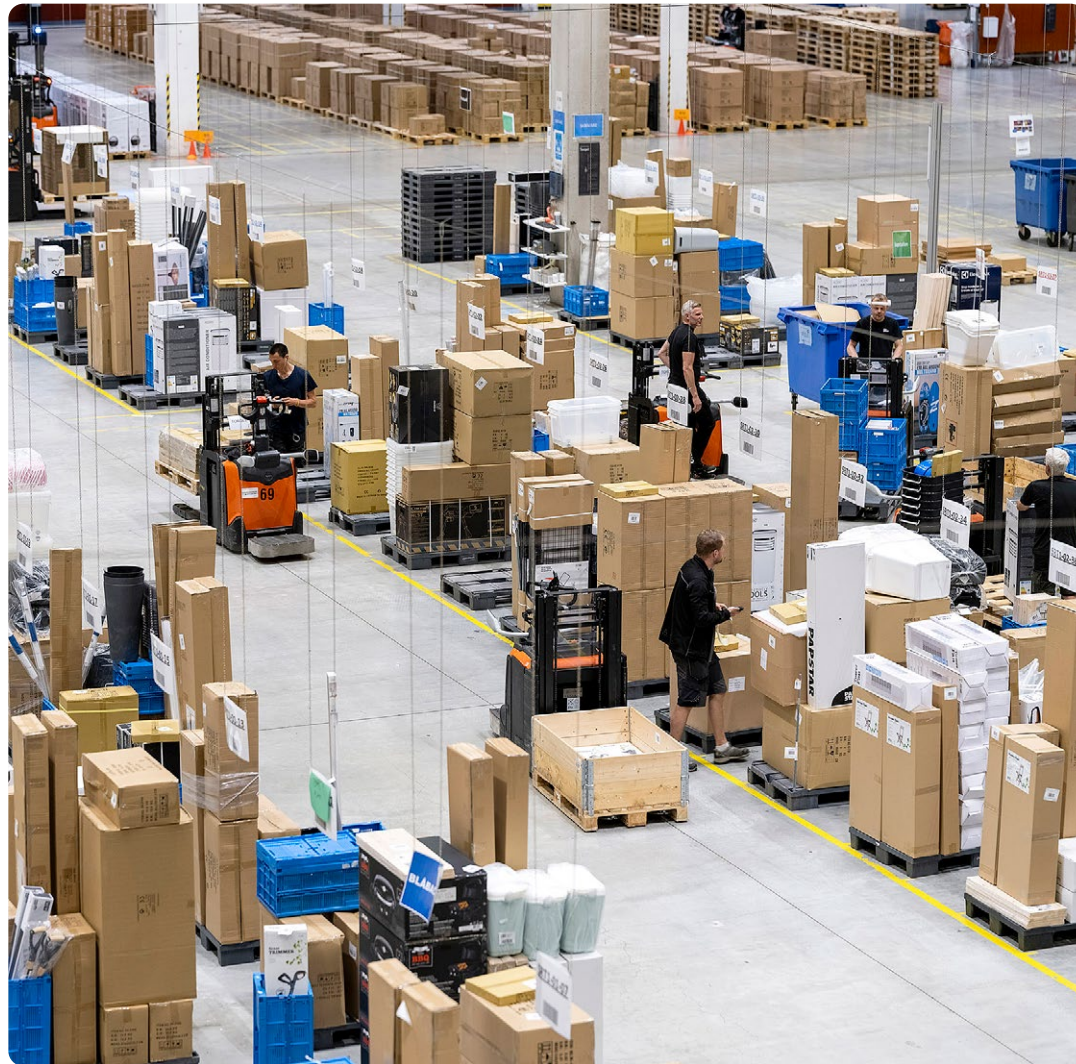
During the financial year, approximately 152 MSEK in capital expenditure and approximately 1.9 MSEK in operating expenditure could be separated and linked to the climate actions above. Capital expenditure related in the main to the acquisitions of PhoneLife and Reservdelaronline, which strengthen the spare parts and repair-related offerings, but also to in-store LED conversions. In addition, the acquisitions have broader business strategy purposes and should therefore not be seen as purely climate expenditure. Operational expenditure related in the main to fossil-free electricity, the electric truck pilot project, packaging optimisation, systems support and external advice on sustainability data and reporting, SBTi validation and FSC licences.

The amounts relate for the most part to business combinations (see Note 23), investments in equipment and installations, electricity purchased, transport, personnel, external services, systems and licences. LED-related capital expenditure is included in the taxonomy capital expenditure for activity 7.3 Installation, maintenance and repair of energy efficient equipment. Other amounts are not included in full in the taxonomy reporting, as several actions either do not fall within the activity definitions of the taxonomy or do not fulfil the criteria for taxonomy alignment under Article 8.

In addition, we are subject to sustainability-linked financing conditions that may reduce the interest cost if defined sustainability-related targets are met. The maximum positive impact during the financial year amounted to 0.3 MSEK and is not recognised as an operating or capital expense. The largest item of planned future financial resources that can be quantified relates to the continued expansion and rationalisation of the central warehouse in Insjön, with estimated capital expenditure of around 400–450 MSEK over several years. The investment is in the first instance an investment in capacity and efficiency, but it also supports climate action by enabling higher fill rates and thus lower emissions item freighted.

Logistics flows are part of the emissions calculation and are monitored with constantly improving data quality

Our main climate targets have been SBTi-validated and cover both our own activities and the value chain



E1-4 Targets for climate change mitigation and adaptation

Climate-related targets

We have established climate-related targets that support our climate change mitigation policies and address our material climate-related impacts, risks and opportunities. The focus is on the parts of the value chain where our climate impact is greatest – products, materials, supply chain and transport – and on emissions in our own operations.

Our stakeholders have indirectly contributed to the setting of the targets through insights from the sustainability function's external monitoring, customer feedback via store employees and customer surveys, and feedback from suppliers and other upstream stakeholders through the purchasing organisation.

Methodology and assumptions behind the targets

For the SBTi-validated targets, the methodological framework is the SBTi criteria and the Net-Zero Standard. The targets are based on the GHG Protocol methodology using the market-based method for Scope 2. The Scopes 1 & 2 targets for both 2030 and 2045, as well as the Scope 3 target for 2045, are consistent with the Paris Agreement and the 1.5°C target. Emission reductions are to be driven by actions in own operations and the value chain, and suppliers' own science-based targets are a key lever in reducing emissions in the supply chain. Our other climate-related targets for FSC/PEFC certified wood-based products and product quality via complaint rates and product ratings are based on internal data and our material and purchasing guidelines. The guidelines are adjusted for consistency with the broader sustainability context. Through all this, our targets collectively take into account both the context in which we operate and the value chain-specific situations where impacts occur.

Targets for emission reduction in our own operations

- We are to reduce absolute scope 1 and 2 GHG emissions by 90 per cent by financial year

2030 from a 2024 base year, according to the market-based method. The baseline for the target was 5,186 tonnes of CO₂e and the target has been validated by SBTi. Of the baseline, 5,101 tonnes of CO₂e (98 per cent) were in scope 2, so the vast majority of emission reductions are expected to be made there, although we are also actively working to reduce our scope 1 emissions.

Long-term net zero target in the value chain

- Reduce absolute Scope 3 GHG emissions from purchased goods and services and use of products sold by 90.0 per cent by financial year 2045 compared to the base year 2024. The target has been SBTi-validated.

Other climate-related targets in the value chain

- To increase product lifespan and thus reduce the climate impact of products, we have set two annual targets for own brands: a complaint rate of no more than 0.9 per cent and an average product rating of no less than 4.4.
- As part of our product and material transition, all wood-based products will be FSC/PEFC certified by the 2029/30 financial year.
- We are to ensure that 75 per cent of our supplier base, measured by purchase value, have their own SBTi-equivalent targets by the 2030/31 financial year. The target relates to our supply chain and has been validated by SBTi.
- We also have set the goal of using only fossil-free transport in the Nordics by 2030/31.

Drivers for achieving the targets

The main drivers for achieving the targets are increased product lifespan, more sustainable material and packaging choices, suppliers' own climate work, lower emissions from transport, energy efficiency, transition to renewable energy and electrification in our own operations. These drivers correspond for the most part to our material negative impacts from products and the supply chain, as well as the negative impact from emissions generated in our own operations. The quantitative contributions of individual drivers

has not been defined beyond the fact that, knowing the emissions in our value chain, we have an idea of their maximum potential. We are continuously focusing on better quantifying the impact of the drivers, not least as part of our work on developing a comprehensive transition plan.

Follow-up on the targets

We follow up on the targets mainly using specific key ratios and quarterly sustainability forums with Group Management.

At the financial year-end the outcomes were:

- 0.78 per cent complaint rate in own brands
- 4.4 average product rating for own brands
- 73 per cent reduction in Scopes 1 and 2 emissions using market-based method, from base year 2024
- 35.3 per cent of suppliers, measured by purchase value, have their own SBTi-equivalent targets.

In addition, around 62 per cent of wood-based products in our product range were FSC/PEFC

certified in 2024, but for technical reasons this figure could not be updated for 2025/26. Going forward, the intention is to update the figure at least annually.

E1-5 Energy consumption and mix

Energy use in own operations

Energy use in our own operations consists mainly of electricity consumption in the distribution centre, offices and stores, heating for the distribution centre and the head office in Insjön, and a small volume of direct energy use for pool and company cars and back-up operation using an oil-fired boiler in Insjön. This is relevant in terms of our material negative impact from Scopes 1 and 2 emissions. Energy is also material in the form of high energy use in the supply chain, although, under ESRS, the metrics in this section refer only to our own operations.

Accounting policy on energy use

Energy use includes activities both where we have financial control and where we have

operational control. This includes energy use in stores, offices, distribution centres, own vehicles and back-up operation of oil-fired boilers. Data are primarily collected in the form of direct activity data from suppliers, internal systems and landlords. In the few cases where direct data may not be available, estimates based on like-for-like units, historical consumption or other relevant data are used.

Energy use is reported in MWh, and sums and percentages may differ from calculations based on values in the table due to rounding. Data on renewable or fossil-free electricity are based on guarantees of origin, certificates or other documentation for the electricity product purchased for the reporting period. The data are checked for reasonableness against those of the preceding year and material deviations are followed up with the relevant supplier, landlord or internal function.

Energy efficiency and energy mix

We are continuing to improve energy efficiency in our own operations by gradually converting to LED lighting in the store network, increasing the

proportion of electricity with guarantees of fossil-free origin, electrifying our vehicle fleet and seeking viable fossil-free alternatives for the back-up oil-fired boiler in Insjön. These actions support reductions in Scopes 1 and 2 emission and address the negative impacts identified from emissions in our own operations.

Our energy use during the financial year is summarised in the table below.

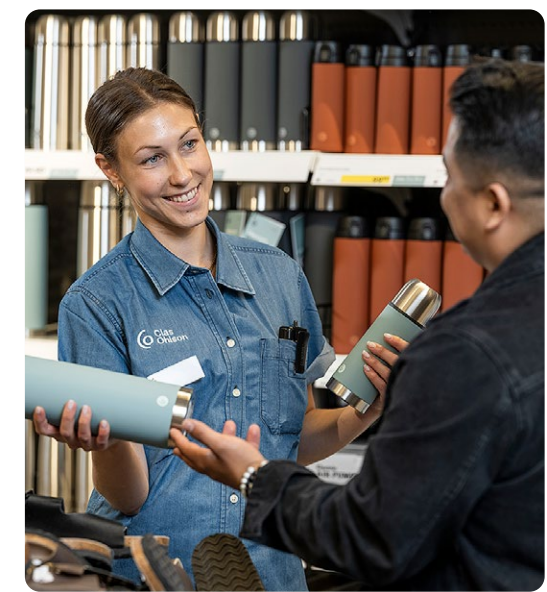
Energy intensity based on net revenue

Because Clas Ohlson, as a retailer, is included in NACE section G, under ESRS we are placed to a sector with a high climate impact. The services we sell through our subsidiary Clas Fixare are the only exception. As a result, we calculate energy intensity as our total energy use excluding Clas Fixare, divided by our total net sales excluding Clas Fixare. Our energy intensity during the year was 2.8 MWh per MSEK.

Net sales from activities in sectors with a high climate impact totalled to 12,463 MSEK, compared to total net sales of 12,514 MSEK according to the financial statements (see Note 2).

Energy use and energy mix in MWh unless otherwise stated

	Outcome for the financial year
(1) Fuel consumption, coal and coal products	–
(2) Fuel consumption, crude oil and petroleum products	282
(3) Fuel consumption, natural gas	–
(4) Fuel consumption, other fossil sources	–
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling based on fossil sources (MWh)	1,878
(6) Total fossil energy consumption (MWh) (sum of lines 1 to 5)	2,160
Share of fossil sources in total energy consumption	6%
(7) Consumption from nuclear sources	7,788
Share of consumption from nuclear sources in total energy consumption	22%
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	–
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	24,856
(10) Consumption of self-produced renewable non-fuel energy	–
(11) Total use of renewable energy (sum of lines 8 to 10)	24,856
Share of renewable sources in total energy consumption	71%
Total energy consumption (sum of lines 6, 7 and 11)	34,804



E1-6 Gross Scopes 1, 2, 3 and total GHG emissions

Gross GHG emissions

The table below summarises our gross Scopes 1, 2 and 3 GHG emissions plus our total GHG emissions for the 2025/26 financial year. The comparative figures for 2024 refer to the calendar year 2024 because, at the time the previous annual report was published, we had not transitioned to reporting emissions data on a financial year basis. However, the comparative figures have been adjusted retroactively based on the methodological updates made during this financial year, in order to maintain comparability. The adjustments that could not be applied retroactively were updating of emission factors in Scope 3 category 5 (waste generated in own operations), transition to primary activity data for business travel by own car in category 6 (business travel) and how a freight forwarder reports emissions within our Scope 3 categories 4 and 9 (transport). However, the two categories have been updated anyway, for example by including our subsidiaries.

The comparative figures for 2024 are based on

our updated emissions calculation for 2024 and thus differ from last year's report due to improved methodologies and data. Totals may differ slightly from summation of constituent items due to rounding.

GHG intensity by net sales

Our GHG intensity based on net sales amounted to 25.9 tCO_{2e}/MSEK using the location-based method and 26.0 tCO_{2e}/MSEK using the market-based method. Intensity is calculated as total emissions divided by net sales.

The net sales used for the calculation total 12,514 MSEK, following reconciliation with the consolidated financial statements (see Note 2).

Accounting principles for GHG emissions

The GHG inventory is based on the GHG Protocol and covers the GHGs, GWP values and methodological principles arising from the GHG Protocol and applicable ESRS requirements. Emissions are calculated gross, based on documented activity data, emission factors and assumptions. Accounting is based on financial control, which in practice equates to financial consolidation and includes all subsidiaries. PhoneLife and Reservdelaronline are

consolidated as of December 2025, the first full month following the acquisitions.

Scope 1

Scope 1 covers direct emissions from all company cars, including pool cars at the distribution centre and headquarters in Insjön, Sweden, as well as company cars in Sweden, Finland and Poland. Also included are emissions from combustion in the back-up oil-fired boiler at the distribution centre and headquarters in Insjön. The calculation is based on activity data on fuel consumption and emission factors from BEIS/DEFRA for each fuel.

Scope 2

Scope 2 covers purchased electricity and heating for stores, offices and distribution centres. Scope 2 is accounted for using both location- and market-based methods. For district heating, we use activity data and emission factors supplied directly by our supplier. As regards electricity, in the first instance we use direct activity data in kWh from electricity suppliers, internal systems and landlords, and emission factors from IEA. In the market-based method, we collect guarantees

of origin, certificates or equivalent documentation for the electricity product purchased in the reporting period, and treat the remaining electricity as residual mix according to AIB. The share of market-based electricity consumption covered by guarantees of origin or equivalent documented contractual instruments was 89 per cent, but the share of fossil-free electricity was 94 per cent since the residual mix also contained some.

Scope 3

Our known emissions, along with our double materiality analysis, show that emissions from products dominate our climate impact (mostly driven by the production of input materials), that energy use in the supply chain represents a significant negative impact and that our own operations generate emissions. This is reflected in the fact that the focus in our emissions accounting is placed on category 1, purchased goods and other upstream categories. Category 11, Use of products sold, is also a notable source of emissions for us, as we sell many electrically powered products.

Scope 3 categories 8, 10, 13, 14 and 15 are not reported as they are not relevant to our business model as a retailer. They are therefore not

Clas Ohlson – Gross GHG emissions

	Retrospective				Milestones and target years				
	Base year (2024, recalculated)	Comparative (2024, recalculated)	2025/26	% 2025/26 / 2024, recalculated	2025	2030	2045	(2050)	Annual target by 2045 as % of Base year
Scope 1 – GHG emissions									
Gross Scope 1 GHG emissions (tCO _{2e})	85	85	72	-15%	–	9	9	–	-4%
Percentage of Scope 1 GHG emissions from regulated ETS (%)	–	–	–	–	–	–	–	–	–
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions (tCO_{2e})	517	517	337	-35%	–	–	–	–	–
Purchased electricity	496	496	318	-36%	–	–	–	–	–
Purchased heat	21	21	19	-11%	–	–	–	–	–
Gross market-based Scope 2 GHG emissions (tCO_{2e})	5,101	5,101	1,305	-74%	–	510	510	–	-4%
Purchased electricity	5,080	5,080	1,287	-75%	–	–	–	–	–
Purchased heat	21	21	19	-11%	–	–	–	–	–

Clas Ohlson – Gross GHG emissions

	Retrospective				Milestones and target years				
	Base year (2024, recalculated)	Comparative (2024, recalculated)	2025/26	% 2025/26 / 2024, recalculated	2025	2030	2045	(2050)	Annual target by 2045 as % of Base year
Major Scope 3 GHG emissions									
Total gross indirect (Scope 3) GHG emissions (tCO₂e)	288,299	288,299	323,960	+12%	–	–	–	–	–
1. Purchased goods and services	241,222	241,222	278,375	+15%	–	75% of purchased value from suppliers with SBTi targets, %	24,464**	–	-4%
Products purchased for resale	232,503	232,503	267,130	+15%	–	–	–	–	–
Logistics packaging for the products (in addition to sales packaging)	2,412	2,412	2,872	+19%	–	–	–	–	–
Purchased services and goods not for resale	6,294	6,294	8,362	+33%	–	–	–	–	–
Purchased cloud services	13	13	10	-24%	–	–	–	–	–
2. Capital goods	4,339	4,339	4,776	+10%	–	–	–	–	–
3. Fuel- and energy-related activities (not included in Scopes 1 and 2)	429	429	432	+1%	–	–	–	–	–
4. Upstream transport and distribution*	16,363*	16,363*	13,831	-15%*	–	–	–	–	–
Inbound transport from Europe	554	554	873	+57%	–	–	–	–	–
Inbound transport from Asia	6,274	6,274	9,646	+54%	–	–	–	–	–
Outbound transport to stores*	8,733*	8,733*	2,887	-67%*	–	–	–	–	–
Outbound transport direct to customer*	801*	801*	425	-47%*	–	–	–	–	–
5. Waste generated in operations*	72*	72*	516	+615%*	–	–	–	–	–
6. Business travel*	976*	976*	661	-32%*	–	–	–	–	–
7. Employee commuting	1,283	1,283	1,649	+29%	–	–	–	–	–
9. Downstream transport*	239*	239*	124	-48%*	–	–	–	–	–
11. Use of sold products	22,506	22,506	22,916	+2%	–	–	2,251**	–	-4%
12. End-of-life treatment of sold products	871	871	680	-22%	–	–	–	–	–
Total GHG emissions									
Total GHG emissions (location-based) (tCO₂e)	288,901	288,901	324,369	+12%	–	–	–	–	–
Total GHG emissions (market-based) (tCO₂e)	293,485	293,485	325,338	+11%	–	–	–	–	–

* 2024 value restated with parts of 2025/26 methodological updates (such as inclusion of subsidiaries) but not all. See subheading "Scope 3" for details.

** May differ from exactly 10% of the presented base year value because the target, according to SBTi criteria, is based on retroactively adjusted emissions that reflect what the Group's emissions would have been in 2024 if the acquisitions of 2025 had already been part of the Group then.

considered applicable or significant in terms of our GHG inventory.

Reporting also includes subsidiaries in all emission calculations, which includes Scope 3. Where direct data are not available, appropriate proxies or estimates are used. Our most important calculation methods are as follows:

• **Category 1 – Goods and services purchased:**

For our own-brand products, we use material specifications from suppliers, which are linked to emission factors from IDEMAT (Industrial Design & Engineering MATerials database, which compiles more than 2,000 emission factors from scientific papers and other sources)

from 2025 and extrapolated across the entire range. More details on these emission factors are provided in Annex C of the Sustainability Report. Separate calculations are made for products and packaging. To reflect emissions all the way from raw material extraction to finished product ex-supplier's factory ("cradle-to-gate"),

we add a portfolio allowance for manufacturing and assembly emissions at our direct suppliers. For services and other non-resale purchases, we use a cost-based method with emission factors from the US EPA Supply Chain GHG Emission Factors v1.3, which is based on an environmentally expanded input-output (EEIO) model.

- **Category 2 - Capital goods:** We calculate category 2 separately based on capital expenditure classified into eight emission groups with associated cost-based emission factors from the BEIS/DEFRA dataset "UK and England's carbon footprint to 2022". These were then adjusted for inflation and by ECB exchange rates to make them as applicable as possible to Sweden in 2025 and 2026.
- **Category 3 – Fuel and energy-related activities:** Calculated on the basis of known energy use using emission factors from BEIS/DEFRA for fuels, IEA and AIB for electricity, and the district heating supplier itself for its emissions.
- **Categories 4 and 9 – Transport and distribution:** In transport, we obtain data from our freight forwarders on, for example, tonnage transported, tonne-kilometres and CO_{2e} emissions, and perform reasonableness checks against the previous year's data. If a flow consists of several modes of transport, we request separate emission data for each. As of the 2025/26 financial year, we recognise delivery to customers in category 4, as we pay the freight forwarders, while category 9 continues to be reported separately in order to include other downstream emissions. For transport and storage downstream from Spares' corporate customers, we use proxy data based on equivalent data from Clas Ohlson, as primary data is not yet available. Between the 2024/25 and 2025/26 financial years, one of our freight forwarders adjusted its method for emissions calculations that it made on our behalf, which reduced its reported emissions. This change in methodology could not be applied retroactively to 2024.
- **Category 5 – Waste generated in operations:** In the case of distribution centres and our headquarters, we use direct data from suppliers. The calculation for stores is based on data from around fifteen stores. The data are used in estimating emissions for all stores. During the year, we updated our methodology to incorporate emission data from our waste management provider, instead of calculating

emissions ourselves from weights handled. This change in methodology could not be applied retroactively to 2024.

- **Category 6 – Business travel, and Category 7 – Commuting:** Calculation for business travel is based on activity data during trips. During the year, we updated our methodology for business travel by private car to use primary data instead of country averages for the amount of such travel. This change in methodology could not be applied retroactively to 2024. Commuting is calculated using national statistics as a proxy for mode of transport.
- **Category 11 – Use of products sold:** We use a detailed model based on actual sales, product power ratings, usage time and lifespan, as well as country-specific grid factors. A brand new, more accurate category 11 model was created for retroactive application to 2024 and was subsequently updated for the 2025/26 financial year.
- **Category 12 – End-of-life treatment of sold products:** For packaging, electronics and batteries, we use data from producer responsibility organisations. For other products, we use a separate methodology based on product weight, sales volumes and country-specific averages regarding waste treatment.

The comparability between 2024 and 2025/26 has been strengthened by recalculating the 2024 base year according to the updated 2025/26 methodology and boundaries, except for some of those in Scope 3 categories 5 (waste in activities), 6 (business travel) and 4 and 9 (transport). In both years, improved methodology is introduced in category 1, category 2 is calculated, delivery to the customer has been moved from category 9 to category 4 because it is we who pay the freight forwarder, category 9 has had downstream emissions added, category 11 uses a new calculation model, and subsidiaries are included in the emission calculations using the same consolidation principle for both periods. However, the changes that category 5 now uses primary emission factors from the supplier, that category 6 now uses

primary activity data on business trips by own car and that a freight forwarder improved the calculations for us in categories 4 and 9 could not be applied retroactively to 2024. Overall, the recalculated comparative figures for 2024 are more closely comparable to 2025/26 than the emissions published in the 2024/25 annual report.

What drove the increase in Scope 3 emissions from 2024 to 2025/26 arose mainly in category 1 (purchased goods). This was because Clas Ohlson as a whole grew both organically and via acquisitions, and the high level of product range renewal during the period affected the composition of the product portfolio and thus the emission levels.

Quality assurance

Supporting documents and sources are saved as part of the calculation documentation. Reasonableness checks are made against the previous year's data and known changes in the business, such as new or closed stores, changes in suppliers and new projects such as expansion of the distribution centre. Any discrepancies are followed up with the supplier, partner, landlord or internal function concerned before the data is used in reporting.

Volume of primary data

Only a few of our emission factors are primary; we rely mainly on such things as regional industry averages. The exceptions are the district heating element of Scope 2 and the whole of Scope 3 category 5 (waste in operations). In addition, primary emission factors may arise in Scope 3 category 4 (upstream transport) where we do not always have knowledge of the emission factors that are used by our freight forwarders.

On the other hand, the major share of our activity data is primary. Total share of primary activity data:

- Scope 1: 100%
- Scope 2: more than 95%
- Scope 3 category 1: we have detailed material specifications for approximately 1/3 of purchased products by weight, distributed

across the range in a way that properly reflects the whole.

- Scope 3 category 2: 100%
- Scope 3 category 3: more than 95%
- Scope 3 category 4: more than 95%
- Scope 3 category 5: approximately 20%, as waste in shops is often dealt with by landlords
- Scope 3 category 6: 100%
- Scope 3 category 7: number of employees is primary data, but transport work per employee is based on the average for Sweden
- Scope 3 category 9: complex combinations of primary and secondary data
- Scope 3 category 11: 100% for sales volumes of products, but not their exact utilisation
- Scope 3 category 12: 100%

Breakdown by operational control

Consolidation of our emissions reporting aligns with the Group's financial consolidation and so includes all subsidiaries. PhoneLife and Reservdelaronline are only consolidated as of December 2025, the first full month following the companies were acquired. As a result, all reported emissions for the 2025/26 financial year pertained to the consolidated Group and there were no other entities or arrangements over which we have operational control but which were not consolidated.

E1-7 GHG removals and carbon credits

No carbon credits were bought in this financial year. Our intent in the future is to use carbon credits from high quality carbon removals to neutralise those emissions in the value chain that are unavoidable.

This will be a final step in reaching our net-zero target for financial year 2045 according to SBTi's criteria. Until then, our focus will remain on achieving emission reductions inside our value chain, with the methods already described in this chapter.

Accounting under Article 8 of the EU Taxonomy Regulation

The Taxonomy exists to help financial actors identify and compare environmentally sustainable investments through a common classification system for environmentally sustainable economic activities that substantially contribute to the EU's environmental objectives. The Taxonomy focuses primarily on activities with a high climate impact, in which retail – our main business – is not explicitly defined as a qualifying activity. Nevertheless, the Company has mapped its activities with reference to the EU taxonomy activity lists to identify activities subject to Article 8 reporting.

For the 2025/26 financial year, we have applied Delegated Regulation (EU) 2026/73. In line with the new methodology, we apply a materiality threshold of 10 per cent per key metric. Activities below the threshold may be reported if this is deemed justified and sufficient evidence is available.

Acquisition and ownership of buildings (CCM 7.7)

We have leases on facilities for stores, offices and warehouses (see Note 13). Clas Ohlson thus falls within the scope of eligible economic activity "7.7 Acquisition and ownership of buildings" as per the environmental objective "Climate change mitigation" in connection with the purchase of Taxonomy-related products and services. This refers to CapEx on new and extended leases on premises. In the 2025/26 financial year, recognised CapEx consists of newly recognised right-of-use assets in connection with store premises. As per the balance sheet date, we have not yet obtained sufficient evidence from property owners to verify the criteria for substantial contribution and DNSH (e.g. energy performance/energy

declaration). The activity is therefore recognised as taxonomy-eligible but not taxonomy-aligned. We intend to continue to develop the data collection and assessment process for future reporting periods.

Installation, maintenance and repair of energy efficiency equipment (CCM 7.3)

We focus continuously on improving energy efficiency in our activities. A key part of this work is the transition to LED lighting in our stores. Since 2014, we have gradually been replacing traditional lighting with LED technology, resulting in significant energy savings.

The actions are classified as economic activity 7.3 Installation, maintenance and repair of energy efficient equipment. Although the activity represents a limited share of the year's CapEx, we have chosen to assess and report the LED investments in line with the taxonomy's criteria, as they represent a concrete part of our work on energy efficiency.

We have ensured that the products installed fulfil the applicable technical screening criteria according to the EU taxonomy. Relevant DNSH requirements are fulfilled *inter alia* through established waste management procedures and contracts. Replaced light bulbs and other electrical and lighting waste are disposed of via contracted operators in accordance with applicable rules.

Accounting policies

For the purposes of reporting in accordance with Article 8 of the Taxonomy, turnover, capital expenditure and operating expenditure are defined as follows. In the process of compilation



of the figures, checks were made to ensure that no amount had been double counted.

Turnover

Total turnover is the net sales in the consolidated income statement and the change from the previous reporting year is the subject of comment in the Directors' Report on pages 23–24. During the reporting period, the Group has identified turnover attributable to activity 5.2 Sale of spare parts within the environmental objective transition to circular economy, which represents a change compared to previous years' reporting. As the share amounts to approximately 3 per cent of the Group's net sales, it is deemed financially

immaterial and is therefore reported as a non-assessed activity that is considered immaterial. This is due to the fact that retail is only to a limited extent covered by the EU taxonomy's list of activities.

Capital expenditure (CapEx)

CapEx consists of additions to intangible assets and property, plant and equipment during the year, before depreciation, amortisation, re-measurements and impairments, excluding changes in fair value. CapEx also includes additions for right-of-use assets, property, plant and equipment and intangible assets arising from business combinations, excluding goodwill. Our non-current assets consist in the main of right-of-use assets for stores, warehouses and offices, but also vehicles and some IT equipment. The value of the taxonomy-eligible assets corresponds to the cost of these assets during the reporting period, including right-of-use assets (see Notes 11, 12 and 13). The KPI for capital expenditure is mainly affected by leasing of retail premises in activity 7.7 and to a lesser extent LED investments in activity 7.3. The taxonomy-aligned share is limited, as sufficient data for activity 7.7 have not yet been collected. Compared with the previous reporting year, no material changes have taken place in the calculation of the KPI for capital expenditure. The taxonomy-aligned share has decreased mainly due to lower LED investments in Activity 7.3, as a large proportion of the

relevant replacements have already been completed and the cost of LED installations has decreased.

Operating expenditure (OpEx)

Operating expenditure includes direct, non-capitalisable maintenance costs for assets that may be or become environmentally sustainable. As far as the Group is concerned, these types of cost are limited. The property owner is normally responsible for the maintenance, renovation and repair of retail premises, which means that the Group's own direct costs for major property-related actions are low. The operating expenditure identified relates mainly to minor repairs, maintenance, servicing and non-capitalised leasing costs linked to fixtures, fittings and equipment. Given the limited financial impact, the KPI for operating expenditure is deemed not material to the Group's business model. The Group has thus applied the exemption to operating expenses that are not essential to the business model and so has not assessed whether the operating expenses fall within or are consistent with the taxonomy. The total value of the denominator for operating expenditure amounts to approximately 50 MSEK.

Minimum safeguards

"Minimum safeguards" indicates that we have processes in place to ensure that operations are conducted in line with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights throughout the value chain. This includes carrying out risk assessments, integrating relevant policies into our activities, taking action to prevent and mitigate identified risks, and following up regularly. Our Code of Conduct is integrated into our activities and includes requirements related to human rights, working conditions, environment, children's rights and business ethics. The Code is based on the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the UN Children's Rights and Business Principles. We also support the UN Global Compact and have processes in place to monitor compliance and manage non-compliance with the Code of Conduct. Read more on pages 85–91. Our Code of Business Ethics describes our commitment to observe high ethical standards throughout the organisation. This means, for example, that business decisions must be made without personal gain or undue consideration, that bribes must not be offered, accepted or paid, and that applicable tax rules and other laws, regulations and internal governing documents must be complied with.



The EU taxonomy applies to a limited part of our business, in which work on sustainability efforts extends over a wider area. See for example E1-2, E1-3 and E1-4.

MAIN TABLE

Financial year 2025/26

Key performance indicator	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024/2025)	Proportion of Taxonomy-aligned activities in previous financial year (2024/2025)
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity					
					%	%	%	%	%	%					
	MSEK	%	MSEK	%	%	%	%	%	%	%	%	%	MSEK	%	
Net sales	12,514	-	-	-	-	-	-	-	-	-	-	3%	-	-	
Capital expenditure (CapEx)	740	76%	5	1%	1%	-	-	-	1%	-	1%	-	8	1%	
Operating expenditure (OpEx)	50	-	-	-	-	-	-	-	-	-	-	100%	-	-	

CAPEX

Financial year 2025/26

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx)	Taxonomy aligned KPI (monetary value of CapEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx)	Environmental objective of Taxonomy aligned activities					Enabling activities	Transitional activities	Proportion of Taxonomy aligned in Taxonomy eligible	
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution				Biodiversity
		%	MSEK	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1%	5	1%	1%	-	-	-	1%	-	E	-	1%
Acquisition and ownership of buildings	CCM 7.7	75%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					1%	-	-	-	1%	-			
Total CapEx		76%	5	1%	1%	-	-	-	1%	-	1%	-	1%

Social information



Social sustainability starts in everyday interactions – between colleagues and customers. At Clas Ohlson, the skills, security and commitment of co-workers are key in enabling the Company to offer expert service, develop the business and make the transition.

During the year, we continued to focus more strongly on health and safety, learning and inclusion through dialogue, employee surveys, the Classroom training platform and the roll-out of *The 7 Habits of Highly Effective People*. We have a high level of collective bargaining, work environment management systems for all co-workers and a target of no less than 40 per cent of the under-represented gender among managers with personnel responsibility. As more co-workers are given the right conditions to grow and contribute through their strengths, Clas Ohlson becomes both more customer-oriented and more robust.

S1 Own workforce

Material impacts, risks and opportunities

Material topic	Description of impact, risk or opportunity	Link to policies and governance	Actions, targets and monitoring
S1 Own workforce			
Working conditions	Risks to employee well-being and legal compliance (risk)	The HR Policy, Health and Safety Policy, Human Rights Policy Statement, Code of Conduct and whistleblowing procedures govern the work on health and safety, wellbeing, fair working conditions and reporting of irregularities.	Addressed via systematic health and safety management, dialogue and collaboration with employee representatives and safety representatives, incident and near miss reporting, employee surveys and appropriate support systems. In 2025/26, the area is monitored via indicators, without a separate Group-wide quantitative target.
	Inadequate conditions for employee training, learning and engagement (potential impact)	The HR Policy and Sustainability Policy guide the work on skills, leadership, development and the ability of employees to contribute to sustainability work.	Managed via the Clasroom training platform, development programmes, ongoing dialogue and employee surveys. For 2025/26, the area is monitored via indicators, with no separate Group-wide quantitative target.
Equal treatment and equal opportunities for all	Diversity Placing a value on different strengths and perspectives creates fairness and equal opportunities at Clas Ohlson and in society (actual impact)	The HR Policy and Human Rights Policy Statement guide the work on equal treatment, inclusion and equal opportunities.	Managed through recruitment and development processes, mentoring programmes, succession planning and monitoring of representation. The Group-wide target is for the under-represented gender to account for no less than 40 per cent of managers with personnel responsibility.

The Group's own workforce consists of individuals who perform work for the Clas Ohlson Group. This includes both employees and non-employed workers, such as self-employed workers and workers supplied by staffing agencies. Our own labour force is a fundamental factor in our operations and our value creation. The work environment varies between stores, offices, customer service and warehouse operations, and work is adapted to the risks and conditions of each environment. Clas Ohlson's workforce comprises around 5,000 co-workers (see S1-6), mainly in Sweden, Norway and Finland where we operate stores, our online business and customer services. We also have employees in countries including Poland, China and Vietnam fulfilling roles in purchasing and support functions.

Our work on human resources and occupational health and safety issues is guided by our policy framework for HR, human rights, business ethics and whistleblowing, as described in more detail in S1-1.

ESRS S1 reporting aims to detail how we identify, manage and monitor material impacts, risks and opportunities related to our own workforce, in line with our double materiality analysis.

Material impacts, risks and opportunities related to own workforce

The double materiality analysis identified three material impacts, risks and opportunities (IROs) related to own workforce. Set out in the table above, these form the basis of our governance, dialogue, actions and monitoring in the area. How these IROs are addressed through policies, dialogue, reporting channels, actions and monitoring is described in more detail in S1-1 to S1-5.

Skills and engagement (potential negative impact)

This potential negative impact arises in situations where inadequate provision of relevant training, learning and skills development may negatively affect the ability of co-workers to perform their job, develop in their role and feel involved and engaged in the organisation. This includes

product knowledge, quality, user safety, sustainability and working practices, as well as scope for development that underpins collaboration, self-leadership and learning in day-to-day work. In the absence of such conditions, the security, development opportunities and commitment of co-workers may suffer. This may also have negative impact on the organisation, in the form of weaker internal support, a less robust culture and a lack of ability to interact with customers in a knowledgeable and responsible manner.

Well-being and compliance (risk)

This risk consists of the possibility that shortcomings with regard to working conditions, occupational health and safety, compliance with labour law and discrimination-related requirements may cause negative consequences for the Company's own workforce. Such shortcomings may adversely affect the well-being, safety and equal treatment of co-workers. They may also create legal, operational and reputational risks to us, including a loss of attractiveness as an employer.

Inclusion and equal opportunities (actual positive impact)

This impact concerns how our work on inclusion, diversity and equal treatment creates the conditions for fairness and equal opportunities for development at work. The area comprises representation, work climate and the opportunity for co-workers to develop and contribute based on their different perspectives and strengths, which may strengthen well-being, inclusion and the long-term skills supply.

S1-1 Policies related to own workforce

Our work on material impacts, risks and opportunities (IROs) related to our own workforce is guided by a policy framework for human resources issues, human rights, business ethics and whistleblowing. The policy framework forms the basis for how we address the IROs related to our own labour force that are identified. It applies in particular to issues of health and safety and well-being, equal opportunities and inclusion,

and the ability to report irregularities without risk of retaliation. Unless otherwise stated, the policies apply to the entire workforce of the Clas Ohlson Group, i.e. both employees and non-employees who perform work for the Group. In addition, the scope of application for some policies is more extensive.

The central policies in this area are **the HR Policy** and **the Health and Safety Policy**, both of which apply to Clas Ohlson AB (publ) and all subsidiaries. The HR Policy sets out a common framework for key HR issues such as leadership, skills and development, equal opportunities, diversity and inclusion, as well as health, safety and the work environment. The Health and Safety Policy supplements the HR Policy. It sets the framework for the systematic work on health, safety and the work environment, which is particularly relevant to the risk identified in relation to health and safety and well-being. The HR Policy is particularly crucial to the material impact related to inclusion and equal opportunities. The HR Policy states that we will promote a workplace where everyone is treated with respect and feels welcome, irrespective of, for example, gender, identity, ethnicity, religion, disability, age, sexual orientation and background. It also states that we must ensure equal opportunities in recruitment, development and promotion, and we must prevent and take action in the event of unequal treatment, discrimination and other forms of victimisation. The CEO bears overall responsibility for implementation of the policies, while the HR function is responsible for coordinating implementation, supporting the organisation and monitoring compliance.

The Human Rights Policy Statement supplements the HR Policy by clarifying our overall commitment to respect human rights in our own operations. The policy thus supports our work in providing a safe, respectful and fair work environment and to prevent negative impacts on our own workforce. At the same time, the policy applies more broadly than to the Company's own workforce, also including suppliers, contractors and other business partners. The policy thus creates a common set of principles for how we take



Our employees represent an essential prerequisite for the interaction with customers and our value creation

labour rights into account in our own operations and, where relevant, in the value chain. This includes non-discrimination, safe and healthy working conditions, freedom of association and collective bargaining, and the prohibition of forced labour, child labour and human trafficking.

To enable suspected non-compliance and serious misconduct to be reported, **Whistleblowing Guidelines** are in place, along with an external whistleblowing channel enabling anonymous reporting. The framework aims to make reporting possible without risk of retaliation, and also applies to external parties. The **Sustainability Policy** describes the overall system of governance and responsibilities for sustainability, including expectations for employee contributions and how deviations may be reported. The policy framework is also supplemented by our **Code of Conduct** and **Code of Business Ethics**, which apply to all co-workers and represent a common framework for responsible and respectful conduct in business (see also G1-1).

Compliance with and application of the policies are monitored via established internal processes, including employee surveys, health and safety reporting, follow-up of reported health and safety issues and documentation and evaluation in recruitment processes, individual follow-ups and other relevant internal monitoring mechanisms.

S1-2 Processes for engaging with own workforce and workers' representatives

We have established structures for dialogue and engagement with our own workforce and employee representatives to identify and manage impacts, risks and opportunities affecting our employees. Dialogue is conducted both directly with workers and through trade unions and health and safety organisations in the country concerned.

Dialogue takes place, for example, through forums for co-operation with trade unions, health and safety management including safety inspections and health and safety committees, ongoing dialogue in the line organisation (for example,

employee interviews) and regular employee surveys. These forums are used to identify areas for improvement and follow up on issues related to, for example, work environment and safety, well-being, equal opportunities and inclusion, together with skills and leadership development.

Views and results obtained through the dialogue are compiled and managed within each country's organisation and used as a basis for prioritising actions, monitoring risks and improvement work. Where necessary, issues are escalated to Group functions and Group Management. Feedback is provided through management communication, internal channels and follow-up in appropriate collaboration forums.

S1-3 Procedures to remediate adverse impacts and channels for reporting problems

Channels for reporting problems

Employees can raise issues in the first instance through dialogue with their line manager or via HR. In the case of suspicions of serious irregularities or misconduct, a whistleblowing function is also in place that can be used by both employees and external parties. Whistleblowing reports may be made openly or anonymously and are handled confidentially, with an explicit prohibition of retaliation. The whistleblowing channel is maintained by an external provider and allows anonymous reporting.

The whistleblowing function is intended for the reporting of serious irregularities; day-to-day concerns and dissatisfaction are in the first instance dealt with via the manager or HR. See also G1-1 for further details of the whistleblowing process.

Investigation and actions

Cases received are handled according to established procedures depending on the nature of the case and the reporting channel. Cases are handled promptly and in confidence. Our Head of Legal is the contact person responsible for the function and the appropriate functions are



Dialogue, collaboration and reporting channels help us with early identification of potential problems

and safety problems. Our whistleblowing procedures are designed to enable reporting without fear of retaliation.

S1-4 Actions related to own workforce

Our actions related to our own workforce are based on the material impacts, risks and opportunities identified in the double materiality analysis. These actions are implemented in the context of our ongoing business management and policy framework (see S1-1) and aim to prevent, mitigate and monitor negative impacts and risks, and to advance positive impacts for our own workforce.

Skills and engagement (potential negative impact, long term)

To prevent and minimise the potential negative impact of employees not having sufficient access to appropriate training, learning and skills development, we provide training and support for both employees and managers. The ongoing training programme is mainly conducted online via the Classroom training platform. The programme includes product and range knowledge, sustainability and leadership.

In addition, the roll-out of *The 7 Habits of Highly Effective People* development programme for all employees was also launched in 2025/26. The programme is an investment in preventing and mitigating the potential negative impact identified, by expanding access to learning, self-leadership and collaboration for all employees. The aim is to create better conditions for individuals to develop in their role and feel involved and engaged at work. Progress is monitored through regular employee surveys and dialogue forums (see S1-2), after which the results are used in the improvement programme.

involved in investigation and actions as required.

When an impact on an employee is identified, we take suitable actions to remedy the situation or, where relevant, contribute to remediate based on the nature of the case. Actions may include support for the individuals concerned, corrective action in the health and safety or working practices, and legal measures when justified. Actions taken are followed up to a reasonable extent depending on the nature and gravity of the case. During the year under review, no cases were identified where special financial remediation to employees was deemed necessary.

Monitoring of effectiveness

We monitor the use and outcomes of the reporting channels at an aggregated level and seek to ensure that employees are aware of the channels and have confidence in them. This is followed up, for example, through a question in the employee survey regarding confidence in reporting health

Well-being and compliance

(risk: short/medium-to-long)

In order to prevent and mitigate risks related to well-being, working conditions and compliance, we conduct systematic health and safety work in the line organisation. This includes risk assessments, incident and near-miss reporting and follow-up of actions in health and safety forums such as safety inspections and health and safety committees (see S1-2).

To support the monitoring of sickness absence and rehabilitation, specific support systems

Skills, commitment and well-being strengthen both the customer interaction and our long-term capabilities



are used in Sweden. During the financial year, the Company's wellness allowance was also increased in Sweden and Finland as a health promotion measure. These actions aim to support employee well-being and step up prevention in this area.

Inclusion and equal opportunities *(actual positive impact, short to medium/long term impact)*

To increase equal opportunities and an inclusive work environment, we are developing recruitment and development processes, leadership and monitoring of relevant indicators associated with work climate and gender representation. This work is based on the Company's HR Policy and related guidelines (see S1-1).

As part of this initiative, we have established a mentoring programme for women and are focusing systematically on succession planning to strengthen the supply of leadership talent in the long term and to support a more equal gender representation among managers with personnel responsibility. This work also includes the development of specialised roles, to also strengthen long-term development opportunities for employees who do not have, or aspire to, managerial responsibilities. The overall ambition of these actions is to help advance an inclusive culture and equal opportunities for development at work. We are investing in The 7 Habits of Highly Effective People development programme as a Group-wide initiative for all employees. The programme plays an important role in the work of building up the ability of individuals to develop, to contribute through their strengths and to work with others in a way that supports participation, inclusion and equal opportunities at work.

The effectiveness of these actions is monitored via progress in the gender balance among managers with personnel responsibility and via complementary indicators associated with inclusion, as described in S1-5.

S1-5 Targets related to own workforce

We work with targets and monitoring linked to the material impacts, risks and opportunities identified for our own workforce. In some areas, Group-wide targets have been set, while others are monitored through appropriate indicators without a Group-wide quantitative target for the 2025/26 reporting year.

Areas monitored via indicators

Skills and commitment

We monitor developments in skills and commitment via indicators such as results in the employee survey Engage, including engagement and eNPS, as well as follow-up of training programmes performed. No Group-wide quantitative target was set for this area in the 2025/26 reporting.

Well-being and compliance

We monitor developments in well-being and health and safety on the basis of indicators such as sickness absence/healthy attendance, health and safety reports, including incidents and near misses, and relevant safety indicators. No Group-wide quantitative target was set for this area in the 2025/26 reporting.

Established Group-wide target

Inclusion and equal opportunities

We have a Group-wide target of achieving at least 40 per cent representation of the under-represented gender among managers with HR responsibilities, as per our definition of managers.

The target is monitored through the gender balance of managers with personnel responsibility, including Group Management and other managers. The actions described in S1-4, such as mentoring programmes for women and succession planning, aim to support progress towards this target. In addition, we monitor developments in inclusion and equal opportunities on the basis of indicators such as perceived inclusion in the employee survey.

S1-6 Characteristics of the undertaking's employees

This section presents the composition of our workforce in accordance with ESRS S1-6, including information on the number of employees by country, gender and form of employment, as well as employee departures and employee turnover during the period. The data refer to the Company's own workforce at the end of the reporting year.

Methodology and data sources

The details of the composition of the workforce are based on data as per 30 April 2026, the last day of the financial year. The average number of employees is reported as a monthly average over the financial year and is used as the denominator for calculating employee turnover. Sweden, Norway and Finland are reported separately, as they represent the majority of the number of employees. Other countries are reported together as "Other countries" where relevant.

The total number of employees reported in Table 1–2 refers to the number of employees as per 30 April 2026 and is based on the number deemed to be most representative for ESRS S1-6 reporting. Note 7 to the consolidated financial statements reports the average number of employees during the financial year.

Table 1 Number of employees by gender

Gender	Number of employees
Men	2,721
Women	2,508
Other	0
Not specified	0
Total employees	5,229

We do not record data for the "Other" and "Not specified" categories in personnel data. These categories are therefore reported as 0.

Table 2 Number of employees by country

Country	Number of employees
Sweden	2,673
Norway	1,969
Finland	538

The table includes the countries where we have at least 50 employees and where these also represent at least 10 per cent of the Group's total number of employees as defined in ESRS S1-6.

Table 3 Employees by type of contract and by gender

	Women	Men	Other	No data	Total
Number of employees	2,508	2,721	0	0	5,229
Number of permanent employees	2,241	2,473	0	0	4,714
Number of temporary employees	267	248	0	0	515
Number of non-guaranteed hours employees	0	0	0	0	0

The data are presented as number of individuals and include all employees of the Group as per 30 April 2026. Gender data is based on the legal gender recorded in our HR systems. The categories "Other" and "Not specified" are not recorded in the personnel data and are therefore reported as 0. Temporary employees refer to fixed-term employment positions, including seasonal employment. 90 per cent of our employees are permanent employees as per 30 April 2026.

Table 4 Number of employees by type of contract and by region

	Sweden	Norway	Finland	Total
Number of employees	2,673	1,969	538	5,180
Number of permanent employees	2,333	1,862	485	4,680
Number of temporary employees	340	107	53	500
Number of non-guaranteed hours employees	0	0	0	0

The table shows the countries where we have at least 50 employees and where at the same time these represent no less than 10 per cent of the Group's total number of employees on the reporting date. This means that the total in this table refers to the sum for the countries reported separately and differs from the total in Table 3, which includes all employees in the Group.

New hires, employee departures and employee turnover

Category	Employee departures	Average, number of employees	Employee turnover (%)
Total	1,369	5,186	26.4

Reporting period 1 May 2025–30 April 2026. "Employee departures" refers to the number of individuals who left during the period (an individual is counted once). Personnel turnover is calculated as the number of employee departures, divided by the average number of employees (monthly average) over the financial year.



Our Group Management consists of 50 per cent men and 50 per cent women

S1-8 Collective bargaining coverage and social dialogue

Collective bargaining coverage

In all, 96 per cent of our employees are covered by collective bargaining agreements. The data relate to the proportion of all employees covered by collective bargaining agreements as the reporting date, 30 April 2026. For the 2025/26 reporting year, we apply the first-year reporting relief rule and therefore omit information on collective bargaining coverage for own employees in non-EEA countries.

Table 1 Number of employees by gender

Coverage ratio	Collective bargaining coverage	Social dialogue
	Employees in the EEA	Workplace representation (EEA only)
0–19%	–	–
20–39%	–	–
40–59%	–	–
60–79%	–	–
80–100%	Sweden, Norway, Finland	Sweden, Norway, Finland

Coverage ratio for collective bargaining agreements is based on agreement classification in the HR system as per 30 April 2026. The table includes the EEA countries where we have a significant number of employees, defined as at least 50 employees and at least 10 per cent of the total number of employees. The figure on social dialogue is an estimate based on the extent to which employees fall within established forms of employee representation and trade union dialogue in the country concerned, including representation at local, regional or national level. The data are not based on a survey of representatives at every individual workplace.



Social dialogue and collective agreements are an important basis for secure working conditions. Like a lamp, they illuminate opportunities for improvement

Social dialogue and worker representation

In Sweden, Norway and Finland, social dialogue is conducted via established forms of information, cooperation and trade union dialogue in accordance with local legislation and applicable collective bargaining agreements. Dialogue takes place with employee representatives and, where appropriate, safety representatives and trade union representatives on issues relating to working and employment conditions, health and safety and organisational changes. Clas Ohlson does not have any representation at European level in the form of a European Works Council (EWC).

S1-9 Diversity indicators

Age distribution among employees

Age category	Number of employees	Share (%)
Under 30 years	2,526	48
30–50 years	1,954	37
Over 50 years	749	14
Total	5,229	100

Data as per 30 April 2026. The table refers to all employees in the Group. Age is age on the reporting date.

Gender distribution at management level

We report gender balance at senior management level in accordance with ESRS S1-9. In this report, the term "senior management" refers to Group Management.

Management level	Women		Men		Total (%)
	Number	(%)	Number	(%)	
Group Management	3	50	3	50	100

"Group Management" refers to senior executives of the group, including the CEO, the CFO, the Director of Product Management and Sourcing, the Director of Customer, Brand and People, the Director of Logistics and the Director of Operations and Sales.

Additional information on gender breakdown

Level	Women (%)	Men (%)	Target (% of under-represented gender)
Board of Directors	45	55	≥40
Group Management	50	50	≥40
All managers	38	62	≥40
Total, all own employees	48	52	–

The distribution reflects the ratio of women to and men as per 30 April 2026. "All managers" describes employees with personnel responsibility as per the Company's definition of managers.

S1-10 Adequate wages

According to our assessment, all employees are paid adequate wages in line with current benchmark wages in the country concerned. This assessment is based on the fact that wages are set in accordance with applicable collective agreements, where such are in place, and that no employee is paid below the statutory minimum wage in the countries where the minimum wage is applied. In 2025/26, 96 per cent of employees were covered by collective bargaining agreements. In the case of employees not covered by collective bargaining agreements, our remuneration principles and local pay ranges based on internal pay ranges and external market data are applied.

Note (methodology): The assessment is based on wage data as per 30 April 2026 and the applicable collective bargaining agreements and statutory minimum wages in each country.

S1-14 Health and safety metrics

Health and well-being

A safe and healthy working environment is an essential condition for our employees and our ability to operate our business efficiently and sustainably.

Scope of health and safety systems

In 2025/26 all (100 per cent) of our employees were covered by health and safety systems based on legal requirements and/or recognised standards or guidelines.

Health and safety management

We operate a structured health and safety programme in all markets, with risk assessments, safety inspections and systematic follow-up of reported incidents. During the year, work continued on developing standardised ways of working and support for health and safety monitoring at Group level. In employee surveys, outcomes included an index score of 80 (out of 100) in the



Health and Safety Index and 80 on the question of whether employees feel confident in reporting work environment or health problems.

Sickness absence (supplementary indicator)

Sickness absences totalled 5.85 per cent of contracted working hours for the business overall. Our ambition is over time to increase healthy attendance and reduce sickness absence.

The indicator refers only to the Company's own workforce (own employees) and includes all sickness absences irrespective of the underlying cause, as such cause is not recorded. Non-employees are not included.

Workplace accidents with absences and fatalities

In 2025/26, no (0) deaths were recorded among our own employees. A total of 49 lost-time accidents at work were recorded, a frequency of 8.46 per 1,000,000 hours actually worked during the period.

Note: Data refer to our own employees during the period 1 May 2025–30 April 2026, excluding Poland, Vietnam and Spares. These have been consistently excluded from both the numerator and the denominator because data on actual hours worked and/or occupational accidents have not yet been compiled at a sufficient level of quality and comparability for this reporting purpose. The entities excluded represent approximately 3.5% of the Group's total number of employees at the reporting date. As a result, this exclusion is not regarded as having any material impact on the metric recorded.

Methodology

The lost-time injury frequency rate is calculated as the number of lost-time injuries divided by the actual hours worked during the period, multiplied by 1,000,000. Data on occupational accidents and hours worked are obtained from internal reporting systems, as well as HR and payroll systems in each country and relate to the Company's own employed personnel.

S1-16 Remuneration metrics (pay gap and total remuneration)

In accordance with ESRS S1-16, we report the gender pay gap and the ratio of the total remuneration of the highest paid person – the CEO – to the median total remuneration of other employees.

In 2025/26, the gender pay gap was **4.27 per cent**.

In 2025/26, the total remuneration ratio was **55**.

We have a long-term ambition that no unjustified gender pay gap between women and men should exist. This is followed up through regular analyses of pay structures and levels of remuneration.

Description of methodology

The gender pay gap is calculated on the basis of pay data as per 30 April 2026. The calculation is based on gross hourly earnings and expresses the difference between the average gross hourly earnings of men and women as a percentage of the average gross hourly earnings of men. Gross hourly earnings have been calculated on the basis of basic hourly earnings and fixed allowances. The calculation of hourly earnings for monthly-paid employees is based on the relevant local metric for full-time employees. The calculation takes into account fixed salary, fixed allowances and variable cash remuneration.

The overall remuneration ratio is based on total remuneration for the financial year 1 May 2025–30 April 2026, calculated as the ratio of the total remuneration for the highest paid person to the median total remuneration for other employees. The median population comprises all employees employed and remunerated during the financial year, excluding the highest paid employee. The remuneration of the highest paid person is not included in the calculation of the median for other employees. To enable comparability between different forms of employment and employment rates, the remuneration for the median population is converted to full-time level. The calculation is based on fixed remuneration and relevant

variable remuneration components, benefits and incentives. Remuneration in other currencies has been translated to SEK using the exchange rate principle established for the financial year.

S1-17 Incidents, complaints and severe human rights impacts

We offer several channels for reporting irregularities, including an external whistleblowing service. Reports may be submitted anonymously. Data is collated from three reporting channels: an external whistleblowing channel (WhistleB) and two internal systems. Due to anonymity considerations and limited scope for matching cases between different reporting channels, the possibility cannot be excluded that several reports refer to the same underlying event.

The process for receiving and handling cases received is described in G1-1.

During the reporting period, 1 May 2025 – 30 April 2026, the following cases were reported:

- Total number of cases of discrimination reported, including harassment: **63**
- Number of other complaints/cases after initial assessment (triage), excluding discrimination cases above: **92**

Cases received were handled according to established procedures for reception, initial assessment, investigation and, where necessary, escalation. Cases are processed with account being taken of confidentiality, integrity and protection from retaliation.

No (0) cases of serious human rights incidents were identified during the reporting period.

No (0) fines, penalties, sanctions or compensation/damages were reported in connection with the above cases. The amounts have been reconciled to the financial statements; no amount has been recognised.

The data refer to cases related to the Company's own workforce. The data are based on standardised extracts from our internal case management systems and external whistleblowing systems as per 30 April 2026.

S2 Workers in the value chain

Material impacts, risks and opportunities

Material topic	Description of impact, risk or opportunity	Link to policies and governance	Actions, targets and monitoring
S2 Workers in the value chain			
Working conditions	Working hours Excessive working hours upstream in the value chain (impact)	The Human Rights Policy Statement, supplier requirements and the amfori BSCI Code of Conduct guide work on working hours and working condition in the supply chain.	Managed via risk-based supplier monitoring, third-party audits, dialogue and corrective actions. In line with the Quick Fix relief, no comprehensive S2 reporting is provided and no time-bound ESRS-specific S2 targets are reported for 2025/26.
	Breaches of workers' rights among supplier employees may damage trust and reputation (risk)	The Human Rights Policy Statement, Code of Business Ethics, whistleblowing processes and supplier requirements govern work on human rights and labour law in the supply chain.	Managed via human rights due diligence, supplier dialogue, audits, corrective actions and reporting channels. No comprehensive ESRS-specific S2 metrics or targets are reported at this stage.

Overview according to the phasing-in rule in ESRS 2, paragraph 17

In our double materiality assessment, workers in the value chain have been judged to be a material sustainability issue. The material issues addressed in this summary are, on the one hand, an actual negative impact arising from excessive working hours upstream in the value chain and, on the other hand, a potential risk that breaches of labour rights and working conditions by suppliers could negatively affect our trust and reputation.

Our approach to this issue is based on requirements for responsible behaviour in the supply chain, behavioural requirements for suppliers and risk-based monitoring. Our **Human Rights Policy Statement** applies to suppliers, contractors and other business partners and includes commitments to *inter alia* fair working conditions, prohibition of forced labour, child labour and human trafficking, respect for freedom of association, and safe and healthy working conditions. The policy also requires us to engage in human rights due diligence through risk assessments and audits of our operations and supply chain, especially in high-risk areas.

This work is also supported by **the Code of Business Ethics, whistleblowing guidelines**, as well as supplier requirements and codes of conduct applicable in the supply chain. These aim to identify, prevent and manage irregularities in the supply chain, including risks in connection with working hours, working conditions and other labour law issues. When procuring new strategic suppliers, we require them to achieve at least level C according to amfori BSCI, or equivalent standard, before cooperation is initiated. Where shortcomings have been identified, corrective actions must be taken and potential suppliers must have implemented improvement measures to achieve the required level. We also carry out our own factory visits before commencement of purchasing. Although these visits do not constitute social audits *per se*, they form part of process to monitor and prevent negative impacts in the supply chain. External reporting channels are available for reporting suspected breaches in the

supply chain without risk of retaliation. This work helps to identify and monitor risks and negative impacts in the supply chain, and work continues on development of governance, processes and monitoring in the area.

At the present time, we have not set any time-bound ESRS-specific targets for workers in the value chain within the scope of this report. Furthermore, we do not report on full ESRS-specific metrics for S2 at this stage, but continue to develop data collection and monitoring in the area of workers in the value chain.

In accordance with the temporary transition rule under Quick Fix, we do not provide full reporting under ESRS S2 for the financial year 2025/26.

Even under simplified S2 reporting, we are continuing to strengthen requirements and monitoring in the supply chain



Business conduct



Sound business conduct is the basis of trust in Clas Ohlson – in every purchasing decision, supplier relationship and business contact. Our growth shall be achieved on the basis of clear rules, robust business ethics and zero tolerance of corruption and bribery.

During the year, work focused on the risks that are most relevant to us: corruption risk in purchasing and management of supplier relationships. This work is guided by our Code of Conduct, Code of Business Ethics, whistleblowing procedures and a risk-based supplier management process. We conduct mandatory training for identified risk roles, attestation and authorisation processes, due diligence, third-party audits, supplier agreements and clear reporting channels. All strategic suppliers are required to confirm and comply with the Code of Conduct as part of the onboarding and contracting process. No cases of corruption or bribery were confirmed during the year. When irregularities occur, we use them to further strengthen controls, practices and accountability.

G1 Business conduct

Material impacts, risks and opportunities

Material topic	Description of impact, risk or opportunity	Link to policies and governance	Actions, targets and monitoring
G1 Business conduct			
Corruption and bribery	Corruption risk in purchasing (risk)	The Code of Conduct, Code of Business Ethics, whistleblowing procedures and the risk management process guide the work on corruption, bribery, conflicts of interest and ethical business behaviour.	Managed via risk assessments, mandatory training for identified risk roles, authorisation and approval processes, controls and whistleblowing. All employees in identified high-risk roles must undergo mandatory business ethics and anti-corruption training.
Management of relationships with suppliers including payment practices	Failures in management of supplier relationships may lead to ethical breaches and legal consequences (risk)	Supplier requirements, Code of Conduct, Code of Business Ethics and the governance of purchasing and supplier processes set expectations for suppliers and internal roles.	Managed via supplier agreements, onboarding, supplier monitoring, audits, documented procedures and reporting channels. All strategic suppliers are required to confirm and comply with the Code of Conduct as part of the onboarding and contracting process.

Our approach to business ethics and business conduct encompasses how we develop and maintain a healthy corporate culture, ensure high standards of business ethics, and prevent corruption and bribery. This work also includes responsible management of supplier relationships and whistleblower protection, both within the organisation and in the value chain.

ESRS G1 reporting aims to detail how we identify, manage and monitor material impacts, risks and opportunities related to business conduct, in line with our double materiality analysis.

G1-1 Guidelines on business ethics and corporate culture

The material impacts, risks and opportunities identified in the area of business conduct include corporate culture, business ethics, prevention of corruption and bribery, and supplier relationship management.

The double materiality analysis has identified

two overarching risks related to business conduct. These include risks of corruption and bribery in the supply chain and purchasing processes, as well as risks related to insufficient governance of supplier relationships, which may have legal and reputational consequences.

The analysis has also identified opportunities linked to a clear corporate culture and a structured approach to business ethics. Such an approach may help build trust with customers, employees and other stakeholders. In addition, stronger and more structured sustainability efforts may improve the conditions for meeting increased expectations from financial actors. However, these opportunities are not considered to be material in the context of the Group as a whole.

Our transition from an internal code of conduct to the internationally recognised amfori BEPI and BSCI codes of conduct, in the context of supplier relationship management, creates an opportunity to standardise ethical guidelines and to

strengthen transparency, accountability and relationships in the supply chain.

With regard to corruption and bribery, risks have been identified in supplier relationships, particularly in purchasing regions in Asia and within the purchasing function at headquarters. The risks may arise in connection with negotiations, contractual processes and other supplier interactions and may lead to legal and reputational consequences.

Through preventive actions, such as training, supplier audits and established guidelines, we are endeavouring to prevent and manage these risks.

Policy framework, implementation and monitoring Policies

Our work on business ethics and business conduct is guided by a coherent policy framework, which forms the basis for managing the material risks in the area. Key documents are:

- Code of Conduct
- Code of Business Ethics
- Whistleblowing Guide and Case Management Procedures

These are adopted and reviewed annually by the Board to ensure they are up-to-date with regard to legislation, identified risks and developments in the business.

The policy framework applies to all employees and members of the Board of Directors and, where relevant, to contracted consultants.

Actions and implementation

The policy framework is implemented via established practices in daily activities such as:

- onboarding and induction programmes
- training (mandatory for identified risk roles and available to others)
- ongoing internal communication (e.g. intranet, campaigns, management messages, town hall meetings)
- authorisation and approval processes, together with role and authorisation management, risk assessments and follow-up via internal controls and supplier audits

The aim is to prevent corruption and unethical behaviour, ensure compliance with applicable laws and regulations, and promote a culture of integrity and responsible business conduct throughout the organisation and the value chain. Our anti-corruption and anti-bribery policies are not considered incompatible with the United Nations Convention against Corruption (UNCAC). Our policy framework addresses the key principles of the Convention, including prevention, criminalisation of corruption, international cooperation and asset recovery mechanisms, via our Code of Conduct, Code of Business Ethics, whistleblowing procedures and third-party supply chain audits.

We regularly review our business ethics and compliance framework to ensure that policies, controls and processes are fit for purpose in relation to identified risks, regulatory changes and developments in the business. Compliance and effectiveness are monitored via internal controls, risk analysis process and follow-up of case statistics and lessons learnt. Results are reported to the Board multiple times a year.

Corporate culture and values

Our corporate culture is based on clear communication of our vision and core values, which are established by management and anchored in our Code of Conduct and Code of Business Ethics. Management is responsible for setting the tone of the organisation and ensuring that ethical principles permeate the way we work and make decisions.

Our culture is built and developed via active leadership, clear communication of expectations and by integrating values into everyday decisions and processes. Employees are involved in further developing culture and values through dialogue forums, workshops and regular employee surveys. The culture is continuously reinforced via policy updates and training in areas such as anti-corruption, integrity, diversity and inclusion, and sustainability.



Integration into processes (HR processes and governance)

Values and business ethics are integrated into HR processes such as recruitment, induction, performance assessment and reward systems.

Expected behaviour (consequences and learning)

We clearly define expected behaviour through our Code of Conduct and Code of Business Ethics, which includes zero tolerance of corruption and bribery, requirements to avoid conflicts of interest and to act with integrity in relationships with customers, suppliers and other business partners. Breaches may lead to actions such as a warning, disciplinary action, dismissal or reporting to the police depending on the nature and seriousness of the case.

Compliance and whistleblowing (governance, channels and process)

Governance

The Board of Directors has overall responsibility for ensuring that we conduct our business in a legal, ethical and sustainable manner. The Board sets the compliance framework and monitors the effective functioning of reporting channels and control functions.

Business ethics requirements and relevant parts of the Code of Conduct are integrated into contracts with suppliers and business partners through contract annexes/Supplier Code of Conduct.

During the reporting period, 100 per cent of Clas Ohlson's suppliers confirmed compliance with the Code of Conduct through contract signing, onboarding or audit. Data for new subsidiaries is incomplete, as integration and onboarding processes are still ongoing.

Reporting channels and handling of breaches

To enable reporting of suspected breaches of the Code of Business Ethics and Code of Conduct, both internal and external reporting channels are available. Incoming cases are handled according to established procedures, subject to requirements for confidentiality and protection against retaliation.



Our channels

- External whistleblowing service – possibility of anonymous reporting
- Reporting directly to the line manager or Head of Legal on the Code of Business Ethics and Code of Conduct
- Internal reporting of Code of Conduct/operational incidents via the Company intranet
- Internal reporting to HR channel

Whistleblower protection and confidentiality

We ensure a safe reporting environment where retaliation against whistleblowers is strictly prohibited. Employees who report suspected irregularities in good faith are protected from negative consequences, even if the suspicion later turns out to be unfounded. All cases are handled confidentially and only designated persons have

access to case information. Disqualified persons or those involved may not participate in the investigation or decision-making.

Transparency and accessibility

Information on reporting channels and processes is available on the intranet. Information on external whistleblowing and relevant policies is also available via our public website. The channels are available to employees and external stakeholders such as suppliers, business partners and customers in multiple languages.

Information about the whistleblowing channel and how to report is included in the induction programme for new employees and is posted regularly on the intranet. In addition, targeted training is provided to employees in identified risk roles, including how and when to use the whistleblowing channel.

A strong corporate culture is built on clear expectations and safe channels enabling people to speak up

Business ethics and training

Our business ethics policy requires training for employees in functions subject to an increased risk of irregularities. The courses are delivered digitally in the form of e-learning. The aim is to ensure that employees in risk roles and senior executives are sufficiently competent to act in accordance with our guidelines and applicable legislation.

Our intention is that all employees in identified high-risk roles must undergo mandatory business ethics and anti-corruption training.

Identified high-risk functions and control environment

As part of our risk identification in connection with corruption and bribery, the purchasing function has been identified as in the high-risk category, linked to external contacts and supplier relationships. Risks are addressed through a combination of training and control activities, including:

- Attestation and authorisation processes
- Third party audits/supply chain follow-ups
- In addition to the above standard controls, no additional purchasing-specific controls are applied

During the reporting period:

- Percentage of the target group having completed mandatory training: 100%
- Percentage of all employees who have completed training (including voluntary): 21%
- Frequency of mandatory refresher training: as needed

Monitoring of business ethics and compliance
Monitoring and metrics

Our work on business ethics and business conduct is monitored via:

- annual employee survey, follow-up of incidents and whistleblowing cases (type, status, lessons learnt),
- internal controls, risk analyses and supplier audits by third parties

The effectiveness of our business ethics framework is monitored through a number of internal key metrics based on the above, including training completion rates, number and type of whistleblowing cases, results of supplier audits and results of employee surveys related to ethical behaviour.

Demarcation of reporting channels and reported cases

We provide separate reporting channels for incidents and irregularities:

- External whistleblowing function – primarily intended for reporting suspected breaches of the Company's Code of Business Ethics, Code of Conduct and matters related to business ethics, corruption, bribery, conflicts of interest, fraud and other serious misconduct
- Internal incident reporting channel via the intranet, dedicated to operational incidents such as in-store events (e.g. theft, security incidents, accidents), as well as employee-related issues, including harassment and other health and safety issues

We operate procedures for the classification of incoming cases to ensure proper handling and reporting in accordance with the relevant ESRS standard. Classification is based on the nature of the case and its link to business ethics and health and safety/human resources issues.

During the financial year, one report was received concerning ethical business behaviour. The case concerned a purchasing-related irregularity in connection with a supplier. The case was classified as a case involving business ethics, but was not deemed to constitute corruption or bribery. The case was handled in accordance

with the Company's established procedures for investigation and escalation. In the course of the investigation, the employee concerned resigned at their own request and the investigation was closed. The case did not lead to any fines, sanctions or legal proceedings. Against this background, we have undertaken a further review of the applicable procedures and control mechanisms related to procurement activities with a view to further developing prevention.

G1-2 Management of relationships with suppliers

Governance, working practices and how supplier relationships are managed

Supplier relationships are managed as an integral part of the product and purchasing process, with the aim of ensuring competitiveness (total landed cost), quality, compliance and sustainability. Social and working conditions at supplier factories must as a minimum meet the requirements of grade C according to amfori BSCI or equivalent standard of another certification body. Our sourcing strategy states that the supplier base must meet our sustainability requirements and that the strategy must be in line with our overall sustainability strategy and targets.

Responsibilities and organisation

For own brands and non-branded products, a clear division of responsibilities exists where specific product roles are responsible for commercial aspects (e.g. market, pricing, product mix), while the purchasing organisation is responsible for purchasing-related aspects such as country of production and factory selection, price negotiation, quality, packaging, sustainability and compliance. Outside the Nordics, we have purchasing offices in Shanghai, Ho Chi Minh City, New Delhi, Warsaw and Istanbul (legal entity registered in 2025/26, operations to start in 2026/27) to support supply chain work.

Contracts and commercial governance

Supplier relationships are formalised through written supplier agreements and a structured

Zero tolerance of corruption and bribery is a clear part of our Code of Business Ethics

Identified risk roles are subject to mandatory business ethics and anti-corruption training





Responsible supplier relationships are built on competitiveness, quality, compliance and sustainability

approach to negotiations and follow-up. The process includes analysis of historical cost/price trend, cost drivers (such as raw materials, logistics and currencies), negotiation of payment terms, lead times, minimum order quantities and volume commitments, as well as dialogue on areas for improvement and opportunities for mutual value creation. Payment terms are negotiated as part of the commercial negotiation procedure with the aim of fulfilling our commercial commitments.

We have designated contract owners who are engaged in supplier service/after-sales support, non-disclosure agreements, new supplier documentation, legal support and supplier performance evaluation.

Monitoring and dialogue

We emphasise process-oriented ways of working with documented work instructions, continuous improvement and frequent interaction with factories focusing on improvements. The supplier dialogue also includes sharing results from supplier evaluations to inform improvement plans. Internal monitoring of business and sustainability issues is conducted on a monthly basis, while results are shared with suppliers less frequently. The supplier dialogue mainly involves the roles we call Sourcing Merchandisers, Merchandisers, Quality Engineers and Sourcing Managers.

We operate established policies and requirements for purchasing practices, including payment terms, management of price increases and actions to counter unfair business practices. Our policy on payment times applies to all suppliers, including small and medium-sized enterprises (SMEs). We apply agreed payment terms consistently and aim to fulfil our commercial commitments within the agreed period, irrespective of the size of the supplier. We have not identified any systematic risks of late payments to SMEs during the reporting period.

Our aim is to ensure that, as part of the onboarding and contract process, all strategic suppliers commit to and comply with our Code of Conduct.

Requirements, due diligence, compliance monitoring and non-conformity management
Setting requirements through Code of Conduct

Our Code of Conduct is an integral part of the business and sets out the requirements for human rights, employee rights, the environment, children's rights and business ethics that we place on our suppliers. The Code is based on international frameworks such as the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Control, monitoring and non-conformity management

We have processes to check compliance and follow up on deviations from the Code of Conduct. The Code of Conduct is included as part of supplier contracts, ensuring that suppliers accept and commit to implementing its requirements. Supplier assessments are performed via third-party audits managed through amfori BSCI or equivalent certification bodies. The audit frequency meets the requirements of the third-party programme concerned. In the case of larger suppliers, where around 50 suppliers account for approximately 50 per cent of the purchase value, monitoring is quarterly. In case of non-conformities, escalation steps are applied in accordance with the third-party assurance programme under which the supplier is assessed. When a non-conformity is identified, a corrective action plan (CAP) is drawn up and no new orders can be placed until the corrective action plan is finalised and approved. Suppliers may be phased out in the case of poor performance. We use CAPA and re-audit timelines.

Transparency and reporting of non-conformities

Deviations from policy documents are to be reported to the sustainability function responsible or via whistleblowing channels, including the possibility of anonymous reporting. Read more in the G1-1 section.

G1-3 Prevention and detection of corruption and bribery

Procedures for preventing, detecting and dealing with corruption and bribery

We apply a structured business ethics and anti-corruption programme that includes risk assessments, courses, internal controls, due diligence of business partners and whistleblowing mechanisms to prevent, detect and address breaches.

Clas Ohlson has a zero tolerance policy regarding corruption and bribery. All employees are required to read and comply with our Code of Conduct and Code of Business Ethics, which are part of the induction programme and are available via internal and external channels.



Suppliers must commit to our Code of Conduct as part of the contracting process and in order to sell products to us

We take a risk-based approach to prevention and detection via:

- annual corruption and bribery risk assessments as part of the Group's risk management process
- mandatory training for identified risk roles
- clear rules on gifts/business entertainment, conflicts of interest and undue favours
- internal controls (attestation, permissions, allocation of responsibilities)
- due diligence of business partners where appropriate
- third-party audits and supply chain follow-ups, including unannounced checks where relevant

The Code of Business Ethics and Code of Conduct are annexed and/or referenced in contracts with third parties and also apply to suppliers and agents. Compliance is monitored through third-party controls.

At the present time, we do not have a separate internal audit function. Instead, internal control is monitored through the controller function, the Group's risk management process and the ongoing monitoring by the Board and the Audit Committee. Internal control is ensured through the controller function and a structured two-stage risk management process:

1. Comprehensive risk assessment with identification and reassessment of risks, follow-up of highest-ranked risks, and definition of new risk mitigation actions where necessary.
2. Mid-year review focusing on monitoring highest-ranked risks and adding new risks in the event of significant changes.

The results of risk assessments and follow-up of risk mitigation actions are regularly reported to the Audit Committee and the Board.

The internal control process includes monitoring risks of irregularities as part of our risk management process. This work is based on regular risk assessments, monitoring of prioritised risks and regular reporting to management and Board. The internal audit issue is reviewed annually by the Board.

Suspected non-compliances may be reported via our external, anonymous whistleblowing service and/or via internal channels.

To ensure investigative independence, the investigative function is separated from the preventive and detection activities. This means that suspected breaches of our Code of Business Ethics are investigated by a function that is organisationally and functionally independent of the chain of command responsible for the operational activities concerned. Investigations are carried out by the Legal Department or the Security Department in co-operation with HR and, if necessary, by an external independent party with specific expertise in compliance and investigations.

Whistleblower reports are received by a team consisting of:

- Head of Legal
- Head of Group Security
- Chairman of the Audit Committee

The receiving team is responsible for initial assessment, decision on further investigation and escalation. Results of any investigation and actions taken on matters deemed to be whistleblowing cases are reported to the Audit Committee and, where appropriate, to the Board.

The members of the receiving team have been appointed on the basis, respectively, of their position and their expertise in the fields of law, security and the Board's supervisory responsibilities. Through their professional experience and respective areas of expertise, team members are well versed in the handling of whistleblowing cases, including confidentiality requirements, investigative methodology and applicable whistleblowing protection legislation, and are considered to possess the knowledge required for the task.

How policies are communicated to the parties concerned

Policy management follows a fixed annual process whereby each policy owner is responsible for reviewing and, if necessary, updating the respective policy, after which it is subject to

approval by the Board. Once adopted, the latest version is published on the intranet and, where relevant, on the public website.

Public policies are shared with external parties including suppliers and business partners through contractual arrangements and via our website. Internal policies and guidelines are made available to all employees via the intranet. Mandatory policies per employee group are determined by type of employment and role.

Communication and training on combating corruption and bribery

Business ethics policies combating corruption and bribery are communicated to all employees via the intranet, onboarding and regular internal communication. Mandatory training is conducted regularly for employees concerned with a particular focus on high-risk roles (e.g. procurement, major contracts, senior roles). The members of the Board of Directors have, within their respective areas of expertise and experience, a good knowledge of anti-corruption and business ethics. The Board is regularly informed of risk assessments, case statistics and changes to the business ethics framework as part of the regular reporting to the Audit Committee and the Board, which ensures that members' knowledge is kept up-to-date. Policies and requirements are also communicated to suppliers through contracts, audits and follow-up.

During the reporting period, the training rate in risk roles was 100 per cent.

Actions to address risks of corruption or bribery

We conduct regular risk assessments regarding corruption and bribery. Risks identified are addressed via internal controls, clear authorisation processes, risk-based due diligence on business partners and third-party audits of suppliers.

Preventive actions include:

- attestation and authorisation processes
- due diligence of business partners where appropriate
- third-party audits and supplier monitoring

- strengthened controls in high-risk countries/ high-risk categories
- action plans and follow-up of non-conformities

Following the business ethics case reported during the financial year, we reviewed relevant processes and controls within the purchasing function, with the aim of further strengthening our preventive actions.

Whistleblower protection and reporting mechanisms

We provide an independent whistleblowing function that is available to employees and external stakeholders. Cases may be reported anonymously. We apply a strict anti-retaliation policy and ensure confidential handling of cases received. This protection applies to all whistleblowing reports related to business ethics, corruption, bribery and other irregularities.

G1-4 Incidents of corruption or bribery

Incidents, confirmed cases, sanctions and actions

During the financial year, no reports were received regarding suspected corruption, bribery or related offences. The business ethics case reported was not considered to constitute corruption or bribery at the time of classification and is therefore not included in the following report.

During the reporting period:

- Total number of reported cases related to corruption or bribery: 0
- Number of confirmed cases: 0
- Number of ongoing investigations at the financial year-end: 0

Fines and sanctions

During the financial year, no fines, sanctions or legal penalties related to corruption or bribery were imposed, making the total amount of fines and sanctions SEK 0.

Actions and disciplinary consequences

As no cases of corruption or bribery were confirmed during the financial year, no disciplinary, dismissal or other corrective actions were taken in relation to such breaches.

We have established processes for investigating and handling suspected breaches, which are activated when necessary in accordance with our Code of Business Ethics and Whistleblowing Policy. In confirmed cases, actions proportionate to the seriousness of the case are applied.

MDR-M Methodology and assumptions behind G1 metrics

The metrics reported in G1 apply to the number of reported and confirmed cases of corruption or bribery, the number of ongoing investigations, the total amount for fines and sanctions, the number of reports of breaches of the Code of Business Ethics, the level of training in identified risk roles, and the proportion of suppliers who have confirmed compliance with the Code of Conduct. The metrics are based on standardised extracts from our external whistleblowing system, internal case management system, HR and training system and supplier databases. Cases are classified on the basis of internal guidelines for demarcation between business ethics cases and personnel-related cases. Key assumptions include that cases are classified on the basis of an initial assessment of the nature of the case, that the training rate is measured as the proportion of the defined target group that completed mandatory training during the reporting period, and that suppliers' confirmation of the Code of Conduct is recorded at contract signing, onboarding or audit. Limitations of the methodology include that cases reported via different channels cannot always be matched due to anonymity, that the training rate refers to completed e-learning and does not measure actual knowledge level and that suppliers' confirmation of the Code of Conduct does not in itself guarantee actual compliance. The metrics have not been validated by any external body other than the statutory auditor.



Annexes to the Sustainability Report

Annex A: Disclosure requirements in ESRS covered by the undertaking's Sustainability Report (IRO-2)

ESRS	Disclosure requirement	Page
ESRS 2: General disclosures	BP-1: General basis of preparation of the sustainability report	46
	BP-2: Disclosures relating to specific circumstances	46
	GOV-1: The role of the administrative, management and supervisory bodies	47–48
	GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	48–49
	GOV-3: Integration of sustainability-related performance in incentive schemes	49
	GOV-4: Statement on due diligence	49
	GOV-5: Risk management and internal controls over sustainability reporting	49–50
	SBM-1: Strategy, business model and value chain	51–54
	SBM-2: Interests and views of stakeholders	54
	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	55–57
IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	58–59	
E1: Climate change	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	49
	E1-1: Transition plan for climate change mitigation	63
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	55–57
	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	59
	E1-2: Policies related to climate change mitigation and adaptation	64
	E1-3: Actions and resources in relation to climate change policies	64–65
	E1-4: Targets for climate change mitigation and adaptation	65–67
	E1-5: Energy consumption and mix	67
	E1-6: Gross Scopes 1, 2, 3 and total GHG emissions	68–70
E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Omitted (phase-in)	

ESRS	Disclosure requirement	Page
S1: Own workforce	ESRS 2 SBM-2: Interests and views of stakeholders	54
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	55–57
	S1-1: Policies related to own workforce	76–77
	S1-2: Processes for engaging with own workforce and workers' representatives about impacts	77
	S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns	77
	S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	77–78
	S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	78
	S1-6: Characteristics of the undertaking's employees	79
	S1-7: Characteristics of non-employees in the undertaking's own workforce	Omitted (phase-in)
	S1-8: Collective bargaining coverage and social dialogue	80
	S1-9: Diversity indicators	80
	S1-10: Adequate wages	80
	S1-11: Social protection	Omitted (phase-in)
	S1-13: Training and skills development metrics	Omitted (phase-in)
	S1-14: Health and safety metrics	81
	S1-15: Work-life balance metrics	Omitted (phase-in)
	S1-16: Remuneration metrics (pay gap and total remuneration)	81
S1-17: Incidents, complaints and severe human rights impacts	81	
S2: Workers in the value chain	Summary information according to BP-2 paragraph 17	83
G1: Business conduct	ESRS 2 GOV-1: Responsibilities of the Board	47–48
	ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	58–59
	G1-1: Business conduct policies and corporate culture	86–88
	G1-2: Management of relationships with suppliers	88–89
	G1-3: Prevention and detection of corruption and bribery	90–91
G1-4: Incidents of corruption or bribery	91	

Annex B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation (IRO-2)

Disclosure requirement	Data point					Page / not material
		SFDR	Third pillar	Benchmark regulation	EU Climate Law	
ESRS 2 GOV-1	21 d	Board's gender diversity	●		●	47–48
ESRS 2 GOV-1	21 e	Percentage of Board members who are independent			●	47–48
ESRS 2 GOV-4	30	Statement on due diligence	●			49
ESRS 2 SBM-1	40 d i	Involvement in activities related to fossil fuel activities	●	●	●	Not material
ESRS 2 SBM-1	40 d ii	Involvement in activities related to chemical production	●		●	Not material
ESRS 2 SBM-1	40 d iii	Involvement in activities related to controversial weapons	●		●	Not material
ESRS 2 SBM-1	40 d iv	Involvement in activities related to cultivation and production of tobacco			●	Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				● 63
ESRS E1-1	16 g	Undertakings excluded from Paris-aligned Benchmarks		●	●	Not material
ESRS E1-4	34	GHG emission reduction targets	●	●	●	65–67
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●			67
ESRS E1-5	37	Energy consumption and energy mix	●			67
ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	●			67
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●	68–70
ESRS E1-6	53–55	Gross GHG emissions intensity	●	●	●	68–70
ESRS E1-7	56	GHG removals and carbon credits				● Not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			●	Not material
ESRS E1-9	66 a	Disaggregation of monetary amounts by acute and chronic physical risk		●		Not material
ESRS E1-9	66 c	Location of significant assets at material physical risk		●		Not material
ESRS E1-9	67 c	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●		Not material
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			●	Not material
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil				Not material
ESRS E3-1	9	Water and marine resources	●			● Not material
ESRS E3-1	13	Dedicated policy	●			Not material
ESRS E3-1	14	Sustainable oceans and seas	●			Not material
ESRS E3-4	28 c	Total water recycled and reused	●			Not material
ESRS E3-4	29	Total water consumption in m ³ per net revenue on own operations	●			Not material
ESRS 2 – SBM3 – E4	16 a i	Activities negatively affecting biodiversity sensitive areas	●			Not material
ESRS 2 – SBM3 – E4	16 b	Land degradation, desertification or land sealing	●			Not material
ESRS 2 – SBM3 – E4	16 c	Activities that affect threatened species	●			Not material
ESRS E4-2	24 b	Sustainable land / agriculture practices or policies	●			Not material

Disclosure requirement	Data point		SFDR	Third pillar	Benchmark regulation	EU Climate Law	Page / not material
ESRS E4-2	24 c	Sustainable oceans/seas practices or policies	●				Not material
ESRS E4-2	24 d	Policies to address deforestation	●				Not material
ESRS E5-5	37 d	Non-recycled waste	●				Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	●				Not material
ESRS 2 – SBM3 – S1	14 f	Risk of incidents of forced labour	●				76–77
ESRS 2 – SBM3 – S1	14 g	Risk of incidents of child labour	●				76–77
ESRS S1-1	20	Human rights policy commitments	●				76–77
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8		●			76–77
ESRS S1-1	22	Processes and actions for preventing trafficking in human beings	●				76–77
ESRS S1-1	23	Workplace accident prevention policy or management system	●				76–77
ESRS S1-3	32 c	Grievance/complaints handling mechanisms	●				77
ESRS S1-14	88 b and c	Number of fatalities and number and rate of work-related accidents	●	●			81
ESRS S1-14	88 e	Number of days lost to injuries, accidents, fatalities or illness	●				Not material
ESRS S1-16	97 a	Unadjusted gender pay gap	●	●			81
ESRS S1-16	97 b	Excessive CEO pay ratio	●				81
ESRS S1-17	103 a	Incidents of discrimination	●				81
ESRS S1-17	104 a	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●	●			81
ESRS 2 – SBM3 – S2	11 b	Significant risk of child labour or forced labour in the value chain	●				83
ESRS S2-1	17	Human rights policy commitments	●				83
ESRS S2-1	18	Policies related to workers in the value chain	●				83
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●	●			Not material
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1–8		●			83
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●				Not material
ESRS S3-1	16	Human rights policy commitments	●				Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	●	●			Not material
ESRS S3-4	36	Human rights issues and incidents	●				Not material
ESRS S4-1	16	Policies related to consumers and end-users	●				Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●	●			Not material
ESRS S4-4	35	Human rights issues and incidents	●				Not material
ESRS G1-1	10 b	United Nations Convention against Corruption	●				86–88
ESRS G1-1	10 d	Protection of whistle-blowers	●				86–88
ESRS G1-4	24 a	Fines for violation of anti-corruption and anti-bribery laws	●	●			91
ESRS G1-4	24 b	Standards of anti- corruption and anti- bribery	●				90–91

Annex C: Details of the main emission factors

This annex is supplementary to the presentation of the calculation methodology for Scope 3 Category 1, Purchased goods and services. The aim is to improve transparency regarding the emission factors of the most significance in the calculation. The selection is based on six of the most significant emission factors in the emission calculation, five of which are obtained directly from IDEMAT and one (for printed circuit boards) is adjusted to better represent our particular product range.

Polypropylene

The emission factor for polypropylene, PP, is based on the PlasticsEurope Eco-profile for PP. The source is an industry-specific cradle-to-gate LCA/EPD for PP resin, based on European producer data and external review. It is regarded as reasonable because in our materials data PP is treated as a generic plastic material and the system boundary for the source corresponds to material production before further manufacturing.

Lithium-ion batteries

The factor for lithium-ion batteries is based on LCA data from Gao *et al.* (2018) which includes natural graphite anode material for lithium batteries. The article covers mining, beneficiation, purification and processing and shows that climate impacts are mainly driven by energy-intensive process stages. The source is considered relevant in terms of the battery materials used in our products.

PVC

In the case of PVC, a trade mix factor is used, obtained from the PlasticsEurope/ ECVI Eco-profile for vinyl chloride and PVC. The source distinguishes between suspension PVC and emulsion PVC, and is based on updated European industry data. The IDEMAT factor includes small adjustments to better represent the market mix of PVC.

Steel

In the case of steel, a factor representing the Chinese market mix for beams and sheet steel is used. The data is derived from separate EPD-based averages for blast furnace/BOF and electric arc furnace/EAF and an assumed Chinese production mix with a low EAF factor. This is considered reasonable, as the BOF/EAF ratio reflects the principal process driver for the climate intensity of steel, and as Chinese steel production is relevant in our upstream value chain. The sources are IBU EPD data compiled in Idemat, and market data for China.

Aluminium

The factor for aluminium is based on a global market mix of both primary and secondary aluminium. The weighted emission factor is calculated by combining primary and secondary aluminium, with primary aluminium accounting for the largest climate impact due to electricity-intensive electrolysis. The main source for this data is LCI data from the International Aluminium Institute.

Printed circuit boards

In the case of printed circuit boards, we have developed our own weighted emission factor on the basis of several internal and external sources, as the climate impact of printed circuit boards varies greatly depending on system boundaries, assumptions, and technical content. No single emission factor was deemed to be representative of Clas Ohlson's broad product range. This conclusion is based on the fact that the PCB mass of our range is mainly found in LED drivers, chargers, appliances and simple control boards, rather than in advanced high-density logic such as modern smartphones or laptops. As a result, we have used a portfolio-weighted factor based on three PCB archetypes and the product groups that account for the majority of PCB mass. This is regarded as providing a more representative estimate of climate impact than use of a generalised emission factor for a specific type of electronics.



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Consolidated income statement

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Net sales	2,3	12,513.9	11,626.7
Goods for resale		-6,543.3	-6,320.8
Personnel expenses	7,8	-2,494.6	-2,340.7
Other external expenses	4,5	-1,227.5	-1,043.6
Depreciation/amortisation and write-down of tangible and intangible assets	11,12,13	-720.0	-747.7
Other operating income and expenses	6	-1.5	-2.7
Total expenses		-10,986.8	-10,455.5
Operating result		1,527.1	1,171.2
<i>Financial items</i>	17		
Financial income		31.0	16.3
Financial expenses		-79.4	-69.6
Profit after financial items		1,478.6	1,117.9
Income tax	9	-309.7	-235.7
Profit for the year		1,168.9	882.2
Number of shares at the end of year, million		63.6	63.5
Earnings per share before dilution, SEK		18.40	13.91
Earnings per share after dilution, SEK		18.29	13.82
Proposed dividend per share, SEK		14.00	7.00

Consolidated comprehensive income statement

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Profit for the year		1,168.9	882.2
Other comprehensive income, net of tax			
<i>Items that have been or may be reclassified subsequently to income statement</i>			
Exchange rate differences		31.6	-43.3
Cash flow hedging	19	-25.3	-27.8
<i>Items that will not be reclassified subsequently to income statement</i>			
Change in fair value of financial asset	19	-	-6.3
Other comprehensive income, net of tax:		6.3	-77.4
Comprehensive income for the year		1,175.1	804.8
<i>Profit for the year attributable to:</i>			
Owners of the Parent Company		1,168.9	882.2
Non-controlling interests		-	-
<i>Comprehensive income for the year attributable to:</i>			
Owners of the Parent Company		1,175.1	804.8
Non-controlling interests		-	-

Consolidated statement of financial position

MSEK	Note	30 Apr 2026	30 Apr 2025
Assets			
<i>Non-current assets</i>			
<i>Intangible assets</i>	11		
Goodwill		646.8	405.4
Trademarks		38.2	25.4
Customer relationships		20.2	16.1
IT and software costs		110.9	75.6
Total intangible assets		816.1	522.5
<i>Tangible assets</i>			
Land and buildings	12	180.5	197.7
Equipment, tools, fixtures and fittings	12	430.9	414.5
Right-of-use assets	13	1,734.4	1,670.5
Total tangible assets		2,345.9	2,282.7
<i>Other financial assets</i>			
Securities held as fixed assets		0.0	0.0
Total other financial assets		0.0	0.0
<i>Non-current receivables</i>			
Deferred tax assets	9	93.3	75.0
Other non-current receivables	8	105.4	0.7
Total non-current assets		198.7	75.8
Total assets		3,360.7	2,880.9
<i>Current assets</i>			
Inventories	14	2,479.7	2,414.5
Accounts receivable		73.3	67.7
Tax assets		0.7	5.1
Other receivables		25.7	7.6
Prepaid expenses and accrued income	15	110.6	102.3
Cash and cash equivalents	18	1,836.5	1,010.7
Total current assets		4,526.5	3,608.0
Total assets		7,887.3	6,488.9

MSEK	Note	30 Apr 2026	30 Apr 2025
Equity and liabilities			
<i>Equity</i>	20		
<i>Capital and reserves attributable to owners of the Parent Company</i>			
Share capital		82.0	82.0
Other contributed capital		90.4	90.4
Other reserves		-111.7	-118.0
Profit brought forward including profit for the year		3,093.3	2,345.8
Non-controlling interests		-	-
Total equity		3,154.1	2,400.3
<i>Non-current liabilities</i>			
Non-current lease liabilities, interest bearing	13	1,345.5	1,193.9
Deferred tax liabilities	9	247.9	196.6
Other non-current liabilities	23	142.4	40.6
Total non-current liabilities		1,735.8	1,431.1
<i>Current liabilities</i>			
Current lease liabilities, interest bearing	13	554.4	507.4
Accounts payable		1,028.0	978.9
Tax liability		118.4	71.5
Other current liabilities	19,23	329.9	266.9
Accrued expenses and prepaid income	21	879.2	748.4
Contract liabilities	2	87.4	84.5
Total current liabilities		2,997.3	2,657.5
Total equity and liabilities		7,887.3	6,488.9

Consolidated condensed statement of cash flow

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Operating activities			
Operating profit		1,527.1	1,171.2
<i>Adjustment for non-cash items</i>			
Depreciation, amortisation and write-down		720.0	747.7
Profit/loss from disposal of non-current assets		1.5	2.8
Other non-cash items		29.0	28.1
Interest received		31.0	16.3
Interest paid		-77.4	-69.6
Tax paid		-232.0	-180.3
Cash flow from operating activities before changes in working capital		1,999.1	1,716.3
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventories		-1.7	-21.7
Increase (-)/decrease (+) in operating receivables		-43.1	-11.9
Increase (+)/decrease (-) in operating liabilities		164.5	147.3
Cash flow from operating activities		2,118.8	1,830.0
Investing activities			
Investments in intangible assets		-52.2	-30.9
Investments in tangible assets		-129.4	-121.2
Acquisition of subsidiaries	23	-131.3	-4.6
Sale of equipment		0.2	0.1
Cash flow from investing activities		-312.7	-156.6

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Financing activities			
Repayment of lease liability	13	-537.9	-559.3
Dividend to shareholders		-444.5	-269.5
Cash flow from financing activities		-982.4	-828.8
Cash flow for the year		823.7	844.7
Cash and cash equivalents at the start of the year		1,010.7	170.7
Exchange rate differences in cash and cash equivalents		2.1	-4.7
Cash and cash equivalents at the end of the year		1,836.5	1,010.7

Consolidated statement of changes in equity

MSEK	Share capital	Other contributed capital	Translation differences	Hedging reserve	Profit brought forward	Total
Opening balance at 1 May 2024	82.0	90.4	-56.3	9.4	1,723.8	1,849.3
Profit for the year					882.2	882.2
Other comprehensive income			-43.3	-27.8	-6.3	-77.4
Employee stock option plan: value of employees' service					15.7	15.7
Dividend to shareholders					-269.5	-269.5
Closing balance at 30 April 2025	82.0	90.4	-99.6	-18.3	2,345.8	2,400.3
Profit for the year					1,168.9	1,168.9
Other comprehensive income			31.6	-25.3	-	6.3
Employee stock option plan: value of employees' service					23.2	23.2
Dividend to shareholders					-444.5	-444.5
Closing balance at 30 April 2026	82.0	90.4	-68.0	-43.7	3,093.3	3,154.1

Parent Company income statement and statement of comprehensive income

MSEK	Note	1 May 2025 –	1 May 2024 –
		30 Apr 2026	30 Apr 2025
Net sales	2,3	9,636.9	8,890.9
Goods for resale		-5,962.8	-5,679.2
Personnel expenses	7,8	-1,507.4	-1,412.1
Other external expenses	4,5	-890.1	-827.8
Depreciation/amortisation and write-down of tangible and intangible assets	11,12,13	-102.3	-125.5
Other operating income and expenses	6	-0.6	-3.3
Total expenses		-8,463.2	-8,047.8
Operating result		1,173.6	843.1
<i>Financial items</i>	17		
Results from participation in Group companies		219.5	176.3
Financial income		32.1	19.0
Financial expenses		-20.4	-21.2
Profit after financial items		1,404.8	1,017.1
Appropriations	10	-230.0	-203.6
Profit before tax		1,174.9	813.5
Income tax	9	-197.0	-133.9
Profit for the year		977.9	679.6

MSEK	Note	1 May 2025 –	1 May 2024 –
		30 Apr 2026	30 Apr 2025
Profit for the year		977.9	679.6
<i>Other comprehensive income, net of tax</i>			
<i>Items that have been or may be reclassified subsequently to income statement</i>			
Change in fair value of financial asset	19	0.1	-6.3
Other comprehensive income, net of tax		0.1	-6.3
Comprehensive income for the year		978.0	673.3

Parent Company statement of financial position

MSEK	Note	30 Apr 2026	30 Apr 2025
Assets			
<i>Non-current assets</i>			
<i>Intangible assets</i>	11		
IT and software costs		101.4	69.7
Total intangible assets		101.4	69.7
<i>Tangible assets</i>	12		
Land and buildings		179.1	195.9
Equipment, tools, fixtures and fittings		245.4	241.0
Total tangible assets		424.6	436.9
<i>Financial assets</i>			
Securities held as fixed assets		0.0	0.0
Deferred tax assets	9	13.4	5.2
Non-current receivables from Group companies		149.8	0.3
Participation in Group companies	22	531.6	531.6
Total financial assets		694.8	537.0
Total non-current assets		1,220.7	1,043.7
<i>Current assets</i>			
<i>Inventories</i>	14		
Merchandise		1,688.9	1,692.7
Total inventories		1,688.9	1,692.7
<i>Current receivables</i>			
Accounts receivable		27.1	27.0
Receivables from Group companies		253.6	210.8
Other receivables		0.1	0.1
Prepaid expenses and accrued income	15	138.2	115.8
Total current receivables		419.0	353.6
Cash and cash equivalents	18	1,780.5	959.0
Total current assets		3,888.3	3,005.4
Total assets		5,109.0	4,049.1

MSEK	Note	30 Apr 2026	30 Apr 2025
Equity and liabilities			
<i>Equity</i>	20		
<i>Restricted equity</i>			
Share capital		82.0	82.0
Statutory reserve		106.8	106.8
Development fund		6.1	7.0
Total restricted equity		194.9	195.8
<i>Non-restricted equity</i>			
Profit brought forward		1,029.0	769.9
Fair value fund		-252.3	-252.3
Profit for the year		977.9	679.6
Total non-restricted equity		1,754.6	1,197.2
Total equity		1,949.6	1,393.0
Untaxed reserves	10	1,133.4	906.0
<i>Other non-current liabilities</i>	23	1.5	40.5
Total non-current liabilities		1.5	40.5
<i>Current liabilities</i>			
Accounts payable		928.5	888.4
Tax liabilities	9	58.3	22.8
Liabilities Group companies		336.1	193.7
Contract liabilities	2	60.5	60.4
Other current liabilities	19.23	118.6	76.1
Accrued expenses and prepaid income	21	522.5	468.1
Total current liabilities		2,024.6	1,709.6
Total equity and liabilities		5,109.0	4,049.1

Parent Company condensed statement of cash flow

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Operating activities			
Operating profit		1,173.6	843.1
<i>Adjustment for non-cash items</i>			
Depreciation, amortisation and write-down		102.3	127.2
Profit/loss from disposal of non-current assets		0.6	1.6
Other non-cash items		26.3	24.0
Interest received		32.1	19.0
Interest paid		-20.4	-21.2
Tax paid		-168.3	-111.1
Cash flow from operating activities before changes in working capital		1,146.2	882.5
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventories		3.9	-29.0
Increase (-)/decrease (+) in operating receivables		-100.7	-20.6
Increase (+)/decrease (-) in operating liabilities		492.6	404.0
Cash flow from operating activities		1,541.9	1,236.9
Investing activities			
Investments in intangible assets		-48.8	-27.5
Investments in tangible assets		-76.5	-77.5
Acquisition of subsidiaries	23	-	-4.6
Sale of equipment		0.1	-
Dividends from subsidiaries		1.3	1.9
Cash flow from investing activities		-123.9	-107.7

MSEK	Note	1 May 2025 – 30 Apr 2026	1 May 2024 – 30 Apr 2025
Financing activities			
Change in intra-group borrowings		-149.5	-
Group contribution	17	-2.6	-6.0
Dividend to shareholders		-444.5	-269.5
Cash flow from financing activities		-596.6	-275.5
Cash flow for the year			
		821.4	853.8
Cash and cash equivalents at the start of the year		959.0	105.3
Exchange rate differences in cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year		1,780.5	959.0

Parent Company statement of changes in equity

MSEK	Restricted equity			Non-restricted equity		Total
	Share capital	Statutory reserve	Development fund	Fair value fund	Profit brought forward	
Opening balance at 1 May 2024	82.0	106.8	8.6	-246.0	1,023.5	974.9
Profit for the year					679.6	679.6
Other comprehensive income				-6.3		-6.3
Employee stock option plan: value of employees' service					14.3	14.3
Change to development fund			-1.6		1.6	-
Dividend to shareholders					-269.5	-269.5
Closing balance at 30 April 2025	82.0	106.8	7.0	-252.3	1,449.5	1,393.0
Profit for the year					977.9	977.9
Other comprehensive income					0.1	0.1
Employee stock option plan: value of employees' service					23.2	23.2
Change to development fund			-0.9		0.9	-
Dividend to shareholders					-444.5	-444.5
Closing balance at 30 April 2026	82.0	106.8	6.1	-252.3	2,007.0	1,949.6

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Note 1 Accounting policies

General information

Clas Ohlson AB (publ), corp. reg. no. 556035-8672, is a limited liability company registered in Sweden with its registered office in Insjön and address at Clas Ohlsons Väg, 793 40 Insjön. Clas Ohlson series B shares has been listed on Nasdaq Stockholm since 1999. Clas Ohlson offers products in the categories of building, electrical, multimedia, home and leisure, along with complementary range of services designed to simplify life at home for its customers. The Company operates in Sweden, Norway and Finland through stores and e-commerce, with purchasing offices in China, Poland and Vietnam. The Annual Report and Consolidated Financial Statements for the financial year 2025/26 were approved by the Board of Directors for publication on 2 July 2026. The Annual Report and Consolidated Financial Statements are proposed to be adopted at the Annual General Meeting on 11 September 2026.

The financial statements are presented in millions of Swedish kronor (MSEK). All amounts, unless otherwise stated, are rounded to the nearest million with one decimal.

Basis of consolidation

The consolidated financial statements pertain to the Parent Company, Clas Ohlson AB and all companies over which the Parent Company directly or indirectly has controlling influence (subsidiaries), see note 22. The Parent Company has control when it is exposed to, or has rights to, variable returns from its involvement with a company and has the ability to affect those returns through its power over the Company. This is typically the case when the Parent Company directly or indirectly holds shares representing more than 50 per cent of the voting rights. Control can also be exercised in ways other than through share ownership. The results of subsidiaries acquired or divested during the year are included in the Group's statement of comprehensive income from the date the transaction takes place, i.e., when control is obtained or ceases.

Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as approved by the EU. Furthermore, the consolidated financial statements have been prepared in accordance with Swedish law and in compliance with RFR 1, Supplementary Accounting Rules for Groups.

The financial statements have been prepared in accordance with the acquisition method, meaning that the subsidiaries' equity at the

date of acquisition, determined as the difference between the fair value of assets and liabilities, has been fully eliminated. Only the portion of the subsidiaries' equity that has arisen subsequent to the acquisition is included in the Group's entity. Inter-Group transactions and balance sheet items between Group companies are eliminated in the preparation of the consolidated financial statements. Assets and liabilities are recognised at cost, except for certain financial assets and liabilities (including derivative instrument) which are measured at fair value. The accounting principles applied by the Group have been applied consistently to all periods presented in the consolidated financial statements, unless otherwise stated.

Translation of foreign currencies

Functional currency and reporting currency

Items included in the financial statements for the various units in the Group are measured in the currency used in the financial environment where each company is most active (functional currency). The consolidated financial statements use Swedish kronor (SEK), which is the presentation currency for the Group. On the balance sheet date, assets and liabilities in foreign subsidiaries are translated to SEK based on the exchange rate on the closing date. Revenues and expenses in foreign subsidiaries are translated to SEK using the average exchange rate and are reported in other comprehensive income.

Transactions in foreign currency

Transactions in foreign currencies are translated to the functional currency at the exchange rates that apply on the transactions date. Exchange-rate gains and losses arising from payments in such transactions and from the translation of monetary assets and liabilities in foreign currency at the closing rate are recognised in income statement divided between operating and financial items. An exception is when transactions represent hedging that fulfils the conditions for hedge accounting of cash flows, in which case gains/losses are recognised in other comprehensive income. For derivatives, see note 19.

Critical accounting judgements, estimates assumptions in the application of the Group's accounting policies

Preparing the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that impact upon the application of the accounting policies and the carrying amounts for assets, liabilities, income and expenses. These are based on historical experience and a number of other factors that appear reasonable under the prevailing conditions. Any changes to estimates are recognised in the period in which the change is made

if the change has only impacted upon this period, or in the period in which the change is made and future periods if the change impacts upon both the current period and future periods.

Climate change

In preparing the financial statements for the 2025/26 financial year, the impact of climate-related risks and the Group's sustainability strategy has been taken into account in the assessment of the Group's financial position and earnings. The Group's climate scenario analysis, based on the medium scenario in line with RCP 4.5, shows that climate change may, over time, affect operations through disruptions in the supply chain, increased volatility in raw material, energy and freight costs, and changes in consumer behaviour. At the same time, the analysis indicates potential business opportunities linked to increased demand for products in areas including energy efficiency and emergency preparedness in the home.

Based on the considerations made, Group management assesses that climate-related risks have not had any material impact on the judgements and estimates underlying the financial reporting as of the balance sheet date. This assessment covers in particular areas in which climate-related risks could potentially affect recognised amounts, such as inventory valuation and assumptions used in impairment testing and in determining recoverable amounts. The Group's relatively high inventory turnover rate is assessed as limiting exposure to prolonged inventory-related effects arising from changes in demand patterns. Climate-related risk factors have also been taken into account in relevant impairment tests, including those relating to intangible non-current assets, without giving rise to any impairment requirement or any materially changed assessment of recoverable amounts. Accordingly, the valuation of the Group's assets and liabilities was not materially affected as of 30 April 2026. Clas Ohlson's sustainability work is integrated into the business model and operational governance, meaning that the costs and benefits of measures implemented are, to a large extent, incorporated into the ordinary cost structure of the business and are therefore not presented separately. No individual climate-related risk or measure has had a material impact during the year on the value of the Group's assets or their useful lives.

Consolidated cash flow statement

The cash flow statement is prepared according to the indirect method according to IAS 7. This means that result is adjusted for non-cash transactions, as well as for income and expenses attributable to investing and/or financing activities.

New standards and interpretations

During the financial year 2025/26, no new standards or interpretations have had a significant impact on the Group's financial reports.

New and amended standards that have not yet come into effect

New or amended IFRS and IFRIC-interpretations that will come into effect during the next financial year have not been adopted in the preparation of the financial statements.

The new standard, IFRS 18 Presentation and Disclosure in Financial Statements, was issued in April 2024 and is effective from 1 Januari 2027 and work is underway to assess how the new standard will impact the Group's financial statement. The new standard will impact, among other areas, the presentation of the income statement and the structure of the statement of cash flows.

Other new and amended IFRS standards and interpretations not yet in force are not expected to have any material impact on the Group's financial statements.

Parent Company accounting policies

The Parent Company applies the same accounting principles as the Group, with the exceptions and additions stipulated in the recommendation from the Swedish Corporate Reporting Board, RFR 2, Accounting for Legal Entities. This means that the Parent Company, in the annual accounts of the legal entity, has to apply all EU-approved IFRS standards and interpretations as far as possible under the terms of the Annual Accounts Act and taking into account the connection between accounting and taxation. The recommendation specifies the exceptions from and additions to IFRS that are to be made.

Amended accounting policies

The Parent Company's accounting policies have not changed compared to the Annual Report for the previous year. Amendments to RFR 2 that have not yet entered into force are not expected to have any impact when applied for the first time.

Classification and presentation format

The income statement and balance sheet follow the format of the Annual Accounts Act. This means certain differences compared with the consolidated financial statements, for example, items in the balance sheet are more specified and sub-items have different names in equity.

Change in the presentation of the financial statements

In conformity with IAS 1 "Presentation of Financial Statements", Clas Ohlson Group has revised its presentation of income statement from the function of expense method to the nature of expense

method. The change took effect as of the interim report for the first quarter of 2025/26 published 10th September 2025.

This change has been made to better reflect how management reviews and manages operational performance, meaning simplified processes and ways of working. Furthermore, this is expected to enable clearer information regarding significant cost categories.

To ensure comparability, the income statement for comparative period and 2024/25 have been restated to reflect this change. Restated figures are presented below, as well as for additional periods on Clas Ohlson's website about.clasohlson.com.

The switch from the function of expense method to nature of expense method has no impact on Clas Ohlson's net sales and operating result, and consequently no impact on the Company's financial targets.

The main effects are attributable to the reallocation of sourcing and supply costs and affects gross margin. Costs related to the handling and distribution of products were previously included in cost of goods sold under the function of expense method. Following the transition, these costs have been reallocated primarily to the categories of personnel expenses, other external expenses, and depreciation/amortisation and write-down of tangible and intangible assets.

Group income statement, restated

	2024/25	2023/24
Net sales	11,626.7	10,231.9
Goods for resale	-6,320.8	-5,507.0
Personnel expenses	-2,340.7	-2,179.1
Other external expenses	-1,043.6	-903.9
Depreciation/amortisation and write-down of tangible and intangible assets	-747.7	-730.3
Other operating income and expenses	-2.7	-195.0
Total expenses	-10,455.5	-9,515.3
Operating result	1,171.2	716.8
Financial income	16.3	6.0
Financial expenses	-69.6	-69.9
Profit after financial items	1,117.9	652.8
Income tax	-235.7	-144.2
Profit for the year	882.2	508.6

Alternative performance measures, restated

Group	2024/25	2023/24
Net sales	11,626.7	10,231.9
Goods for resale	-6,320.8	-5,507.0
Gross profit	5,305.9	4,724.9
Group	2024/25	2023/24
Gross profit	5,305.9	4,724.9
Net sales	11,626.7	10,231.9
Gross margin, %	45.6	46.2

Parent Company income statement, restated

	2024/25	2023/24
Net sales	8,890.9	8,197.7
Goods for resale	-5,679.2	-5,322.9
Personnel expenses	-1,412.1	-1,317.2
Other external expenses	-827.8	-775.5
Depreciation/amortisation of tangible and intangible assets	-125.5	-143.1
Other operating income and expenses	-3.3	-169.7
Total expenses	-8,047.8	-7,728.4
Operating result	843.1	469.4
Results from participation in group companies	176.3	128.7
Financial income	19.0	7.6
Financial expenses	-21.2	-22.5
Profit after financial items	1,017.1	583.2
Appropriations	-203.6	69.1
Profit before tax	813.5	652.3
Income tax	-133.9	-111.1
Profit for the year	679.6	541.1

Note 2 Net sales

§ Accounting policies

Revenue

The Group conducts retail operations, whereby a large share of all sales, about 80 per cent, is made through store sales. Revenue from sales of goods is recognised when the Group company sells a good to a customer in a store. The transaction price falls due for payment immediately when the customer purchases the good and receives the good in the store.

For the remaining approximately 20 per cent of income relating to online sales, income is recognised when control of the goods is passed to the customer, which takes place on the delivery date. Variable consideration, such as discounts and price reductions, are recognised in both cases through deductions from the selling price directly when the transaction takes place in store or as a deduction on the invoice for online shopping. Retail sales usually take place using cash or via invoice with payment terms of 30 days.

Sales-related contract liabilities

Sales-related contract liabilities refer to contract liabilities for guarantee commitments, unredeemed gift cards, open purchases and accrued bonus points in our Club Clas loyalty programme. All contract liabilities are expected to be utilised within the next financial year.

Club Clas

Clas Ohlson's customers can choose to become a member of the Club Clas loyalty programme where customer collect points on their purchases. Earning bonus points means that customers have the opportunity to utilise points saved in the form of bonus cheques as payment in the future. A contract liability for the points is recognised at the time of sale. All issued bonus cheques are not redeemed which is why each sale in the loyalty programme is reduced by the fair amount with respect to future redemption of bonus cheques, considering the current degree of redemption. The member's probable redemption of bonus cheques in the future is also taken into account. In terms of accounting, earnings are recognised through a reduction in revenue on the earning date, and a corresponding contract liability is recognised in the balance sheet.

Open purchase

According to the Group's terms of sale, customers have a right of return within 365 days. A liability for open purchase is recognised on the sale date and a corresponding adjustment to revenue is recognised for the products that are expected to be returned. At the same

time, the Group has the right to regain possession of the product when customers exercise their right of return and the Group then recognises a right to returned goods and a corresponding adjustment of the selling expenses. See further Note 14, where the return asset component of inventories is presented.

⚖ Critical estimates and judgements

Club Clas

The contract liability with the Group's customer club members, which arises at the point of sale and refers to future use of bonus cheques as a form of payment, is measured at the expected value based on the Group's past experience. Estimates are made based on the current degree of redemption and members' probable future redemption of bonus cheques. Members of the Clas Ohlson's loyalty programme, Club Clas, receive bonus cheques in various amounts depending on the amount of purchases the customer made at Clas Ohlson. The cheques are distributed continuously and are valid for three months. Not all issued bonus cheques are redeemed which is why each sale in the loyalty programme is reduced by the fair amount with respect to future redemption of bonus cheques, considering the current degree of redemption.

Open purchase

Most returns occur within one week of the purchase date. Every month, sales are adjusted taking into account the estimated proportion of returns. Determining the value of future returns in connection with customers making use of the open purchase option also involves a certain level of estimates and assessments. Group Management uses overall historical experience to estimate the value of accumulated returns. It is deemed to be highly probable that a significant reversal of accumulated revenue will not take place given the even level of returns in prior years.

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Contract liabilities	87.4	84.5	60.5	60.4

The opening balance was fully recognised as revenue during the year to the extent required, continued to be recognised as a contract liability.

Note 3 Segment reporting

§ Accounting policies

The Group's operations are divided into segments based on how the Group's senior executives follows up performance and assigns resources. The categorisation reflects the Group's organisation and shared processes such as purchasing, logistics, sales, etc. and the Group's operations are organized into one segment. Internal monthly follow-up focuses on the Group as a whole, with complementary geographic sales and assets information. The performance measures presented represent the main performance measures by which the operations are evaluated.

Segment reporting and distribution of sales

	2025/26	2024/25
Net sales	12,513.9	11,626.7
Net sales by geographic markets:		
Sweden	5,867.0	5,364.0
Norway	5,116.2	4,678.3
Finland	1,219.6	1,186.5
Other markets	311.1	397.8
Net sales by stores and online:		
Stores	9,942.3	9,395.6
Online	2,571.6	2,231.0
Depreciation, amortisation and write-down: intangible and tangible assets	-173.9	-193.1
Depreciation: right-of-use assets	-546.1	-554.6
Operating profit	1,527.1	1,171.2
Net financial items	-48.4	-53.3
Profit after financial items	1,478.6	1,117.9
Tax	-309.7	-235.7
Profit for the year	1,168.9	882.2
Assets		
Non-current assets (excluding deferred tax):		
Sweden	2,233.3	1,761.5
Norway	797.7	786.4
Finland	229.2	255.4
Other countries	7.3	2.6
Current assets	4,526.5	3,608.0
Investments		
Intangible assets	-52.2	-30.9
Tangible assets	-129.4	-121.2

Note 4 Other external expenses

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Sales and marketing	-567.6	-448.8	-225.9	-203.4
Cost of premises	-320.7	-296.5	-405.8	-395.4
IT costs	-205.8	-193.8	-171.9	-164.9
Other administrative expenses	-133.3	-104.5	-86.5	-64.1
Total	-1,227.5	-1,043.6	-890.1	-827.8

Note 5 Remuneration to auditors

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Deloitte				
Audit engagement	3.0	3.5	1.8	1.8
Remuneration for audit-related services	0.9	0.3	0.8	0.3
Tax consultations	–	0.1	–	0.1
Other services	0.0	0.3	0.0	0.0
Total	3.9	4.2	2.7	2.2
Other audit firms				
Audit engagement	0.2	0.1	–	–
Total	4.2	4.3	2.7	2.2

The audit assignment involves review of the Annual Report and financial accounting and the administration by the Board and the CEO. As of the 2025/26 financial year, assurance of sustainability reporting will be included in accordance with the CSRD. Audit-related assignments mean quality assurance services required by enactment, articles of association, regulations or agreement. The amount includes the fee for reviewing the half-year report. Tax advisory services include both tax consultancy and tax compliance services. All other tasks are defined as other services.

Note 6 Other operating income and expenses

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Other operating income				
Profit on sale of tangible assets	0.1	0.2	0.1	0.1
Total	0.1	0.2	0.1	0.1
Other operating expenses				
Loss on sale or disposal of tangible assets	-1.6	-2.9	-0.7	-1.6
Write-down of tangible and intangible assets	–	–	–	-1.7
Total	-1.6	-2.9	-0.7	-3.3

Note 7 Employees and personnel expenses

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Personnel expenses				
<i>CEO, Board of Directors and senior executives</i>				
Salaries	51.1	46.1	45.7	41.6
Social security expenses	17.1	13.5	16.3	12.9
Pension costs (defined-contribution plans)	8.8	6.4	8.4	6.4
Total CEO, Board of Directors and senior executives	77.0	66.1	70.4	60.9
<i>Other</i>				
Salaries	1,824.1	1,718.1	1,026.0	942.2
Social security expenses	411.0	387.1	299.6	291.7
Pension costs (defined-contribution plans)	142.9	128.3	82.4	84.8
Total other	2,377.9	2,233.4	1,408.0	1,318.7
Total personnel expenses	2,454.9	2,299.5	1,478.4	1,379.6

§ Accounting policies

The Group applies IAS 19 Employee Benefits when reporting employee benefits.

Average number of employees

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Sweden	1,911	1,875	1,790	1,779
– of whom, women	944	909	898	882
Norway	882	872		
– of whom, women	375	365		
Finland	312	316		
– of whom, women	183	191		
China	34	34		
– of whom, women	24	24		
Poland	5	4		
– of whom, women	1	1		
Vietnam	8	8		
– of whom, women	6	6		
Total	3,151	3,109	1,790	1,779
– of whom, women	1,533	1,496	898	882

The average number of employees is based on the total number of hours worked in relation to total annual working time.

Number of women in management positions¹

%	2025/26	2024/25
Board of Directors ²	50.0	45.5
CEO and senior executives	50.0	50.0

¹ Refers to composition at year-end.
² Including employee representatives.

Remuneration of senior management**Remuneration principles**

The general principles of remuneration of senior management are to be based on the position held, individual performance, the Group's financial results and the remuneration being competitive in the country of employment. These principles contribute to the Group's set goals relating to sustainability, long-term interest and business strategy. The combined remuneration of senior management is to consist of basic salary, variable salary in the form of a short-term incentive based on annual performance targets, long-term incentives based on multi-year performance, pension and other benefits. In addition, notice of termination and severance pay are subject to terms and conditions.

Clas Ohlson aims to offer a competitive total level of remuneration, focusing on payments based on performance. This means that the variable remuneration may comprise a significant portion of the total remuneration. The aim is for fixed remuneration to be in line with the median of the comparable market, while total remuneration, when Clas Ohlson meets or exceeds its objectives, can be in the upper quartile of the market.

The basic salary shall constitute the basis for total remuneration. The salary is to be related to the relevant market and reflect the extent of the responsibilities included in the position. The development of basic salary is to depend on how well work is performed and how well the employee develops their expertise to assume future work assignments involving greater responsibility. The basic salary is to be reviewed annually to ensure that it is marketbased and competitive.

Board remuneration

TSEK	Director fees		Committee fees		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Kenneth Bengtsson, Chairman	985	945	140	135	1,125	1,080
Mengmeng Du	440	415	–	–	440	415
Mathias Haid	440	415	70	68	510	483
Patrik Hofbauer	440	415	95	90	535	505
Håkan Lundstedt	440	415	70	68	510	483
Stefan Sjöstrand	440	415	–	–	440	415
Charlotte Strömberg	440	415	95	90	535	505
Göran Sundström	440	415	190	180	630	595
Susanne Ehnåge ¹	147	–	–	–	147	–
Total	4,212	3,850	660	630	4,872	4,480

¹ By separate agreement, Board member Susanne Ehnåge commenced her active Board assignment in January 2026, rather than immediately following her election at the 2025 Annual General Meeting. This is reflected in her remuneration.

Remuneration to CEO and other senior management

TSEK	Basic salary		STI		LTI ¹		Benefits		Pension expenses		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Kristofer Tonström, CEO	9,371	9,436	5,513	5,250	4,003	2,792	139	107	3,360	2,629	22,386	20,213
Other senior management	15,214	15,141	7,038	5,627	4,786	3,074	143	238	5,424	3,816	32,605	27,896
Total	24,585	24,577	12,550	10,877	8,789	5,866	282	345	8,784	6,444	54,991	48,109

¹ LTI (Long term incentive programme) pertains to reported cost/cost reduction for LTI 2022, LTI 2023, LTI 2024 and LTI 2025. See the description of STI (Short term incentive programme) and LTI below.

Board remuneration

Fees are paid to the members of the Board according to AGM resolutions. Board members who are employed in the Company do not receive director fees. No pensions or other incentive programmes are paid to the Company's Board.

Remuneration of the CEO

Remuneration paid to the President and CEO is made up of basic salary, variable remuneration and pension contributions. Under the employment contract with the CEO, the mutual period of notice is six months. Six months' salary is payable should employment be terminated by the Company. Applicable salary and benefits are payable during the period of notice. Salary and other remuneration payable to the CEO are decided by the Board and discussed by a People Committee appointed within the Board. Salary is reviewed at the end of each financial year. The principles for variable remuneration are resolved by the AGM. The retirement age is 65.

Remuneration of other Senior Management

Senior management refers to the five individuals who, together with the CEO, made up Group Management during the financial year. For the composition of Group Management, refer to page 43.

Salaries and other remuneration for other Senior Management are decided by the CEO, supported by the People Committee within the framework decided by the Board. The principles for variable remuneration are resolved by the AGM. All members of senior management are entitled to annual pension contributions, primarily in accordance with the ITP plan. The retirement age is between 65 and 67.

Share-based payments

The Group has a number of share-based remuneration plans that are settled with shares and whereby the Company receives services from the employees in return for the Group's equity instruments performance shares. The fair value of the service period that entitles employees to allotment of performance shares is expensed and a corresponding adjustment is made in equity. The total amount to be expensed is based on the fair value of the allocated performance shares:

- including all market-related conditions
- including, e.g., profitability, target for sales increases and that the employee remains with the Company for a stipulated period and
- including the impact of the conditions that do not constitute vesting conditions

At the end of each reporting period, the Group re-examines its assessments of the number of shares that are expected to be vested based on vesting and service conditions.

The Company's performance is continuously compared to the targets and any deviation from the original assessments that result from the reappraisal will be recognised in profit or loss and the corresponding adjustments made in equity. The social security contributions arising from the allotment of performance shares will be regarded as an integral part of the allocation and the expense will be treated as a cash-regulated share-based remuneration. This means that the provisions for social security contributions are based on fair value for allotted equity instruments.

Variable remuneration (Short Term Incentive, STI)

In addition to basic salary, senior management are to qualify for STI for performance that exceeds one or several predetermined performance levels during a financial year, designed to promote the Company's long-term value creation. Clearly defined performance targets are to be decided annually by the Board or by individuals elected by the Board. The performance targets may be connected to operational, financial or personal results. Remuneration from the STI programme is subject to a ceiling, which means that Clas Ohlson can calculate maximum remuneration levels from the beginning. Insofar as performance does not match the lowest performance level, no STI will be paid. STI will depend on the position held and may not exceed 60 per cent of salary if the ceiling is achieved, which also represents the maximum outcome of STI. STI remuneration is also conditional upon the performance on which earnings are based being sustainable over time, and that Clas Ohlson is able to reclaim such remuneration that was paid due to information that later turned out to be obviously erroneous.

Long Term Incentive, LTI

The aim of LTI programmes is to create the prerequisites for retaining and recruiting competent employees to the Group. The programmes were designed to encourage participants to become shareholders in the Company, which is expected to have a positive impact on their long term work performance. Connecting participants' rewards to the Company's profit and value development will continue to promote company loyalty and thus sustainable value growth in the Company. Long-term incentive programmes that entitle employees to acquire shares are subject to AGM approval. The performance period for LTI 2023, LTI 2024 and LTI 2025 were in effect during the financial year. All LTI programmes encompass performance shares. All ongoing LTI programmes have been approved by an Annual General Meeting. The current programmes cover up

to 50 senior management and other individuals deemed to be able to influence Clas Ohlson's long-term performance.

All participants of the LTI programme receive one performance share award free of charge that provides the participant the opportunity to be allotted a number of series B shares in Clas Ohlson, provided that the performance conditions of the LTI determined by the Board have been fulfilled. The value of the underlying shares offered when granted a performance share award will be 45 per cent of the individual fixed annual gross basic salary (LTI 2024, and LTI 2025 45–60 per cent). The amount is divided by the share price at the start of the programme to calculate the number of underlying shares for each participant. The participants comprise senior management and key individuals. Any allotment of performance shares will take place after the end of a three-year vesting period provided that the participant has been a permanent employee for the entire vesting period and the predetermined performance targets have been achieved. The assessment of the outcome of the performance conditions is split as follows: net sales, (30 per cent), earnings per share (40 per cent) and sustainability (30 per cent). The assessment of the outcome of the performance conditions are split as follows: net sales 30 (40), earnings per share 40 (40) and sustainability 30 (20). The outcome for each performance condition will be determined individually. This means that not all performance conditions need to be met in order for the Performance Shares to be allotted. Minimum and maximum levels are set for each performance condition. If the minimum level is achieved, 30 per cent allotment related to the performance condition will take place. If the maximum level is achieved or exceeded, the maximum allotment related to the performance condition will take place. If the outcome is between the minimum and maximum levels, straight-line allotment takes place and no allotment takes place if the minimum level is not achieved. The number of performance shares that can be allotted for each share right will be adjusted for any dividends made during the period from the determination of the opening value up until the date of the allotment of the performance shares after the end of the vesting period. The achievement of the financial performance will also take place on a yearly basis, whereby the final allocation will be based on the higher outcome of the achievement of individual fiscal year targets and the fulfilment during the entire performance period.

In accordance with the below, LTI 2023, LTI 2024 and LTI 2025 will include the following number of series B shares for the various participant categories if the target level between minimum and maximum are achieved.

Extent of LTI 2023, LTI 2024 and LTI 2025 at target level¹

Participants	LTI 2025		LTI 2024		LTI 2023	
	Performance shares No. of series B shares ²	Target value, MSEK ³	Performance shares No. of series B shares ²	Target value, MSEK ³	Performance shares No. of series B shares ²	Target value, MSEK ³
President and CEO	11,179	4.0	19,673	3.4	27,551	2.1
Other members of Group Management	14,494	5.2	20,316	3.5	35,925	2.7
Other participants	37,818	13.7	61,202	10.6	118,254	9.0
Total	63,490	22.9	101,191	17.6	181,730	13.9

¹ Dividend compensation has not been taken into account and can only be determined after the program has ended. See remuneration principles in Directors' Report.

² The number of shares and employee stock options may be recalculated due to decisions concerning a possible new share issue or split.

³ The target of the programme is calculated based on the fair value on the date of allotment. The share value on the date of allotment was 76.44 SEK for LTI 2023, 173.46 SEK for LTI 2024 and 361.20 SEK for LTI 2025.

Performance share awards outstanding

The table below outlines the number of granted, forfeited and exercised performance share awards during this financial year:

Performance shares	LTI 2025	LTI 2024	LTI 2023
At start of year	–	160,727	279,584
Granted	100,485	–	–
Forfeited	-2,808	-5,048	–
Exercised	–	–	–
At year-end	97,677	155,679	279,584

Participants	LTI 2025	LTI 2024	LTI 2023
President and CEO	17,198	30,266	42,386
Other members of Group Management	22,298	31,256	55,269
Other participants	58,181	94,157	181,929
Total	97,677	155,679	279,584

Share repurchase for LTI programmes

Clas Ohlson repurchased series B Clas Ohlson shares to fulfil the Company's long-term obligations under the incentive programmes. Repurchased shares will be allotted to participants or to correspond to social security contributions.



Critical estimates and judgements

For LTI 2023, expense recognition has been based on 100 per cent of the awards vesting. For LTI 2024 and LTI 2025, expense recognition has been based on expected vesting of 90 per cent of the awards. The total outcome for all ongoing LTI programmes during the financial year (LTI 2022, LTI 2023, LTI 2024 and LTI 2025) resulted in a cost in income statement amounting to 29.0 MSEK including social security contributions, and 23.2 MSEK excluding social security contributions. The corresponding figure for the previous year was a total cost of 30.7 MSEK and 15.6 MSEK.

Note 8 Remuneration after completion of employment

Pension obligations

Post-employment pensions are classified as either defined contribution or defined benefit plans. For defined contribution plans, the Group pays fixed contributions to a separate independent legal entity and has no obligation to pay additional contributions. Expenses related to defined contribution plans are recognised in the income statement as the benefits are earned. The Group has both defined contribution and defined benefit pension plans.

Defined contribution plans

Defined contribution plans exist in Sweden, Norway and Finland. Payments to these plans are made continuously according to the rules of each plan. The majority of white-collar workers are covered by the ITP plan, which is secured through insurance with Alecta, and blue-collar workers are covered by the SAF-LO contractual pension plan. For the current financial years, the Company did not have access to information that made it possible to report these plans as defined-benefit plans. The pension plans are therefore reported as defined contribution plans. The commitments regarding charges to defined contribution plans are reported as a cost in income statement when they arise.

Fees for pension insurance with Alecta totalled 6.7 MSEK (6.3) for the year. Alecta's surplus may be divided among the policyholders and/or the insured. At the end of year 2025, Alecta's surplus in the form of the collective consolidation level amounted to 167 per cent (162). The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance undertakings, calculated in accordance with Alecta's actuarial methods and assumptions, which do not conform with IAS 19.

Defined benefit plans

The Group has defined benefit occupational pension plans for a limited number of salaried employees in the Norwegian subsidiary. The present value of the commitment is recognised in the balance sheet and amounted to 0.8 MSEK (0.7) at the end of the year.

Note 9 Income tax**Accounting policies**

The Group's tax expense comprises of current and deferred tax. The recognition of tax effects is determined by the manner in which the underlying transaction is recognised. For items recognised in income statement, the tax effect is also recognised in the income statement. The same applies to transactions in other comprehensive income within equity, where the tax effect is subsequently recognised in other comprehensive income.

Current tax is calculated based on the tax regulations applicable in the countries where the Group operates. Withholding taxes on intra-Group transactions and interest related to income tax are recognised as current income tax.

Deferred tax is calculated based on temporary differences between the carrying amounts and the tax base values of assets and liabilities and for tax loss carry forwards and other unutilised tax deductions where it is probable that these can be utilised against future taxable profits. Deferred taxes are measured in the balance sheet at their nominal amount and based on the tax rates enacted or substantively enacted on the balance sheet date. Tax liabilities and tax assets are recognised net when Clas Ohlson has a legal right to offset.

Pillar 2

Clas Ohlson is within the scope of the OECD Pillar 2 model rules. For the Group, with a Swedish Parent Company, the rules came into force on January 1, 2024 and apply to financial years beginning thereafter. The Group is required to pay a top-up tax for the difference between the effective tax rate for each jurisdiction and the minimum rate of 15 per cent. The jurisdictions in which Clas Ohlson operates and is taxed are primarily jurisdictions with local corporate tax rate well above the Pillar 2 minimum tax rate of 15 percent. The Group has performed preliminary calculations in accordance with the transitional Safe Harbour rules for all jurisdictions where the Group operates. Based on these calculations, no additional tax according to Pillar 2 has been identified. The final impact of Pillar 2 is yet to be determined but is expected to be very limited. Therefore, no additional tax expense was recognised in the Group's consolidated accounts for 2025/26.

Clas Ohlson applies the temporary exception for recognising and disclosing deferred tax assets and liabilities related to income taxes arising from Pillar 2, as set out in the amendments to IAS 12 issued in May 2023.

Income tax recognised in income statement

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Current income taxes for the year	-275.2	-197.0	-203.6	-136.1
Current income taxes related to prior years	-0.2	0.0	-0.2	0.0
Deferred tax income/expense (+/-)	-34.3	-38.7	6.7	2.2
Income tax expense	-309.7	-235.7	-197.0	-133.9

Reconciliation of effective tax rate, %

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Calculated tax expense at Swedish tax rate of 20.6%	-304.6	-230.3	-242.0	-168.3
Effect of foreign tax rates	-3.2	-2.8	-	-
Current income taxes related to prior years	-0.1	0.0	-0.2	0.0
Tax effect of non-deductible expenses	-12.3	-5.6	-10.8	-5.3
Tax effect of non-taxable income	8.5	2.5	53.7	39.0
Other	2.0	0.4	2.3	0.6
Income tax expense	-309.7	-235.7	-197.0	-133.9
Effective tax rate	20.9	21.1	16.9	16.4

Deferred tax liabilities (-), deferred tax assets (+)

Group 2025/26	Amount at start of year	Recognised in income statement	Recognised in other comprehensive income	Reclassification/ translation differences	Effect of business combinations	Amount at the end of year
Intangible assets	-8.6	-3.3				-11.9
Leasing	22.3	1.0				23.3
Intercompany profit in inventory	33.6	1.2				34.8
Accruals and deferrals	5.2	6.7				11.9
Untaxed reserves	-188.1	-46.6				-234.7
Hedge accounting	4.7		6.6			11.3
Pensions	8.9			1.3		10.2
Other	0.2				0.2	0.4
Total	-121.6	-40.9	6.6	1.3	0.2	-154.6

Previous years deferred tax liabilities (-), deferred tax assets (+)

Year	Amount at start of year	Recognised in income statement	Recognised in other comprehensive income	Reclassification/ translation differences	Effect of business combinations	Amount at the end of year
2024/25	-88.2	-40.5	7.2	-0.2	-	-121.6
2023/24	-104.6	23.2	5.8	0.3	-12.8	-88.2

Net deferred tax liabilities at year-end consist of deferred tax assets of 93.3 MSEK (75.0; 73.1) and deferred tax liabilities of 247.9 MSEK (196.6; 161.2). For the Parent Company, net deferred tax liabilities at year-end consist of deferred tax assets of 13.4 MSEK (5.2; 3.0) and deferred tax liabilities of 1.5 MSEK (0.0; 0.0).

Note 10 Appropriations and untaxed reserves

§ Accounting policies

The amounts reserved as untaxed reserves are taxable temporary differences. Due to the connection between recognition and taxation, the deferred tax liabilities attributable to the untaxed reserves are not recognised in legal entities. According to Swedish practice, the amendments in untaxed reserves are recognised in the income statement in individual companies under the heading "Appropriations". The accumulated amount of the provisions is recognised in the balance sheet under the heading "Untaxed reserves", which are distributed between equity and deferred tax liabilities in the Group.

Parent Company	2025/26	2024/25
Appropriations		
Excess depreciation equipment, tools, fixtures and fittings	0.6	12.4
Provisions to/reversal from the tax allocation reserve	-228.0	-210.0
Group contribution paid	-2.6	-6.0
Total	-230.0	-203.6
Untaxed reserves		
Accumulated excess depreciation	144.4	145.0
Tax allocation reserve, 2019/20 fiscal year	-	72.0
Tax allocation reserve, 2020/21 fiscal year	110.0	110.0
Tax allocation reserve, 2021/22 fiscal year	140.0	140.0
Tax allocation reserve, 2022/23 fiscal year	74.0	74.0
Tax allocation reserve, 2023/24 fiscal year	155.0	155.0
Tax allocation reserve, 2024/25 fiscal year	210.0	210.0
Tax allocation reserve, 2025/26 fiscal year	300.0	-
Total	1,133.4	906.0

Note 11 Intangible assets**Accounting policies****Goodwill**

Goodwill is measured at cost less accumulated impairment. Goodwill is allocated to the cash-generating units that are expected to benefit from the synergies from the business combination.

Customer relations

Customer relations are measured at cost less accumulated amortisation and impairment. The value of these customer relations is amortised over their estimated useful life, which are assessed to be between 2,5–5 years.

Trademarks

Trademarks are measured at cost after any accumulated amortisation and impairment. Trademarks with a limited useful life are amortised on a straight-line basis over their estimated useful life of 5 years.

IT and software

Development costs directly attributable to the development and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets and measured at cost after any accumulated amortisation and impairment. IT and software is amortised over their estimated useful life, which are assessed to be between 3–10 years.

Impairment testing

Intangible assets, including goodwill, are assessed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing of Goodwill

Goodwill is tested based on the value in use of the cash-generating unit. The value in use is estimated from discounted future cash flows. Impairment testing is carried out for the smallest identifiable cash-generating unit. All goodwill is attributable to this unit.

Group	Goodwill		Customer relations		Trademarks		IT and software		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Acquisition value										
Carrying amount at start of year	405.4	400.4	25.9	25.9	36.2	36.2	847.8	817.9	1,315.3	1,280.4
Investments	–	–	–	–	–	–	52.2	30.9	52.2	30.9
Divestments and disposals	–	–	–	–	–	–	-2.6	-1.0	-2.6	-1.0
Business combinations	241.4	5.0	12.8	–	22.4	–	4.7	–	281.3	5.0
Carrying amount at year-end	646.8	405.4	38.7	25.9	58.6	36.2	902.1	847.8	1,646.2	1,315.3
Accumulated depreciation										
Carrying amount at start of year	–	–	-9.8	-3.3	-10.8	-3.6	-772.2	-728.2	-792.9	-735.1
Amortisation	–	–	-8.7	-6.5	-9.1	-7.2	-19.4	-43.3	-37.2	-57.1
Write-down	–	–	–	–	–	–	–	-1.7	–	-1.7
Divestments and disposals	–	–	–	–	–	–	2.1	1.0	2.1	1.0
Business combinations	–	–	–	–	-0.5	–	-1.6	–	-2.1	–
Carrying amount at year-end	–	–	-18.5	-9.8	-20.4	-10.8	-791.1	-772.2	-830.0	-792.9
Carrying amounts according to balance sheet	646.8	405.4	20.2	16.1	38.2	25.4	110.9	75.6	816.1	522.5



Critical estimates and judgements

The Group's goodwill items are tested based on the value in use of the cash generating units. The value in use is estimated from future cash flows, discounted by a discount rate reflecting the Group's weighted average cost of capital, adjusted to reflect a risk premium specific to the business. Besides goodwill, the Group's intangible assets include trademarks and customer relationships, which are amortised.

Impairment testing is carried out for the smallest identifiable cash-generating unit. All goodwill is attributable to this unit. The main assumptions of the projected growth in cash flows over a forecast period of up to 5 years include sales growth, operating margin and yearly investments. The value in use is determined based on after tax cash flows expected to be generated over the remaining useful life of the assets, assuming perpetual life. Revenue growth and operating margin forecasts for the cash-generating unit are based on the business plan for 2026/27, 2027/28 and 2028/29. Year 4 and 5 are adjusted to align with Clas Ohlson's overall financial targets and the terminal value is calculated assuming a perpetual growth rate of 2 per cent. The forecasted cash flows are calculated at present value, discounted at a rate of 8.2 per cent (8.3) after tax. This corresponds to a pre-tax discount rate of 8.5 per cent (8.6). The Group's weighted average cost of capital is derived from a risk-free interest rate, a market risk premium, a business specific risk adjustment and interest rate on borrowed capital. Group weighted average cost of capital is derived from a risk-free interest rate, a market risk premium, a risk adjustment and cost of debt. The Group's weighted average cost of capital was calculated as of 31 January 2026 when the impairment test was performed. The estimated value in use significantly exceeds the carrying amount of the cash-generating unit. In the period up to 30 April, 2026, there were no indications of impairment.

Key assumptions significantly affecting cash flows include discount rate and future sales prices, volume development and gross margin. The business plan (used for the calculation) incorporates assumptions about prices, volumes and margins development, based on both the Group Management's and external assessments of trends in the retail sector. These assumptions reflect Group Management's previous experiences and assessments of externalities factors such as, increased transportation prices, inflationary changes and currency fluctuations. Group Management also assesses whether climate-related risk, including physical risks and transition risks, may have a significant impact.

Sensitivity analysis

A sensitivity analysis has been conducted based on reasonably possible changes in assumptions. The analysis tested the effects of an increase in the discount rate, a decrease in sales growth and a 3 per cent weaker Norwegian Krone (NOK).

The sensitivity analysis indicates that these scenarios would not result in any impairment.

Parent Company	IT and software	
	2025/26	2024/25
Acquisition cost		
Carrying amount at start of year	839.0	812.5
Investments	48.8	27.5
Divestments and disposals	-1.1	-1.0
Carrying amount at year-end	886.7	839.0
Accumulated amortisation		
Carrying amount at start of year	-769.3	-727.0
Amortisation	-17.2	-41.6
Write-down	-	-1.7
Divestments and disposals	1.1	1.0
Carrying amount at year-end	-785.4	-769.3
Carrying amounts according to balance sheet	101.4	69.7

Note 12 Tangible assets



Accounting policies

Tangible assets

Tangible assets are recognised at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the purchase price and expenses directly attributable to the asset in order to bring it into the position and condition necessary for it to be utilised in accordance with the purpose of the acquisition. Depreciation is based on the cost and estimated useful life of the assets. Straight-line depreciation is applied to tangible assets. Land is not depreciated. The Group applies component depreciation, which means that depreciation is based upon the estimated useful life of the components.

Tangible assets are depreciated on a straight-line basis over their estimated useful lives. The following periods of depreciation are applied:

- Buildings 20–33 years
- Land improvements 20 years
- Equipment, tools, fixtures and fittings 3–15 years
- Leasehold improvements 3–10 years

New acquisitions and replacements are capitalised, while maintenance and repair costs are expensed. The assets' residual value and useful life are tested at the end of each reporting period and adjusted as needed. An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying amount exceeds the estimated recoverable amount. As assets are sold or disposed of, the cost and the related accumulated depreciation are derecognised. Any resulting gain or loss is recognised. All of Clas Ohlson's properties are owner-occupied properties.

Group	Buildings and land		Equipment, tools, fixtures and fittings		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Acquisition cost						
Carrying amount at start of year	753.7	753.8	1,848.1	1,830.0	2,601.7	2,583.8
Investments	7.3	–	122.1	121.2	129.4	121.2
Divestments and disposals	-0.1	-0.1	-94.5	-57.9	-94.6	-57.9
Business combinations	–	–	2.0	–	2.0	–
Translation differences	–	–	34.1	-45.3	34.1	-45.3
Carrying amount at year-end	760.9	753.7	1,911.8	1,848.1	2,672.6	2,601.7
Accumulated depreciation						
Carrying amount at start of year	-556.1	-530.8	-1,433.4	-1,412.2	-1,989.5	-1,943.1
Depreciation	-24.4	-25.3	-112.3	-109.0	-136.7	-134.3
Divestments and disposals	0.1	0.1	90.3	55.0	90.4	55.0
Business combinations	–	–	-0.4	–	-0.4	–
Translation differences	–	–	-24.9	32.8	-24.9	32.8
Carrying amount at year-end	-580.4	-556.1	-1,480.8	-1,433.4	-2,061.2	-1,989.5
Carrying amount according to balance sheet	180.5	197.7	430.9	414.5	611.5	612.2
Of which land	9.3	9.8	–	–	9.3	9.8

Parent Company	Buildings and land		Equipment, tools, fixtures and fittings		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Acquisition cost						
Carrying amount at start of year	751.3	751.4	1,202.1	1,156.3	1,953.4	1,907.7
Investments	7.3	-	69.2	77.5	76.5	77.5
Divestments and disposals	-0.1	-0.1	-67.3	-31.8	-67.4	-31.8
Carrying amount at year-end	758.5	751.3	1,204.0	1,202.1	1,962.5	1,953.4
Accumulated depreciation						
Carrying amount at start of year	-555.4	-530.4	-961.1	-932.3	-1,516.4	-1,462.7
Depreciation	-24.1	-25.0	-61.1	-58.9	-85.2	-83.9
Divestments and disposals	0.1	0.1	63.6	30.2	63.6	30.2
Carrying amount at year-end	-579.4	-555.4	-958.6	-961.1	-1,538.0	-1,516.4
Carrying amount according to balance sheet	179.1	195.9	245.4	241.0	424.6	436.9
Of which land	7.9	8.1	-	-	7.9	8.1

Investment commitments

In 2025/26 the Group signed agreements to acquire tangible assets amounting to 28.4 MSEK (35.8). All of the obligations are to be settled in the next financial year.

Note 13 Right-of-use assets**Accounting policies**

The Group mainly leases store, office and warehouse premises. There are also leases of vehicles and other equipment, which represent a small share of the total lease liability. The Group recognises leases both as a right-of-use asset, which represents the right to use the underlying asset, and as a lease liability, which represents the obligation to pay lease payments. Lease payments are allocated between principal repayment and interest on the lease liability.

All leases are measured in accordance with the cost method, which entails that the right-of-use assets are measured at cost less accumulated depreciation and impairment and any adjustments due to remeasurement of the lease liability that reflects a revision or modification of the lease. The remeasurement amount is recognised as an adjustment of the right-of-use asset. Right-of-use assets are depreciated straight-line over the lease term.

The lease liability is measured at the present value of the future lease payments on the lease commencement date. The lease payments are discounted using the rate implicit in the lease, if this rate is readily determinable. Otherwise the incremental borrowing rate is used. The latter is the case for most of the Group's leases. The incremental borrowing rate reflects the Group's credit risk, the term of the lease, currency and the quality of the underlying asset to be provided as collateral.

The rate is determined based on publicly quoted swap rate curves for the respective currency to which a margin is added that reflects the Group's credit rating, the quality of the underlying asset as collateral, and all guarantees. Lease payments include the fixed lease payments after deductions of rental and other discounts, and variable lease payments that depend on an index or a rate.

Non-lease components are not included in the lease payments. The Group has leases with sales-based rent levels. Sales-based rent is a variable payment that is not based on an index or a rate and thus is not included in the lease liability. Sales-based rent is expensed in the period to which the rent applies. The lease liability for the Group's premises with indexed rent is calculated on the rent that applied at the end of each reporting period. At this point in time, the liability is adjusted, with a corresponding adjustment to the carrying amount of the right-of-use asset.

Group	Facilities		Motor vehicles		Other vehicles		Total	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Acquisition cost								
Carrying amount at start of year	4,736.4	5,068.4	4.8	5.0	50.0	51.7	4,791.2	5,125.1
New leasing contract	459.8	352.9	1.4	1.7	15.5	–	476.7	354.7
Modification of contract	96.5	148.5	0.6	0.8	-4.2	2.0	92.9	151.3
End of leasing contract	-833.5	-647.7	-1.9	-2.6	-45.8	-3.7	-881.2	-654.0
Translation differences	110.9	-185.8	-0.0	-0.0	–	–	110.9	-185.8
Carrying amount at year-end	4,570.2	4,736.4	4.9	4.8	15.5	50.0	4,590.5	4,791.2
Accumulated depreciation								
Carrying amount at start of year	-3,079.3	-3,302.0	-2.4	-3.3	-38.9	-35.7	-3,120.6	-3,341.1
Depreciation	-538.1	-546.0	-1.6	-1.7	-6.3	-6.9	-546.1	-554.6
End of leasing contract	833.5	647.7	1.9	2.6	44.7	3.7	880.0	654.0
Translation differences	-69.4	121.0	0.0	0.0	–	–	-69.4	121.0
Carrying amount at year-end	-2,853.4	-3,079.3	-2.1	-2.4	-0.6	-38.9	-2,856.1	-3,120.6
Carrying amounts according to balance sheet	1,716.8	1,657.1	2.8	2.4	14.9	11.1	1,734.4	1,670.5

When the assessment of the lease term is updated, the right-of-use asset and lease liability are adjusted correspondingly. Changes to the lease term take place when the final cancellation date has passed or if there is a significant event or a significant change in circumstances that is within the control of the Group and that affect the assessment of the lease term. Leases where the underlying asset has a value of less than 50 TSEK when new and leases with a term of less than 12 months are expensed on a straight-line basis over the lease term.

Parent Company accounting policies

Lease payments are recognised as an expense on a straight-line basis over the lease term, unless another systematic basis better reflects the user's economic benefit over time.

**Critical estimates and judgements**

When a lease is signed, an assessment is made of whether the lease contains a lease component and if it is to be handled under IFRS 16. The interest rate used to discount future lease payments to determine the lease liability is either the rate implicit in the lease or the incremental borrowing rate, which is the case for most of the Group's leases. The incremental borrowing rate applied reflects the Group's credit risk, the term of the lease, currency and the quality of the underlying asset to be provided as collateral. The rate is determined based on publicly disclosed swap rate curves for the respective currency to which a margin is added that reflects the Group's credit rating, the quality of the underlying asset to be provided as collateral and all guarantees.

In a number of cases, the Group's leases have the option for the Group to extend the lease or terminate it in advance. Under IFRS 16, extension options entitling the lessee to extend a lease or terminate it in advance are to be included in the term if it is deemed reasonably certain that the option will be exercised. Accordingly, the assessment affected the amount of the lease liability and the right-of-use asset recognised for the lease.

Leases of facilities

The Group's leases of facilities refer to stores, offices and warehouses. The leases normally have a term of between three and ten years. The structure of payments in the leases varies between completely fixed lease payments and leases with a varying degree of variable lease payments. The variable lease payments are based on both changes in the Group's sales in the leased premises during the year and property tax charged by the property owner. Sales-based lease payments totalled approximately 31 MSEK (36), which was expensed to the income statement for the financial year. Index clauses are included in the majority of all leases in which the lease level is linked to index adjustments in each country. Joint expenses for marketing and other services are treated as operating expenses.

The Group subleases a few premises where majority of the leases are classified as operating leases and one as financial lease.

Extension and termination options

Extension and termination options are included in most leases whereby we as a tenant have the option to terminate a lease in advance or extend the lease for a certain period of time. An individual assessment is made on the commencement date of each lease as to whether it is reasonably certain that such an option will be exercised. A number of parameters are taken into account in such an assessment, related to whether the option of extending or terminating a lease falls within the time range of the Group's long-term business plan (5 years), and based on the current profitability of the store and its strategic location. The leases differ slightly between countries with extension options mainly being included in leases in the Norwegian operations and termination options mainly being included in leases in the Swedish operations. Both extension and termination options were taken into consideration when determining the lease liability. An updated assessment and review take place upon occurrence of either a significant event or a significant change in circumstances that is within the control of the Group.

Balance sheet

Group	2025/26	2024/25
Right-of-use assets		
Facilities	1,716.8	1,657.1
Cars	2.8	2.4
Other	14.9	11.1
Closing balance at 30 April	1,734.4	1,670.5
Group	2025/26	2024/25
Lease liabilities		
Current	554.4	507.4
Non-current	1,345.5	1,193.9
Total	1,899.9	1,701.3

Income statement

Group	2025/26	2024/25
Depreciation of right-of-use assets	-546.1	-554.6
Interest on lease liabilities	-71.9	-64.9
Variable lease payments	-26.0	-20.9
Costs of low value leases, not short-term low value leases	-17.1	-19.3
Revenue from sublease of right-of-use assets	14.8	12.8
Total	-646.2	-646.9

Cash flows

	2025/26	2024/25
Interest	-71.9	-64.9
Amortisation	-537.9	-559.3
Payment of variable, short-term and low-value lease payments	-43.1	-40.2
Revenue from sublease of right-of-use assets	14.8	12.8
Total	-638.1	-651.6

Leases in the Parent Company

The Parent Company leases stores, offices and warehouse premises that in accordance with RFR 2 are classified as operating leases. Leasing expenses for the year amounted to 405.8 MSEK (395.4).

Parent Company	2025/26	2024/25
Contracted future rents		
Within a year	292.7	261.6
Between one and four years	587.4	455.4
More than four years	457.2	326.3
Total lease commitments	1,337.2	1,043.3

Note 14 Inventories



Accounting policies

Inventories have been valued at the lower of cost and net selling price on the balance sheet date through application of the "weighted average" principle. Net selling price is the estimated selling price in operating activities less selling expenses. Inter-company profits arising from deliveries between companies forming part of the Group are deducted. Necessary provisions for obsolescence have been made based on aging analysis. The valuation of inventories includes transfers from other comprehensive income of any gains/losses from cash flow hedges fulfilling the conditions for hedge accounting, and are attributable to purchase of goods.



Critical estimates and judgements

Estimates are made to value inventories at net realisable value, to assess any impairment needs. The assessment is based on age analysis of existing products and the necessary provisions for obsolescence have been made accordingly.

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Inventories	2,479.7	2,414.5	1,688.9	1,692.7
<i>Of which right of return assets</i>	3.2	2.9	1.3	1.4
Goods for resale in income statement	-6,543.3	6,320.8	-5,962.8	5,679.2
<i>Of which, obsolescence</i>	1.7	2.4	6.4	2.1

Obsolescence is calculated based on individual assessment on the basis of age analysis in stores and the distribution centre.

Cost of goods sold for the Group includes a write-down of inventories amounting to -9.2 MSEK (-12.9).

Note 15 Prepaid expenses and accrued income

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Finance related ¹	0.1	9.0	-	-
Sales related	-	-	65.4	59.9
IT related	57.2	39.8	55.5	39.4
Supply chain related	16.3	20.5	0.5	-
Other items	37.0	33.0	16.8	16.6
Total	110.6	102.3	138.2	115.8

¹ Forward contracts with positive market values are recognised under this item. See Note 19 for information on forward contracts.

Note 16 Financial risks

The Group is exposed to a variety of financial risks through its operations: market risk (including currency risk and interest-rate risk), credit risk, liquidity risk and capital risk.

The Group's overall risk management policy focuses on the unpredictability of financial markets and endeavours to minimise potential unfavourable effects on the Group's financial results. The Group's Board has prepared a financial policy, which is updated and adopted at least once a year, to control and manage financial risks. The financial policy stipulates the framework and guidelines for managing financial risks and how the Group is to relate to the financial markets. It states the responsibilities and authorities in the area and how the Group is to act as regards financial matters.

Currency risk

Currency risk relates to risk that affects income statement, balance sheet and cash flow negatively due to changes in currency exchange rate. Currency risk is divided into translation exposure related to valuation of assets and liabilities in foreign currency and transaction exposure related to sales and purchases transactions in foreign currency. A significant portion of accounts payable comprises liabilities in foreign currencies and is therefore subject to currency risks. In the Group, the principal currencies used in purchases are hedged in order to reduce any currency risks, in accordance with the financial policy.

About 60 per cent of the Company's purchases are made in currencies other than SEK. The principal currencies for purchasing are the US dollar (USD) and euro (EUR). In addition, movements of SEK against the Norwegian krone (NOK) are very significant to the Group because about 40 per cent of sales takes place in Norway.

Net exposure to EUR is low because the Company has sales in EUR in the Finnish market. The table below shows how profit is affected by changes in the principal currencies (excluding hedging).

Hedging takes place on a monthly basis with maturities after three to nine months for half of the expected flow in the most important currencies of Norwegian kroner (NOK) and US dollars (USD).

Sensitivity analysis regarding currency risk 2025/26

Currency, MSEK	Impact of +/- 10% in exchange rate on profit before tax for the group
NOK	+/- 313
USD	-/+ 204
EUR	-/+ 33
HKD	-/+ 1

The sensitivity analysis illustrates how cash flow and profit before tax, and before currency hedging, are affected by a 10 per cent change in exchange rates against SEK. Cash and cash equivalents are also exposed to currency risk since a certain proportion of the funds is invested in foreign currencies.

Refinancing and liquidity risks

Refinancing and liquidity risk pertain to the risk that Clas Ohlson is unable to receive loans or meet payment obligations due to insufficient liquidity. Refinancing requirements are regularly reviewed by Clas Ohlson's central finance function, which is responsible for external borrowing. Refinancing requirements are primarily contingent on market trends and investment plans. The aim of the principles for investing cash and cash equivalents is to safeguard the Group's short and long-term solvency. Investments may only be made in instruments with low credit risk and high liquidity.

Granted credit limits

Group	2025/26	2024/25
Overdraft facilities	600.0	600.0
Credit facility	-	408.0
Total credit limits granted	600.0	1,008.0
Appropriated credit lines	-	-
Unused credit lines	600.0	1,008.0
Available bank balances	1,836.5	1,010.7
Refinancing reserve	2,436.5	2,018.7

Maturity structure financial liabilities

Group	<3 months	3–12 months	1–2 years	3–5 years	>5 years
Lease liabilities ¹	141.8	389.5	420.1	701.6	286.6
Accounts payable	1,028.0				
Other financial liabilities	2.3				
Cash flow hedging	34.6	20.4			
Total	1,206.7	409.9	420.1	701.6	286.6

¹ Undiscounted cash flows

Interest-rate risk

Interest-rate risk entails how changes in interest levels impact the Group's net financial items and how the value of financial instruments varies depending on changes in market interest rates. All of the Group's loans that bear interest have short fixed-interest periods. The Group has assessed that loans with short fixed-interest periods provide the lowest risk and financing expenses over time. Interest-rate risk is also minimised by distributing credit lines over several different loans and maturity dates. A certain level of working capital is also ensured in the Group's currency accounts to optimise the levels.

The effect on interest expenses during the forthcoming 12-month period in the event of a 1-percentage-point increase/decrease in interest rates on interest-bearing liabilities amounts to +/- 18.0 MSEK (17.2). The effect on interest income during the same period and under the same conditions for interest-bearing assets amounts to +/- 12.8 MSEK (6.1).

Credit risk

Credit risk refers to financial risk that the Group is exposed to when a counterparty fails to fulfil its financial obligations to the Group. The vast majority of credit risks and credit losses in the Group are attributable to holdings of cash and cash equivalents and accounts receivable. Accounts receivable are characterised by a very low risk, as each subitem is small and the Group's credit policy is restrictive. The credit policy states the conditions for credit assessments, credit monitoring, requirements and handling insolvency. The Group's customers are subject to credit checks for which information about customers' financial position is obtained from various credit information companies and limits are set individually per customer. Taking these measures ensures that risk exposure and credit losses are kept at a commercially acceptable level.

The Group uses a matrix model based on historical confirmed credit losses to calculate expected credit losses on accounts receivable. The losses are then adjusted to include current and forward-looking information that could impact customers' ability to pay the receivable. The outcome shows that the loss allowance on the closing date does not total a material amount and thus has not been recognised.

Age analysis of accounts receivable

Group	2025/26	2024/25
Not due	67.2	62.1
Due between 1 and 30 days	2.1	2.1
Due after more than 30 days	1.8	2.6
Due after more than 90 days	2.3	0.8
Total	73.3	67.7

Cash and cash equivalents are invested in various bank accounts. The counterparties' solvency is deemed to be favourable and credit risk is thus deemed to be very low. The total liquidity risk comprises cash and cash equivalents and unutilised overdraft facilities.

Capital risk

Capital risk refers to the ability of the Group to maintain an optimal capital structure that might negatively affect the result of the Group. Capital risk is regarded as low because the Group had a low portion of liabilities at the end of the financial year and an equity/assets ratio of 40.0 per cent (37.0).

The goal of the Group's capital structure is to be able to continue to report a favourable return to shareholders, value for other stakeholders and to maintain an optimal capital structure to ensure that capital costs are minimised. The capital structure can be adapted to meet the requirements that arise by altering the dividend to shareholders, buying back shares, issuing new shares or disposing of assets in a bid to reduce liabilities. The assessment of capital requirements is conducted using relevant key ratios such as the relationship between net debt and equity.

Note 17 Financial income and expenses**Financial income**

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Interest income	28.2	16.1	27.7	15.7
Interest income leasing	2.8	0.2	–	–
Interest income, subsidiaries	–	–	4.3	3.3
Total	31.0	16.3	32.1	19.0

Financial expenses

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Interest expenses	-2.7	-4.5	-2.2	-4.3
Interest expenses leasing	-74.7	-65.1	–	–
Unwinding of discount on non-current liabilities	-2.1	–	–	–
Interest expenses, subsidiaries	–	–	-18.1	-17.0
Total	-79.4	-69.6	-20.4	-21.2

Results from participations in Group companies

Parent Company	2025/26	2024/25
Dividends received	219.5	177.2
Impairment of shares and participations	–	-0.9
Total	219.5	176.3

Note 18 Cash and cash equivalents**§ Accounting policies**

Cash and cash equivalents consist of cash on hand, immediately available balances with banks and similar institutions, as well as short-term liquid investments with a maturity of less than three months from the acquisition date and subject to only an insignificant risk of changes in value.

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Cash and cash equivalents	1,136.5	610.7	1,080.5	559.0
Time deposits in bank < 3 months	700.0	400.0	700.0	400.0
Total	1,836.5	1,010.7	1,780.5	959.0

At the end of the year, utilised overdraft facilities in the Group, which are not included in cash and cash equivalents, totalled 0 MSEK (0).

Total credit limits granted to the Group and to the Parent Company as of 30 April 2026 amounted to 600 MSEK (1,008). Overdraft facilities are linked to sustainability performance targets.

Cash and cash equivalents consists of cash placements in Swedish banks, cash on the way and cash in stores.

The reserve for expected credit losses on the balance sheet date was not material and therefore not recognised in the financial statements.

Note 19 Financial instruments**§ Accounting policies**

The Group applies IFRS 9 Financial Instruments. A financial asset or a financial liability is recognised in the balance sheet when the Group becomes party to the contractual terms of the instrument, that is to say on the transaction date. A financial asset is derecognised from the balance sheet when the contractual right to receive cash flows from the asset cease, are settled, or when the Group loses control of the asset. A financial liability, or part of a financial liability, is derecognised from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished.

Parent Company accounting policies

The regulations pertaining to financial guarantee agreements are not applied with respect to guarantee agreements for subsidiaries. Otherwise, IFRS 9 is applied in the Parent Company.

Classification and measurement

The Group applies various business models for its financial instruments. Financial assets and liabilities are measured at amortised cost or fair value according to the original classification, which is based on the business model under which the asset is held and the characteristics of the cash flows generated by the asset.

Cash and cash equivalents, accounts receivable and other receivables are initially measured at fair value and subsequently at amortised cost by applying the effective interest method, less any provision for expected credit losses. However, the valuation method is not applied to the Group's securities held as fixed assets that are measured at fair value through other comprehensive income.

All of the Company's financial liabilities are measured at amortised cost.

Derivatives are measured at fair value with changes in value in income statement, except when hedge accounting is applied in which case the changes in value are recognised in other comprehensive income.

Fair value of financial instruments

The fair value of financial assets and liabilities traded in an active market is determined based on the quoted market prices. The fair value of other financial assets and liabilities is determined in accordance with generally accepted measurement models, such as discounting of future cash flows and the use of information obtained from current market transactions. The carrying amount of all financial assets and liabilities is deemed to be a good approximation of their fair value, unless otherwise specifically stated.

Fair value measured according to the three levels below:

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.

Measurement	Group		Parent Company		
	2025/26	2024/25	2025/26	2024/25	
Financial assets measured at fair value through other comprehensive income					
Derivative and hedging instrument receivables	2	0.1	9.0	-	-
Financial assets measured at amortised cost					
Other non-current receivables		1.9	0.7	-	-
Accounts receivable		73.3	67.7	27.1	27.0
Other current receivables		2.2	4.4	0.1	0.1
Cash and cash equivalents		1,836.5	1,010.7	1,780.5	959.0
Total financial assets		1,914.0	1,092.5	1,807.7	986.1
Financial liabilities measured at fair value through comprehensive income					
Derivative and hedging instrument liabilities	2	55.0	32.0	-	-
Financial liabilities measured at amortised cost					
Other non-current liabilities ¹		142.4	40.5	-	40.5
Other current liabilities ²		40.5	-	40.5	-
Accounts payable		1,028.0	978.9	928.5	888.4
Other current liabilities		2.3	1.6	-	0.1
Total financial liabilities		1,268.2	1,053.0	969.1	929.1

For other financial assets and liabilities, the carrying amount corresponds to a reasonable approximation of the fair value.
 1 Relates to call and put option in connection to the acquisition of PhoneLife AB and Reservdelaronline AB (Spares Europe AB). For further information, see Note 23.
 2 Relates to call and put option in connection to the acquisition of Spares Europe AB. For further information, see Note 23.

Forward contracts

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 the 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 recognised in the item Current liabilities,

non-interest bearing. Forward contracts with positive market values are recognised in the item current assets. If the hedge pertains to a balance sheet item, the result is transferred from equity to the asset or liability to which the hedge relates when the value of the asset or liability is determined for the first time.

Outstanding cash flow hedges as of the balance sheet date are presented in the table below. There were both positive and negative market values in the currency pairs.

Sell/buy	Book value and fair value, SEK		Nominal amount, SEK	
	2025/26	2024/25	2025/26	2024/25
NOK/SEK	-26.4	8.0	429.1	288.5
NOK/USD	-28.6	-31.1	552.1	554.5
SEK/USD	0.1	-	3.7	-
Total	-54.9	-23.0	984.8	843.0

NOK/USD are allocated as follows

	Book value and fair value, SEK	
	2025/26	2024/25
NOK/SEK	-33.3	19.6
SEK/USD	4.7	-50.7
	-28.6	-31.1

Maturity ranges from 5 May to 14 December, 2026 for NOK/SEK, and from 5 May to 16 November, 2026 for NOK/USD. In the preceding year, the maturity ranges were from 2 May to 27 November, 2025 for NOK/SEK, and from 6 May to 17 November, 2025 for NOK/USD.

Note 20 Equity



Accounting policies

Total equity is defined as equity attributable to owners of the Parent Company and non-controlling interests. Equity attributable to owners of the Parent Company includes reserves and retained earnings.

Share capital

Clas Ohlson AB (publ) has two share classes, Class A and Class B. Class A shares are entitled to ten votes per share while Class B shares are entitled to one vote per share. All shares have the same rights to the Company's remaining net assets. Regarding shares in the Company's treasury (see below), all rights are suspended until the shares are re-issued.

Share capital at April 30, 2026 consisted of the following:

Share class	Quotient value, SEK per share	Number of shares	Share capital
Class A shares	1.25	5,760,000	7.2
Class B shares	1.25	59,840,000	74.8
Total		65,600,000	82.0

Other contributed capital

Refers to equity contributed by the owners. This includes share premiums paid in connection with share issues.

Translation reserve

Exchange rate differences arising upon the translation of the financial statements of foreign operations, that have prepared their financial statements in a currency other than the currency in which the Group's financial statements are presented, are recognised in the translation reserve as a component of other comprehensive income. Gains and losses on remeasurement of derivatives intended to hedge Clas Ohlson's net investments in foreign operations are also recognised in the translation reserve as a component of other comprehensive income. The cumulative gain or loss in the translation reserve is recognised in income statement in the event of divestment of the foreign operation.

Hedge reserve

Gains and losses on remeasurement of derivatives intended for cash flow hedges are recognised in the hedge reserve as a component of other comprehensive income and reversed to income statement at the rate at which the hedged cash flow affects income statement.

Retained earnings

Retained earnings includes profits for the period and previous years earned in the Parent Company and subsidiaries.

Non-controlling interests

Non-controlling interests are recognised as a separate item in consolidated equity. See also accounting policies in Note 22 Participations in Group companies and Note 23 Business combinations.

Call/put options issued for future acquisitions of non-controlling interests

The option grants both the seller and the buyer the right to initiate a transaction at a price determined in accordance with pre-defined principles. The amount to be paid is initially recognised at present value as a liability. For accounting purposes, the acquisition is treated as if 100 per cent of the Company has been acquired.

Repurchase of shares

Expenditure for the purchase of own shares reduces retained earnings in equity in the Parent Company and the portion of consolidated equity that pertains to owners of the Parent Company. If these shares are sold, the sales proceeds are included in retained earnings in the equity pertaining to owners of the Parent Company. At 30 April 2026, the Group's holdings of treasury shares, Class B, totalled 2,036,009 (2,147,196). Average number of shares was 63,521,039 before dilution (63,417,215) and 63,914,461 after dilution (63,810,628).

Dividend

A total dividend of 444.5 MSEK corresponding to 7.00 SEK per share was distributed during the financial year 2025/26. After the balance sheet date, the board has proposed a dividend of 14.00 SEK per share to the Annual General Meeting, which corresponds to a total dividend of 890 MSEK. This proposal will be considered for approval at the Annual General Meeting on 11 September, 2026.

Earnings per share

Group	2025/26	2024/25
Earnings per share before dilution		
Profit for the year	1,168.9	882.2
Average number of shares before dilution	63.52	63.42
Earnings per share before dilution	18.40	13.91
<i>Earnings per share after dilution</i>		
Profit for the year	1,168.9	882.2
Average number of shares before dilution	63.52	63.42
Adjusted for:		
-share saving programme	0.39	0.39
Average number of shares after dilution	63.91	63.81
Earnings per share after dilution	18.29	13.82

Note 21 Accrued expenses and prepaid income

	Group		Parent Company	
	2025/26	2024/25	2025/26	2024/25
Accrued payroll expenses	242.1	203.6	131.8	116.8
Accrued holiday pay expenses	245.2	228.2	138.1	133.6
Accrued social security contributions	178.9	163.8	147.5	136.3
Other items	213.0	152.8	105.1	81.4
Total	879.2	748.4	522.5	468.1

Note 22 Participations in Group companies



Accounting policies

Shares in the subsidiaries are recognised at cost less deductions for any impairment.

Clas Ohlson AB's holding of shares and participations in subsidiaries.

Parent Company	2025/26	2024/25
Opening balance	531.6	527.5
Acquisitions	-	5.0
Impairment	-	-0.9
Closing balance	531.6	531.6

Participations in Group companies

Company	Corp. Reg. No.	Registered office	Share (%)	
			2025/26	2024/25
Holding of shares and participations in subsidiaries for Parent:				
Clas Ohlson AS	NO 937402198	Oslo, Norway	100	100
Clas Ohlson OY	FI 1765891-7	Helsinki, Finland	100	100
Clas Ohlson (Shanghai) Co., Ltd	310000400574190	Shanghai, China	100	100
C/O P Investment AB	559160-9903	Stockholm, Sweden	100	100
Spares Europe AB	559172-2953	Malmö, Sweden	91	91
Clas Ohlson (Vietnam) Co., Ltd	0318174657	Ho Chi Minh, Vietnam	100	100
Clas Ohlson Sp. Z.o.o.	0000944416	Warsaw, Poland	100	100
Indirect holdings				
Owned by the parent company C/O P Investment AB				
Clas Fixare AB	559156-4843	Stockholm, Sweden	100	100
Owned by the parent company Spares Europe AB				
Spares Nordic AB	556998-9444	Stockholm, Sweden	100	100
Zandgroup AB	556699-7010	Linköping, Sweden	100	100
Owned by the parent company Spares Nordic AB				
PhoneLife AB	556913-5386	Sollentuna, Sweden	70	–
Reservdelaronline Sverige AB	556126-6056	Haninge, Sweden	70	–

Transactions during the financial year

Clas Ohlson Group has acquired 70 per cent of the shares in PhoneLife AB, with closing date on 25 November 2025. The initial purchase consideration paid amounted to 70 MSEK. A further 40 MSEK was paid during the year related to earn-out period September - December 2025. The total purchase consideration for 70 per cent of the Company amounted to 110 MSEK. Both Clas Ohlson and the respective non-controlling shareholders can invoke a purchase or a sale through call and put options. The remaining 30 per cent of the shares will be acquired after three years at 10x EBITA based on the outcome for 2028. As a result, a liability to management has been recognised amounting to 108 MSEK. Consequently, Clas Ohlson does not recognise any non-controlling interest within equity. The purchase price for 100 per cent of the shares has been calculated at a total of 218 MSEK.

Clas Ohlson Group has acquired 70 per cent of the shares in Reservdelaronline Sverige AB, with closing date on 25 November 2025. The initial purchase consideration paid amounted to 38 MSEK. Both Clas Ohlson and the respective non-controlling shareholders can invoke a purchase or a sale through call and put options. The remaining 30 per cent of the shares will be acquired after three years at 8x EBITDA based on the outcome for 2028. As a result, a liability to management has been recognised amounting to 33 MSEK. The purchase price for 100 per cent of the shares has been calculated at 70 MSEK.

Both acquisitions are additional acquisitions to Clas Ohlson's subsidiary Spares Nordic AB and were financed with existing cash and cash equivalents.

PhoneLife conducts online sales of electronic products and accessories through the sales channels Phonelife and Teknikmagasinet. Reservdelaronline conducts online sales of spare parts through the sales channel Reservdelaronline.se. Both companies are consolidated in the Clas Ohlson Group as of 1 December 2025.

PhoneLife was founded in 2012 and has grown rapidly in recent years, particularly following the acquisition of Teknikmagasinet in 2024. The product range comprises approximately 26,000 electronic and accessory products. Sales are made through PhoneLife and Teknikmagasinet to customers in Sweden, Norway, Finland, Denmark, Germany and the Netherlands. The Company has 30 employees.

Reservdelaronline has operated under its current business model since 2017. The Company primarily sells spare parts for garden machinery and lawnmowers via its e-commerce site and offers approximately 8,000 items in-stock assortment, as well as access

Note 23 Business combinations

§ Accounting policies

On acquisition, the purchase consideration is allocated to identifiable net assets and any excess consideration comprises goodwill. Acquired net assets are initially measured at fair value on the acquisition date (with certain exceptions). Contingent considerations are measured at fair value on the acquisition date and remeasured on every reporting date. Following initial recognition, the acquired intangible assets are measured at cost less accumulated amortisation and accumulated impairment. Goodwill is measured at fair value on the acquisition date less impairment. Acquisition-related

costs are recognised in other operating expenses in the income statement as they arise.

Assessments are required by Group Management to identify intangible assets acquired as part of a business combination. These include, for example, market-related assets (such as trademarks, domain names) and customer-related assets (such as customer lists, customer relationships). Acquired labour is not recognised as a separate asset and instead is included in the total goodwill item.

The measurement of acquired intangible assets corresponds to the estimated economic value in use, using standard valuation techniques, including, where appropriate, discounted cash flows and comparable market transactions.

to more than 100,000 products in the extended assortment. The Company has seven employees.

The acquisitions of PhoneLife AB and Reservdelaronline Sverige AB contributed 96 MSEK from the acquisition date. Had the acquisitions been consolidated from the beginning of the fiscal year, the contribution to the Group's net sales would have been 256 MSEK. Acquisition-related costs in connection with the acquisitions have been recognised under other external expenses and amount to 3 MSEK.

In the preliminary allocation of the purchase price, identifiable assets and liabilities are measured at fair value. Fair value adjustments, in addition to goodwill, have been identified in trademarks and customer relationships. These have been valued at 34 MSEK and are subject to amortisation and deferred tax. The difference between the purchase price and the acquired net assets, including trademarks and customer relationships, was recognised as goodwill. Goodwill is not amortised but is tested annually for impairment. Such impairment of goodwill is not considered to be tax deductible.

Fair value according to preliminary acquisition analysis (MSEK)	Total
Customer relationships	12.8
Trademarks	20.8
Non-current assets	6.6
Current assets	27.6
Cash and cash equivalents	16.9
Deferred tax liability	-6.9
Current liabilities	-30.1
Total identifiable net assets	47.7
Goodwill	241.2
Total identifiable net assets including Goodwill	288.9
Initial cash purchase price	107.9
Earn-out	40.3
Cash and cash equivalents	-16.9
Net cash outflow from acquisition of subsidiaries	131.3

Financial year 2023/24

During the financial year 2023/24, Spares Europe AB and its subsidiaries were acquired. At the acquisition date, 91.4 per cent of the shares in Spares Europe AB were acquired. A call and put option for the remaining shares was agreed upon, which can be exercised by either Clas Ohlson or the other shareholders after the financial year 2025/26. Consequently, a liability to the other shareholders amounting to 40.5 MSEK has been recognized.

Note 24 Related-party transactions

Related parties Transactions

Major shareholders	The major shareholders are Clas Ohlson's descendants from the Haid and Tidstrand families, who hold 36.7 per cent of the capital and 64.6 per cent of the votes. No transactions with related parties other than disbursement of ordinary dividend took place during the financial year.
Board of Directors	Refer to Note 7 for details of remuneration. No Board member has participated directly or indirectly in any business transaction with Clas Ohlson. The Board is presented on pages 41–42.
Management Team	Refer to Note 7 for details of remuneration. No senior executive has participated directly or indirectly in any business transaction with Clas Ohlson. The management is presented on page 43.
Group companies	Specified in Note 22. Of the Parent Company's Net sales during the financial year, 44 per cent (43) pertained to sales to Group companies. Of the Parent Company's purchases during the financial year, 0 per cent (0) pertained to purchases from Group companies.

Note 25 Pledged assets and contingent liabilities



Accounting policies

When reporting contingent liabilities for the Group, IAS 37 Provision, contingent liabilities and contingent assets is applied. A contingent liability is reported where there is a possible obligation for which it remains to be confirmed whether the Company has an existing obligation that could result in an outflow of resources. Alternatively, there may be an existing obligation that does not fulfil the criteria for recognition in the balance sheet as a provision or other liability since it is not likely that an outflow of financial resources will be required in order to settle the obligation or the amount cannot be reliably estimated.

Parent Company	2025/26	2024/25
Contingent liabilities		
Parent company's lease guarantees	177.8	160.4
Total	177.8	160.4

From time to time the Group is a party in legal processes and various types of disputes, but it is assessed that no current disputes will have any significant impact on the Group's results. Neither the Group nor the Parent Company has any pledged assets.

Note 26 Events after the closing date

No significant events have occurred after the balance sheet date that affect the assessment of Clas Ohlson's financial position.

Proposed appropriation of earnings

The Board of Directors proposes that the funds at the disposal of the Annual General Meeting, as stated in the parent company's balance sheet, be allocated as follows. A total dividend of 14.00 SEK per share is proposed to be distributed to shareholders. The remaining unrestricted equity shall be retained in the parent company. The ordinary dividend for the 2025/26 financial year is proposed to amount to 9.25 SEK per share, divided into two equal payments of 4.625 SEK each. Considering the Company's financial position, the Board of Directors further proposes an extraordinary dividend of 4.75 SEK per share, to be paid in two equal instalments of 2.375 SEK each. Payment is proposed to be made on 18 September, 2026 and 15 January, 2027 with 15 September, 2026 as the record date (payment on 18 September, 2026) and with 12 January, 2027 as the record date (payment on 15 January, 2027). No dividend will be paid on the parent company's holding of its own class B shares. Assuming that no changes are made to own shares up to the record date, the Board proposes that earnings be appropriated as follows:

Retained earnings	776,785,616 SEK
Profit for the year	977,883,268 SEK
	1,754,668,884 SEK
Dividend payable to shareholders	
14.00 SEK per share	889,895,874 SEK ¹
To be carried forward	864,773,010 SEK
	1,754,668,884 SEK

¹ Dividends are based on the number of shares outstanding on the record dates.

The Board of Directors and the Chief Executive Officer confirm that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's financial position and performance. The annual accounts have been prepared in accordance with generally accepted accounting principles and present a true and fair view of the parent company's position and performance. The Board of Directors and CEO certify that the sustainability report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), as adopted by the EU. The Directors' Report for the Group and the Parent Company provides a fair overview of the

development of the Group's and the parent company's operations, financial position and performance, and describes the material risks and uncertainties faced by the parent company and the entities included in the Group.

The annual report and consolidated financial statements are dated and were approved for issue by the Board of Directors on 2 July 2026. The Group's statement of comprehensive income and statement of financial position, and the Parent Company's income statement and balance sheet, will be presented for adoption at the Annual General Meeting on 11 September 2026.

Signatures

Insjön 2 July, 2026

Kenneth Bengtsson
Chairman of the Board

Mengmeng Du

Susanne Ehnåge

Mathias Haid

Patrik Hofbauer

Håkan Lundstedt

Stefan Sjöstrand

Charlotte Strömberg

Göran Sundström

Kristofer Tonström
President and CEO

Freja Drakesson
Employee representative
(*Handels* trade union)

Karin Lundin
Employee representative
(*Unionen* trade union)

Our Auditor's Report on the annual report and consolidated financial statements, and our assurance report on the sustainability statement were issued on 2 July, 2026, or on the date stated in our electronic signature.

Deloitte AB

Johan Telander
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of Clas Ohlson (publ) corporate identity number 5556035-8672

Report on the annual accounts and consolidated accounts **Opinions**

We have audited the annual accounts and consolidated accounts of Clas Ohlson (publ) for the financial year 2025-05-01 – 2026-04-30, with the exception of the corporate governance report and the sustainability report on pages 34–43 and 44–92. The annual accounts and consolidated accounts of the company are included on pages 22–26 and 97–130 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 30 April 2026 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 30 April 2026 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 34–92. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of inventories

Risk description

The group report inventories of SEK 2,478 million as of April 30, 2026. Inventories comprise a substantial part of the group's assets and consist of a large number of articles assorted within retail inventory and the distribution center in Insjön. Inventory is accounted for at the lower of cost and net sales value. Inventory accounting is subject to significant judgment and estimates, mainly

related to obsolescence, calculation of costs included in the inventory value and supplier bonuses. This area has been determined to be key audit matter given the large transaction volumes and the complexity due to the number of warehouse locations. For further information, see the group's accounting principles and estimates and judgements concerning inventory in note 14.

Our audit procedures

Our audit included but was not limited to the following audit procedures:

- Auditing Clas Ohlson's control environment for inventory management and procurement;
- Auditing of Clas Ohlson's applied calculations of costs included in the inventory value;
- Auditing of the inventory valuation as the lower of cost and net sales value and applied model for obsolescence;
- Completeness testing with data analytics covering in- and outgoing deliveries from the warehouses;
- Performing stock counts in several of Clas Ohlson stores, distribution center and in Spares group's warehouses; and
- Evaluating the adequacy of applied accounting principles and relevant disclosures.

Revenue recognition

Risk description

The group's sales for the fiscal year amount to SEK 12,514 million. Revenue is recognized when material performance obligations are fulfilled. Revenue recognition has been identified as a key audit matter since sales comprise a significant financial statement line item and consists of a large number of small transactions from sales through own stores or online. For further information, refer to note 2 on net sales and note 3 on segment reporting.

Our audit procedures

Our audit included but was not limited to the following audit procedures:

- Auditing of Clas Ohlson's process for revenue recognition, handling of cash and evaluation of the control environment;
- Analytical audit procedures of recorded revenue and reconciliation of sales on receipt level traced against the corresponding movement in inventory facilitated by data analytics tools;
- Auditing of Clas Ohlson's analysis and evaluation of fluctuations in the gross margin;
- Evaluating the adequacy of applied accounting principles and relevant disclosures.

Other information than the annual accounts and consolidated accounts

This document also contains information other than the annual accounts and consolidated accounts and are founded on pages 1–21, 44–92 and 136–147. The remuneration report is also included in the other information that we have received prior to the signing of the annual report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the

preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report.

Report on other legal and regulatory requirements**Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Clas Ohlson (publ) for the financial year 2025-05-01 – 2026-04-30 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this,

is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf. This description forms part of the auditor's report.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Clas Ohlson (publ) for the financial year 2025-05-01 – 2026-04-30.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Clas Ohlson (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Auditor's examination of the corporate governance report

The Board of Directors is responsible for that the corporate governance statement on pages 34–43 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Deloitte AB, was appointed auditor of Clas Ohlson (publ) by the general meeting of the shareholders on the 2025-09-12 and has been the company's auditor since 2013-09-07.

Stockholm July 2, 2026

Deloitte AB

Johan Telander

Authorized Public Accountant

For signature please see Swedish version of the Auditor's report

Auditor's limited assurance report of Clas Ohlson AB (publ)'s statutory sustainability statement

To the general meeting of the shareholders of Clas Ohlson AB (publ), corporate identity number 556035-8672

Conclusion

We have conducted a limited assurance engagement of the sustainability statement for Clas Ohlson AB (publ), for the financial year 2025/2026. The sustainability statement is included on page 44-92 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of European Sustainability Reporting Standards (ESRS),
- whether the process the company has carried out to identify reported sustainability information has been conducted as described in the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8 (EU Taxonomy).

Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1-43, 93-130 and 136-147. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matters

The sustainability report for the previous financial year has not been subject to a review engagement, and consequently, no review of the comparative figures in the sustainability report for the year 2025/2026 has been performed.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of sustainability statement in accordance with Chapter 6, paragraphs 12-12f §§ of the Swedish Annual Accounts

Act, and for such internal control as they determines is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability statement has been prepared in accordance with Chapter 6, Sections 12-12f §§ of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Clas Ohlson AB (publ), in accordance with professional ethics for auditors in Sweden and have otherwise

fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

Our review procedures concerning the entity's process for identifying sustainability information to be reported included, but were not limited to:

- Obtain an understanding of the process by:
 - Performing inquiries to understand the sources of the information used by management, and
 - Reviewing the entity's internal documentation of its process
- Evaluate whether the evidence obtained from our procedures about the process implemented by the entity is consistent with the description of the process set out on page 58–59 in the sustainability statement.

The review procedures with respect to the sustainability statement included but were not limited to the following:

- By inquiries obtain an understanding of the entity's control environment, reporting processes, and information systems relevant to the preparation of its sustainability statement
- Evaluate whether information identified to be material by the entity's the process for identifying sustainability information reported, is included in the sustainability statement
- Evaluate whether the structure and the presentation of the sustainability statement is in accordance with the requirements in ESRS

- Perform inquiries of relevant personnel and analytical procedures on selected disclosures in the sustainability statement
- Perform substantive assurance procedures on a sample basis on selected disclosures in the sustainability statement
- Perform inquiries and analytical procedures to evaluate whether the methods, data and significant assumptions used to make estimates in the sustainability statement are appropriate and applied consistently

The review procedures with respect to the EU Taxonomy included but were not limited to the following:

- Obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement
- Evaluate whether the activities within the EU Taxonomy are consistent to the financial statements and related notes
- Evaluate processes, documentation and assessment of eligibility and alignment with the economic activities and technical screening criteria within the EU Taxonomy
- Evaluate whether the reporting is in accordance with the requirements in EU Taxonomy

Inherent limitations

In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Managing Director for Clas Ohlson AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the entity. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Stockholm, on the date indicated by our electronic signature.
Deloitte AB

Signature on Swedish original

Johan Telander
Authorized public accountant

Key ratios

Definitions

Clas Ohlson uses certain financial ratios in the Annual Report that are not defined in accordance with IFRS. Clas Ohlson believes that these key ratios are relevant to the users of the financial report as providing an additional means for assessing Clas Ohlson's performance. Because not all companies calculate financial ratios in the same way, the ratios used by Clas Ohlson are not always comparable with measures used by other companies. These financial ratios should therefore not be regarded as directly equivalent to those defined under IFRS. Unless otherwise indicated the ratios presented below are not as defined in accordance with IFRS.

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 net sales for the period.

Gross profit

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

Dividend yield

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

EBITA

Operating profit before interest, tax, write-down and amortisation of acquisition related intangible assets.

EBITDA

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

EBITDA, excluding IFRS 16

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

Free cash flow

Cash flow after investing activities including amortisation of lease liabilities.

Sales growth

Net sales in relation to net sales during the year-earlier period.

Online sales growth

Online net sales in relation to online net sales during the year-earlier period.

Online sales growth excluding acquisitions

Online net sales in relation to online net sales during the year-earlier period, excluding acquired companies.

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 non-cash items, interest, tax paid and changes 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 excluding interest-bearing lease liabilities, less cash and cash equivalents.

Net debt/EBITDA ratio

Net debt divided by EBITDA for the past 12 months.

Net debt/EBITDA, excluding IFRS 16 ratio

Net debt divided by EBITDA for the past 12 months, excluding interest-bearing lease liabilities and the impact on operating expenses according to IFRS 16.

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, less cash and cash equivalents (inventories and current receivables) and less current non-interest bearing liabilities.

Operating margin

Operating profit divided by net sales for the period.

Operating profit

Operating profit consists of profit before financial items and tax.

Operating profit, excluding IFRS 16

Operating profit consists of profit before financial items and tax, excluding 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, excluding IFRS 16

Equity at the end of the period divided by total assets, excluding the effect of equity and interest-bearing lease assets attributable to IFRS 16.

Capital employed

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

Total return

The sum of the change in the share price during the period and the dividends paid, in relation to the share price at the beginning of the year.

Comprehensive income per share

Total comprehensive income divided by the average number of shares before dilution.

Payout ratio

Dividend divided by earnings per share before dilution.

Earnings per share (before and after dilution)¹

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

¹ Defined according to IFRS.

Glossary

Club Clas

Our loyalty programme, our customer club.

UN Global Compact

The UN's international principles on human rights, labour law, the environment and anti-corruption, aimed at businesses.

Online sales

Sales where the customer shops via digital channels from Clas Ohlson or external partners.

Sales per square meter

The ratio of store sales to effective retail space. In the case of new stores, figures have been recalculated to reflect how long the store has been open.

CSRD

The EU's Corporate Sustainability Reporting Directive, which requires more standardised, comparable and externally audited information from companies.

ESRS

European Sustainability Reporting Standards, which set out what information companies should report under the CSRD.

Comparable units

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

Cost of goods for resale

Cost of purchasing goods, including transport, customs and handling costs up until the goods are on the shelf in the store or are delivered to the customer.

Nasdaq Stockholm

The marketplace for securities trading where Clas Ohlson's B shares are quoted.

Omnichannel

A shopping experience where the customer experiences a seamless interaction between physical stores and online store.

Traffic

The number of visitors.

Code of Conduct

The requirements we place on ourselves and suppliers of products and services in terms of labour conditions, working environment and environment.

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 pages 136–137. The APMs recognised in this Annual Report may differ from similarly named measures used by other companies. All APMs refer to the Group in full, unless otherwise stated.

Return on equity

	2025/26	2024/25
Net profit for the year	1,168.9	882.2
Average equity	2,759.8	2,150.9
Average equity, %	42.4	41.0

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

	2025/26	2024/25
Operating profit	1,527.1	1,171.2
Interest income	31.0	16.3
Average capital employed	4,570.9	3,873.3
Return on capital employed, %	34.1	30.7

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 being used more efficiently.

Gross margin

	2025/26	2024/25
Gross profit	5,970.6	5,305.9
Net sales	12,513.9	11,626.7
Gross margin, %	47.7	45.6

Reason for use: The gross margin shows the difference between net sales and cost of goods for resale as a percentage of net sales. The gross margin is affected by a number of factors, such as product mix, price developments and cost changes.

Gross profit

	2025/26	2024/25
Net sales	12,513.9	11,626.7
Goods for resale	-6,543.3	-6,320.8
Gross profit	5,970.6	5,305.9

Reason for use: Gross profit shows the difference between net sales and cost of goods for resale. Gross profit is affected by a number of factors, such as product mix, price developments and cost changes.

Dividend yield

	2025/26	2024/25
Dividend per share ¹ , SEK	14.0	7.0
Share price 30 April, SEK	398.4	274.2
Dividend yield, %	3.5	2.6

¹ Proposed dividend

EBITA

	2025/26	2024/25
Operating profit	1,527.1	1,171.2
Amortisation on acquisition-related intangible assets	17.7	13.8
EBITA	1,544.8	1,185.0

Reason for use: EBITA shows profitability before amortisation and impairment of acquisition-related intangible assets, interest and income tax.

EBITDA

	2025/26	2024/25
Operating profit	1,527.1	1,171.2
Depreciation, amortisation and write-down	720.0	747.7
EBITDA	2,247.0	1,918.9

Reason for use: EBITDA shows profitability before depreciation, amortisation, interest and income tax.

EBITDA excl IFRS 16

	2025/26	2024/25
Operating profit excl IFRS 16	1,460.8	1,095.5
Depreciation, amortisation and write-down excl IFRS 16	173.9	193.1
EBITDA excl IFRS 16	1,634.6	1,288.6

Reason for use: Facilitates comparability of the operational performance excluding the accounting effects arising from the application of IFRS 16.

Equity per share

	2025/26	2024/25
Total equity	3,154.1	2,400.3
Number of shares outstanding, millions	63.56	63.45
Equity per share, SEK	49.62	37.83

Reason for use: Equity per share measures a company's net worth per share and determines whether a company is increasing shareholder wealth over time.

Free cash flow

	2025/26	2024/25
Cash flow from operating activities	2,118.8	1,830.0
Cash flow from investing activities	-312.7	-156.6
Lease payments	-537.9	-559.3
Free cash flow	1,268.3	1,114.1

Reason for use: Free cash flow provides a measure of the current net flow from operating activities, to be used for future investments, dividends, etc.

Sales growth

	2025/26	2024/25
Net sales current period	12,513.9	11,626.7
Net sales previous year	11,626.7	10,231.9
Sales growth, %	7.6	13.6

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

Sales growth online

	2025/26	2024/25
Net sales online current period	2,571.6	2,231.0
Net sales online previous year	2,231.0	1,553.2
Sales growth online, %	15.3	43.6

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

Sales growth online excl acquisitions

	2025/26	2024/25
Net sales online current period excl acquisitions	2,475.2	1,411.8
Net sales online previous year excl acquisitions	2,231.0	1,206.0
Sales growth online excl acquisitions, %	10.9	17.1

Reason for use: The change in online net sales reflects the Company's realised online sales growth over time, excluding acquired companies.

Cash flow from operating activities per share

	2025/26	2024/25
Cash flow from operating activities	2,118.8	1,830.0
Average number of shares before dilution, millions	63.52	63.42
Cash flow from operating activities per share, SEK	33.36	28.86

Reason for use: Cash flow from operating activities per share measures the cash flow generated by the Company per share before capital expenditure and cash flows attributable to the Company's financing.

Net debt

	2025/26	2024/25
Interest-bearing liabilities	1,899.9	1,701.3
Cash and cash equivalents	1,836.5	1,010.7
Total net debt	63.4	690.6

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

Net debt excl IFRS 16

	2025/26	2024/25
Interest-bearing liabilities excl lease liabilities	–	–
Cash and cash equivalents	1,836.5	1,010.7
Total net debt excl IFRS 16	-1,836.5	-1,010.7

Reason for use: Facilitates comparability of operational performance by excluding accounting effects arising from the application of IFRS 16.

Net debt/EBITDA ratio

	2025/26	2024/25
Net debt	63.4	690.6
EBITDA	2,247.0	1,918.9
Total net debt/EBITDA	0.0	0.4

Reason for use: Net debt/EBITDA measure the Group's financial strength and its ability to manage debt in relation to operating cash flow generation.

Net debt/EBITDA excl IFRS 16 ratio

	2025/26	2024/25
Net debt excl IFRS 16	-1,836.5	-1,010.7
EBITDA excl IFRS 16	1,634.6	1,288.6
Total net debt/EBITDA excl IFRS 16	-1.1	-0.8

Reason for use: Facilitates comparability of operational performance by excluding accounting effects arising from the application of IFRS 16.

Organic growth

	2025/26	2024/25
Net sales (recalculated to the previous year's exchange rate)	12,737.1	10,921.7
Acquired net sales	96.3	–
Net sales previous period	11,626.7	9,884.6
Organic growth, %	8.7	10.5

Reason for use: Facilitates comparability of sales between periods.

Working capital

	2025/26	2024/25
Total current assets	4,526.5	3,608.0
- Cash and cash equivalents	-1,836.5	-1,010.7
- Current liabilities, non-interest bearing	-2,443.0	-2,150.1
Working capital	247.0	447.1

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

Operating margin

	2025/26	2024/25
Operating profit	1,527.1	1,171.2
Net sales	12,513.9	11,626.7
Operating margin, %	12.2	10.1

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

Operating profit excl IFRS 16

	2025/26	2024/25
Operating profit	1,527.1	1,171.2
IFRS 16-effekt	-66.3	-75.7
Operating profit excl IFRS 16	1,460.8	1,095.5

Reason for use: Facilitates comparability in analyses that include years before IFRS 16 was applied.

Equity/assets ratio

	2025/26	2024/25
Total equity	3,154.1	2,400.3
Total assets	7,887.3	6,488.9
Equity/Assets ratio, %	40.0	37.0

Reason for use: A high equity/assets ratio provides the financial room for manoeuvre and independence needed to conduct business and manage fluctuations in working capital, as well as the ability to take advantage of business opportunities.

Equity/assets ratio excl IFRS 16

	2025/26	2024/25
Total equity excl IFRS 16	3,244.9	2,483.3
Total assets excl IFRS 16	6,078.2	4,870.7
Equity/assets ratio excl IFRS 16, %	53.4	51.0

Reason for use: Facilitates comparability of operational performance by excluding accounting effects arising from the application of IFRS 16.

Capital employed

	2025/26	2024/25
Total assets	7,887.3	6,488.9
Non-current liabilities, non-interest bearing	-390.3	-237.2
Current liabilities, non-interest bearing	-2,443.0	-2,150.1
Capital employed	5,054.0	4,101.6

Reason for use: Capital employed measures a company's ability to meet the needs of its business beyond cash and cash equivalents.

Total return

	2025/26	2024/25
Share price at the start of the year, SEK	274.20	134.00
Share price at the end of the year, SEK	398.40	274.20
Re-invested dividend, SEK	7.00	4.25
Total return, SEK	131.20	144.45
Total return, %	47.85	107.80

Comprehensive income per share

	2025/26	2024/25
Comprehensive income	1,175.1	804.8
Average number of shares before dilution, millions	63.52	63.42
Comprehensive income per share, SEK	18.50	12.69

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

Payout ratio

	2025/26	2024/25
Dividend, SEK	14.00	7.00
Earnings per share before dilution, SEK	18.40	13.91
Payout ratio, %	76.1	50.3

Earnings per share (before and after dilution)¹

	2025/26	2024/25
Profit for the year	1,168.9	882.2
Number of shares before dilution, millions	63.52	63.42
Number of shares after dilution, millions	63.91	63.81
Earnings per share before dilution, SEK	18.40	13.91
Earnings per share after dilution, SEK	18.29	13.82

¹ Defined in accordance with IFRS

Ten-year overview

MSEK	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
Income statement										
Net sales	12,513.9	11,626.7	10,231.9	9,024.3	8,783.7	8,284.4	8,758.3	8,772.3	8,210.7	7,990.1
Operating profit	1,527.1	1,171.2	716.8	305.0	719.4	608.2	549.2	94.0	468.3	609.9
Profit after financial items	1,478.6	1,117.9	652.8	242.4	656.4	544.9	481.8	91.9	467.1	608.9
Income tax	-309.7	-235.7	-144.2	-61.8	-133.9	-123.6	-105.8	-20.3	-109.3	-130.2
Profit for the year	1,168.9	882.2	508.6	180.6	522.5	421.3	375.9	71.6	357.8	478.7
Statement of financial position										
Non-current assets excluding right-of-use assets	1,427.6	1,134.7	1,186.0	969.6	1,224.0	1,325.1	1,323.8	1,388.5	1,469.5	1,404.5
Right-of-use assets	1,734.4	1,670.5	1,784.1	1,553.6	1,678.8	1,915.0	2,059.9	-	-	-
Other financial assets	198.7	75.8	81.3	96.3	252.7	415.2	327.7	246.8	239.4	18.5
Inventories	2,479.7	2,414.5	2,448.3	2,177.1	2,198.6	1,831.7	1,811.2	1,987.3	2,038.0	1,630.7
Current receivables	210.3	182.7	180.2	170.0	137.8	106.6	179.8	249.4	336.9	220.6
Cash and cash equivalents	1,836.5	1,010.7	170.7	143.1	456.6	533.8	80.1	105.0	115.8	625.1
Total assets	7,887.3	6,488.9	5,850.6	5,109.7	5,948.6	6,127.4	5,782.4	3,976.9	4,199.7	3,899.4
Equity attributable to Parent Company shareholders	3,154.1	2,400.3	1,849.3	1,437.4	2,221.6	2,189.4	1,756.9	1,940.8	2,263.9	2,250.7
Equity attributable to non-controlling interest	-	-	-	-	-	5.8	6.2	6.6	-	-
Total equity	3,154.1	2,400.3	1,849.3	1,437.4	2,221.6	2,195.2	1,763.1	1,947.3	2,263.9	2,250.7
Non-current lease liabilities, interest bearing	1,345.5	1,193.9	1,269.7	1,111.2	1,255.3	1,542.7	1,672.5	-	-	-
Non-current liabilities, non-interest bearing	390.3	237.2	201.4	175.9	209.2	209.9	232.1	204.8	227.4	226.8
Current lease liabilities, interest bearing	554.4	507.4	568.9	521.2	534.4	498.8	523.7	-	-	-
Current liabilities, interest bearing	-	-	-	244.4	0.0	-	67.2	283.1	-	-
Current liabilities, non-interest bearing	2,443.0	2,150.1	1,961.3	1,619.6	1,728.1	1,680.7	1,523.8	1,541.7	1,708.4	1,421.9
Total equity and liabilities	7,887.3	6,488.9	5,850.6	5,109.7	5,948.6	6,127.4	5,782.4	3,976.9	4,199.7	3,899.4
Statement of cash flow										
Cash flow from operating activities	2,118.8	1,830.0	1,488.6	940.8	986.1	1,287.8	1,283.9	312.0	372.8	698.9
Cash flow from investing activities	-312.7	-156.6	-553.8	-123.4	-157.7	-227.9	-231.0	-211.4	-497.2	-263.5
Cash flow from financing activities	-982.4	-828.8	-909.2	-1,128.7	-909.2	-605.8	-1,073.2	-112.0	-389.8	-418.0
Cash flow for the year	823.7	844.7	25.6	-311.2	-80.8	454.1	-20.3	-11.5	-514.2	17.5

	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
KEY RATIOS										
Sales growth, %	7.6	13.6	13.4	2.7	6.0	-5.4	-0.2	6.8	2.8	5.1
Gross margin, %	47.7	45.6	46.2	45.6	49.4	50.0	48.7	48.6	48.3	49.3
Operating margin, %	12.2	10.1	7.0	3.4	8.2	7.3	6.3	1.1	5.7	7.6
EBITA, MSEK	1,544.8	1,184.9	723.6	305.0	719.4	608.2	549.2	94.0	468.3	609.9
Return on capital employed, %	34.1	30.7	20.9	8.8	17.4	15.2	13.5	4.1	21.0	28.4
Return on equity, %	42.4	41.0	31.5	10.6	23.3	21.0	21.4	3.5	16.0	22.4
Equity/assets ratio, %	40.0	37.0	31.6	28.1	37.3	35.8	30.5	49.0	53.9	57.7
Equity/assets ratio, excl IFRS 16, %	53.4	51.0	47.4	43.0	54.8	55.2	51.0	49.0	53.9	57.7
Net debt/EBITDA	0.0	0.4	1.0	1.6	0.9	1.1	1.8	0.5	-	-
Net debt/EBITDA, excl IFRS 16	-1.1	-0.8	-0.2	0.2	-0.5	-0.7	-0.0	0.5	-	-
Sales per square metre in store, TSEK	39	38	36	32	31	29	32	31	31	31
Number of stores at year-end	249	241	230	222	229	228	228	232	229	216
Average number of employees	3,151	3,109	3,044	3,128	3,093	3,013	2,987	3,099	2,951	2,835
Number of Club Clas members, millions	6.2	5.9	5.4	5.0						
DATA PER SHARE										
Number of shares before dilution	63,521,039	63,417,215	63,357,287	63,356,536	63,351,284	63,345,330	63,273,680	63,217,741	63,200,598	63,052,803
Number of shares after dilution	63,914,461	63,810,628	63,472,584	63,357,260	63,358,847	63,356,993	63,297,575	63,230,062	63,311,743	63,254,614
Number of shares at year-end	63,563,991	63,452,804	63,357,289	63,356,565	63,351,333	63,345,417	63,337,447	63,217,794	63,208,135	63,083,438
Earnings per share before dilution, SEK	18.40	13.91	8.03	2.85	8.25	6.65	5.94	1.13	5.66	7.59
Earnings per share after dilution, SEK	18.29	13.82	8.01	2.85	8.25	6.65	5.94	1.13	5.65	7.57
Comprehensive income per share, SEK	18.50	12.69	7.88	0.60	6.71	6.82	5.66	1.26	6.37	8.30
Cash flow per share, SEK	33.36	28.86	23.50	14.85	15.57	20.33	20.29	4.93	5.90	11.08
Equity per share, SEK	49.62	37.83	29.19	22.69	35.07	34.65	27.84	30.80	35.82	35.68
Share price 30 April, SEK	398	274	134	77	112	91	86	79	96	147
Dividend per share, SEK	14.00	7.00	4.25	1.50	13.00	6.25	-	6.25	6.25	6.25
P/E ratio, multiple	22	20	17	27	14	14	14	70	17	19
Dividend yield, %	3.5	2.6	3.2	1.9	11.6	6.9	-	7.9	6.5	4.3



Other

The share and shareholders

Share performance and turnover

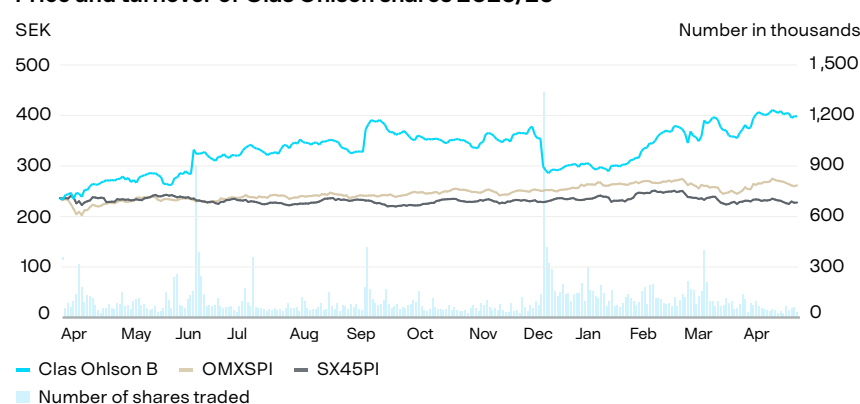
The price of Clas Ohlson shares rose 45.3 per cent to 398.40 SEK (274.20) compared with the year-earlier period, while OMXSPI rose 14.29 per cent. The highest price paid was 412.20 SEK in April 2026 and the lowest 259 SEK in May 2025. Total market capitalisation amounted to 25,324 MSEK, based on the most recent price paid, 398.40 SEK, on 30 April, 2026.

During the 2025/26 financial year, 24,385,691 Clas Ohlson shares were traded, representing a turnover rate of 37 per cent.

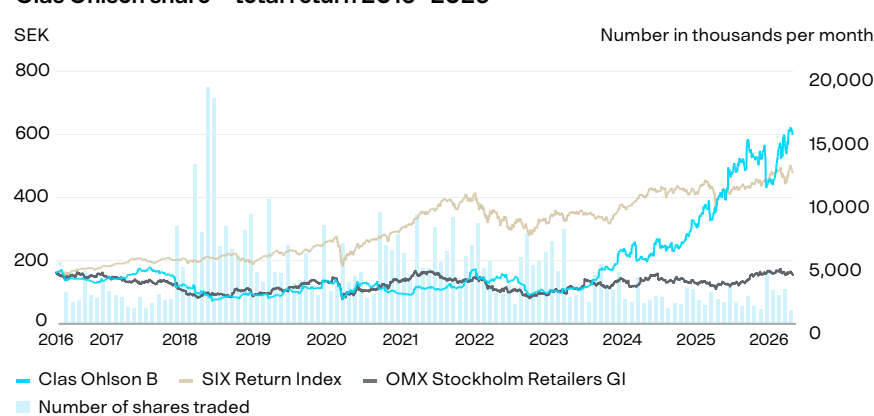
Dividend policy and dividend

Clas Ohlson's dividend policy is that the dividend shall comprise at least 50 per cent of earnings per share after tax, taking due account of the Company's financial position. The Board of Directors proposes a total dividend of SEK 14.00 per share. It is proposed that an ordinary dividend of 9.25 SEK per share be paid for the 2025/26 financial year, to be made as two separate payments, each of 4.625 SEK. In view of the Company's financial position, the Board also proposes a special dividend of 4.75 SEK per share to be paid, in two instalments, each of SEK 2.375. It is proposed that payments be made in September 2026 and January 2027. Total dividend for the 2024/25 financial year was 7.00 SEK per share. The proposed dividend amounts to a total of 890 MSEK (444). The dividend represent 76 per cent (50) of earnings per share.

Price and turnover of Clas Ohlson shares 2025/26

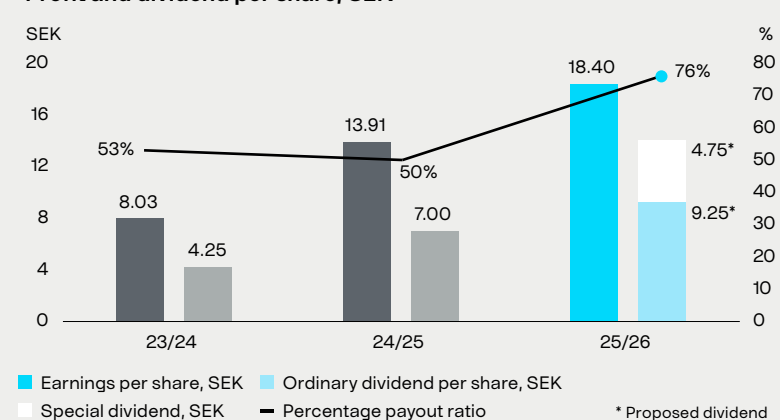


Clas Ohlson share – total return 2016–2026



The average annual total return between when the Company was listed in 1999 and the end of the 2025/26 financial year was 17.8 per cent. The average annual total return for the past ten financial years was 17.0 per cent and the average annual total return for the past five financial years was 55.9 per cent.

Profit and dividend per share, SEK



Per-share data ¹	2025/26	2024/25	2023/24	2022/23	2021/22
Average number of shares before dilution, millions	63.5	63.4	63.4	63.4	63.4
Earnings per share before dilution, SEK	18.40	13.91	8.03	2.85	8.25
Comprehensive income per share, SEK	18.50	12.69	7.88	0.60	6.71
Equity per share, SEK	49.62	37.83	29.19	22.69	35.07
Share price at 30 April, SEK	398.4	274.2	134.0	77.3	112.1
Dividend per share, SEK	14.00 ²	7.00	4.25	1.50	13.00 ³
P/E ratio, multiple	22	20	17	27	14
Dividend yield, %	3.5	2.6	3.2	1.9	11.6
Payout ratio, %	76.1	50.0	52.9	52.6	157.6
Total return, %	47.8	107.8	75.3	-19.4	30.6

¹ See definitions of key ratios on pages 136–137
² Proposed ordinary dividend and special dividend
³ Ordinary dividend and special dividend

Share capital

The share capital in Clas Ohlson at the financial year-end totalled 82 MSEK, represented by 5,760,000 series A shares and 59,840,000 series B shares, each with a quotient value of 1.25. Each series A share carries a right to ten votes, while each series B share carries a right to one vote. All shares carry equal rights to payment of dividends. Holders of series A shares can request that their A shares be converted to series B shares.

Shareholding structure

On 30 April, 2026, the Company had a total of 43,892 shareholders (41,282). Non-Swedish owners accounted for 40 per cent (39) of the capital. Swedish ownership is dominated by private individuals, holding 48 per cent (45) of the capital, while institutions hold 9 per cent (13).

Treasury shares

The number of registered shares amounted to 65,600,000, of which 2,036,009 (2,147,196) were held in treasury at the financial year-end. At the end of the period, the number of shares outstanding, net after buyback, was 63,563,991 (63,452,804).

Per-share data

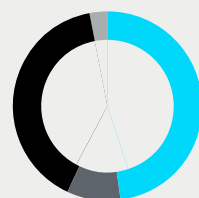
Listing: Nasdaq Stockholm OMX Large Cap

Ticker: Clas B

Sector: Consumer Services

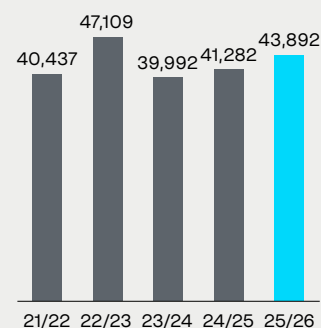
ISIN code: SE0000584948

Shareholder categories



- Swedish private individuals, 48%
- Swedish institutions, 9%
- Non-Swedish shareholders, 40%
- Shares held in treasury by Clas Ohlson, 3%

No. of shareholders



Largest shareholders¹

Shareholder	Number of series A shares	Number of series B shares	Capital, %	Votes, %
Haid Family ²	3,023,880	11,544,613	22.2	35.6
Tidstrand Family ²	2,736,120	6,771,678	14.5	29.1
Nordea Funds		6,150,534	9.4	5.2
Swedbank Robur Funds		2,000,161	3.0	1.7
American Century Investment Management		1,879,443	2.9	1.6
Vanguard		1,495,929	2.3	1.3
Dimensional Fund Advisors		961,629	1.5	0.8
JPMorgan Asset Management		908,913	1.4	0.8
BlackRock		758,824	1.2	0.6
Handelsbanken Funds		582,874	0.9	0.5
Total 10 largest	5,760,000	33,054,598	59.2	77.2
Other	–	24,749,393	37.7	21.1
Total	5,760,000	59,840,000	100.0	100.0
Shares held in treasury by Clas Ohlson	–	2,036,009	3.1	1.7

Shareholder categories¹

Shareholder	Number of series A shares	Number of series B shares	Capital, %
Swedish private individuals	4,248,060	27,424,786	48.3
Swedish institutions	–	5,637,125	8.6
Non-Swedish shareholders	1,511,940	24,742,080	40.0
Shares held in treasury by Clas Ohlson	–	2,036,009	3.1
	5,760,000	59,840,000	100.0

Shareholding structure¹

Size category	Number of shares	Capital, %	Number of known shareholders
1–500	6,227,365	9.5	39,176
501–1,000	2,221,034	3.4	2,809
1,001–5,000	3,265,199	5.0	1,571
5,001–10,000	1,058,450	1.6	144
10,001–20,000	938,741	1.4	65
20,001–	51,889,211	79.1	127
Total	65,600,000	100.0	43,892

¹ As per 30 April, 2026 (Source: Modular Finance)

² All series A shares are held by descendants of Clas Ohlson

Annual General Meeting

Annual General Meeting

The AGM of shareholders of Clas Ohlson AB will be held at 11:00 a.m. on Friday, 11 September in the Tegera Arena, Leksand, Sweden. The AGM venue will open for registration at 10:00 a.m. Further information will be provided in the notice of the AGM. For more information, go to: about.clasohlson.com/en/investors/general-meeting/

Notification of Annual General Meeting

Notification of the AGM will be made via an announcement in *Post- och Inrikes Tidningar* and the notice to be posted on the Company's website. Documents to be presented at the AGM will be available on the Company's website about four weeks before the meeting.

Dividend proposal

The Board of Directors proposes to the AGM a total dividend of SEK 14.00 per share. See the Directors' Report for the full allocation of profits.

Policy for distribution of Annual Report

This year's Annual Report is in digital form. A limited number of physical copies will be available for distribution to shareholders on request. The Annual Report will be distributed about three weeks prior to the AGM.

The Clas Ohlson Annual Report and other financial information are available at about.clasohlson.com.

Financial reports

Interim report Q1 2026/27	3 September, 2026
Interim report Q2 2026/27	3 December, 2026
Interim report Q3 2026/27	10 March, 2027
Year-end/Q4 report 2026/27	9 June, 2027

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