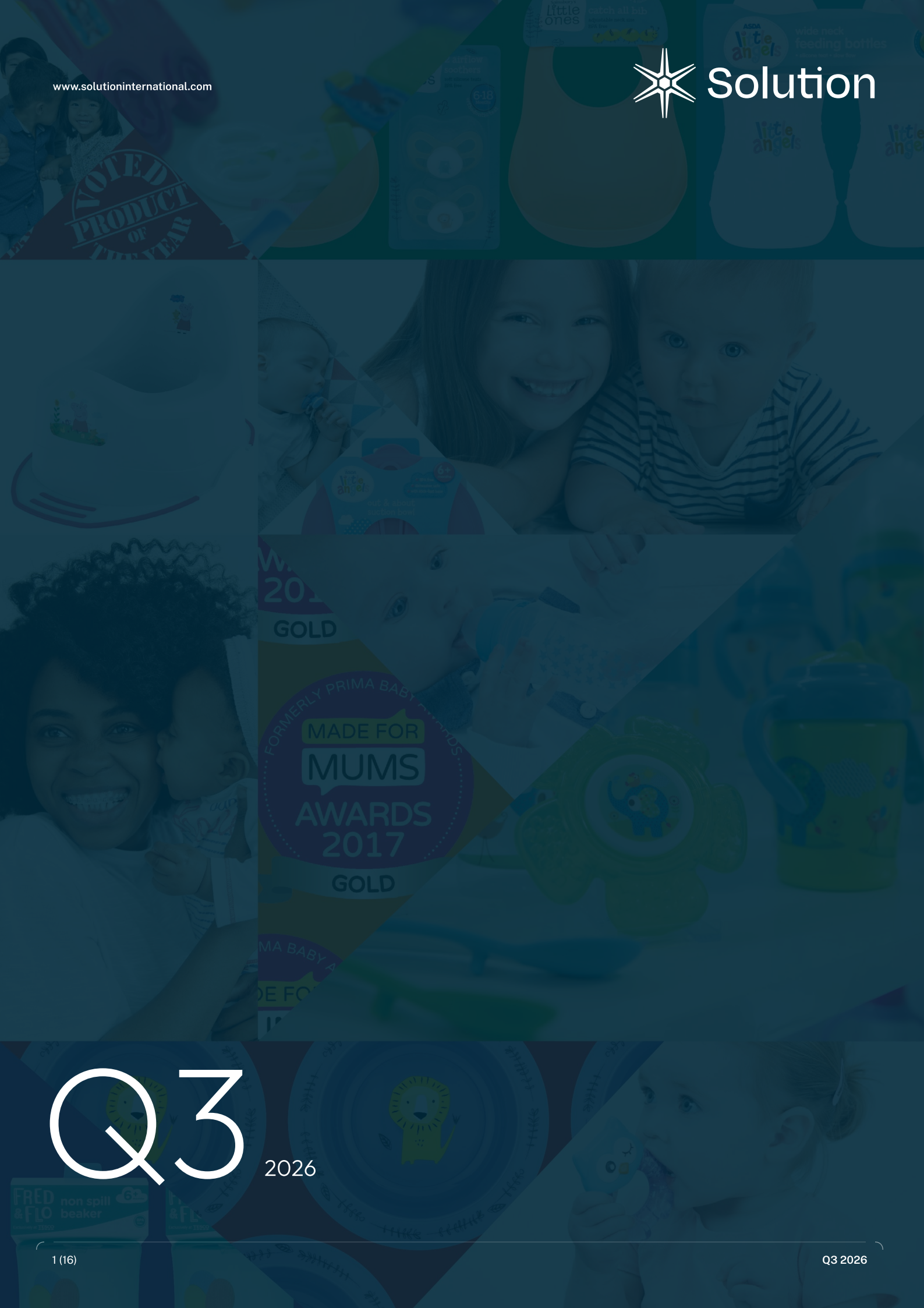
www.solutioninternational.com

Solution



Q3 2026

Summary of the Period



Group Multi-Year Overview (SEK)	Q3 2026	Q3 2025	Q1-Q3 2026	Q1-Q3 2025	2025
Net Revenue	38 572 691	32 778 620	95 885 355	99 147 052	122 520 816
EBITDA	2 284 326	1 704 778	4 769 619	6 100 311	5 107 053
Profit After Financial Items	-1 572 521	-339 180	-5 183 023	1 377 650	-4 649 330
Total Assets	81 931 798	67 919 211	81 931 798	67 919 211	64 473 285
Equity Ratio (%)	-53%	-66%	-53%	-66%	-73%
Earnings Per Share	-0,03	-0,01	-0,10	0,03	-0,13
Parent Multi-Year Overview (SEK)	**Q3 2026**	**Q3 2025**	**Q1-Q3 2026**	**Q1-Q3 2025**	**2025**
Net Revenue	0	0	0	50 000	1 550 000
Profit After Financial Items	-474 068	-4 138 952	-1 572 719	-10 537 323	-9 846 427
Total Assets	168 174 492	166 936 938	168 174 492	166 936 938	168 452 192
Equity Ratio (%)	84%	80%	84%	80%	80%

Significant events during the quarter

- **10 July** – The Board resolved to issue shares to Iron Branch Invest AB at a subscription price of SEK 4.00 per share to settle approximately SEK 7.3 million in debt owed to Iron Branch Invest AB by way of set-off.
- **28 August** – The Company signed a letter of intent to acquire a Swedish baby and children's products brand through an asset acquisition. The proposed purchase price was SEK 8.0 million.
- **3 September** – The Company announced an expansion of its partnership with Tesco. The Fred & Flo baby feeding range was expanded from 20 to 24 products, with a planned launch in up to 700 Tesco stores across the UK and Ireland.
- **21 September** – The Company's UK subsidiary signed an agreement to make spare warehouse capacity available to a third party. The agreement is expected to generate more than £100,000 in annual income, equivalent to approximately one-third of the annual warehouse rent.

Significant events after the quarter

No significant events have occurred since the end of the quarter.

CEO's Statement

Revenue and EBITDA both increased year on year in the third quarter. Alongside the day-to-day work with our retail customers, we made several decisions to lower our operating costs and improve margins across our core business. We expect the financial impact of these measures to start coming through in the fourth quarter.

During Q3 2026, Solution reached a net revenue of

38.6 million SEK

The Group's EBITDA for the period amounted to

2 284 326 SEK

At the end of September, we closed a loss-making department. This reduces our annual salary costs by approximately £250,000 and allows us to focus more of our resources on our core retail business. We also made progress on commercial initiatives to improve margins across our major customer relationships. As we enter Q4, our priority is to follow through on that work and ensure the improvements are reflected in the profitability of those accounts.

Our long-standing partnership with Tesco illustrates how we can grow with an established customer. During the quarter, we announced an update to the Fred & Flo baby feeding range, with refreshed branding, updated designs and four new products. This takes the range from 20 to 24 products, with a planned rollout to up to 700 Tesco stores across the UK and Ireland.

We also took a closer look at our UK warehouse. The amount of space we need varies from month to month, while the rent is fixed. In September, we signed an agreement to make spare capacity available to a third party while retaining the space we need for our own operations. We expect the agreement to generate more than £100,000 in annual income, equivalent to around a third of the annual rent.



"For me, the next step is to see more of the growth we achieve with our retail customers come through in profit and cash flow. Part of that is keeping overheads under control. Another part is making better decisions about how much stock we buy and when we buy it."

During the quarter, we introduced an AI tool to help our team decide when to replenish stock and how much to order. The aim is to reduce excess inventory and free up working capital while keeping the products our customers need available when they need them.

Looking ahead to Q4 and into 2027, we will continue developing our ranges with our established retail customers. As we assess those opportunities, we will look closely at the margin each range can deliver and the investment in stock it requires. That discipline, together with the lower cost base, is how we intend to turn revenue growth into more sustainable profitability and stronger cash flow.









Operations & Business

We are Solution

Leading Partner

A Leading Partner in Baby, Child & Lifestyle Products

Solution International is a market-leading consumer goods business specialising in baby feeding, toddler products and family-relevant lifestyle ranges. With a presence in over 9,000 retail locations across the UK and the Netherlands, the company is a trusted supplier to major grocers such as Tesco, Sainsbury's, Asda and Morrisons, as well as leading pharmacy, toy and discount retailers.

Our unique model spans private label, licensed brands, and owned brands, enabling us to operate flexibly across price points and category needs.

Integrated Capabilities

Built on Expertise, Designed for Growth

Headquartered in the UK, Solution offers an integrated end-to-end capability that retailers find difficult to replicate in-house. Our business incorporates:

- Product design & development
- Category insight & range building
- Manufacturing & quality assurance
- Testing and regulatory compliance
- Warehousing & distribution

These capabilities allow us to create commercially viable, technically robust product ranges with speed and precision.

Private Label Leadership

Private Label Leadership

Solution supplies 96% of the UK's own-label baby feeding accessories, supporting the dramatic rise in consumer trust for retailer-owned brands and the demand for strong value propositions.

Licensed & Owned Brands

Licensed & Owned Brands

Alongside its private label offering, Solution strengthens its portfolio with leading character licences from partners including Hasbro and Paramount, featuring ranges for children aged 0–3 years such as:

Peppa Pig · PAW Patrol · Baby Shark

This gives retailers relevant, fast-moving character-led products while ensuring commerciality and agility. Our owned brand **Tiny to Tots** extends the offer into further categories and provides retailers with a ready-made, deployable brand solution.

tiny to tots baby to toddler

Expansion Strategy

Expanding Beyond Baby & Toddler

As part of our long-term growth strategy, the company is broadening its focus beyond traditional baby accessories into adjacent and complementary categories. These include:

- Houseware items (driven by sustainability, health & wellbeing, and social trends)
- Child and adult lifestyle products
- Categories with shared manufacturing processes and the same consumer base

This diversification strengthens resilience, reduces category concentration, and opens new revenue streams across Europe and beyond.

Our Customers

We are proud to work with some of the biggest retailers in the UK and EU comprising FMCG, toy, pharmacy, and discount retailers. Our customer base is extensive, and they deal with us via physical and digital platforms.

B2B

TESCO, Sainsbury's, ASDA, Boots, next, Morrisons, SMYTHS TOYS SUPERSTORES, ALDI, LIDL, home bargains

9,788 store reached in 2024

B2C

amazon, The Range Home, Leisure & Garden, TESCO Marketplace., next

D2C

NOT ON THE HIGH ST., goodeehoo



"You have been one of the best, most brilliant, enthusiastic suppliers I have ever worked with."

- Nursery Buyer at TESCO

Business Overview

Solution International is a leading supplier of baby and family products, offering an integrated operation that spans design, development, manufacturing, quality assurance, warehousing and distribution. Through long-standing partnerships with major European retailers, the company delivers reliable service, strong quality and commercially relevant product ranges.

Operating across private label, licensed products and owned brands, Solution maintains a broad market presence and high flexibility. With a solid European distribution footprint and exclusive manufacturing partnerships, the company continues to expand into adjacent categories to strengthen long-term growth.



Vision

To be first choice for retail partners worldwide, delivering quality assured baby, kids and houseware products through expert knowledge and technical excellence.

Mission

Deliver quality products, with the best service and value, across every channel and community we serve.



Operational Excellence

Following two recent audits assessing the company's standards in product safety, quality, and traceability of consumer goods, the business is delighted to have achieved the highest possible scores for a consecutive year running. These results further underpin the company's ongoing commitment to global compliance, operational excellence, and industry-leading performance.

For a second-year running, Solution was scored an AA result for the BRCGS Agents & Brokers announced audit. A global standard, designed to effectively manage the product safety, authenticity, quality and legality for businesses that sell products but do not manufacture in their own facilities or online sites.

BRCGS Storage and Distribution CERTIFICATED

BRCGS Agents and Brokers CERTIFICATED

Financial Overview

Group Multi-Year Overview	Q3 2026	Q3 2025	Q1-Q3 2026	Q1-Q3 2025	2025
Net Revenue (SEK)	38 572 691	32 778 620	95 885 355	99 147 052	122 520 816
EBITDA (SEK)	2 284 326	1 704 778	4 769 619	6 100 311	5 107 053
Profit After Financial Items (SEK)	-1 572 521	-339 180	-5 183 023	1 377 650	-4 649 330
Total Assets (SEK)	81 931 798	67 919 211	81 931 798	67 919 211	64 473 285
Equity Ratio (%)	-53%	-66%	-53%	-66%	-73%
Earnings Per Share (SEK)	-0,03	-0,01	-0,10	0,03	-0,13
Parent Multi-Year Overview	**Q3 2026**	**Q3 2025**	**Q1-Q3 2026**	**Q1-Q3 2025**	**2025**
Net Revenue (SEK)	0	0	0	50 000	1 550 000
EBITDA (SEK)	-213 220	-144 192	-641 412	-589 062	416 679
Profit After Financial Items (SEK)	-474 068	-4 138 952	-1 572 719	-10 537 323	-9 846 427
Total Assets (SEK)	168 174 492	166 936 938	168 174 492	166 936 938	168 452 192
Equity Ratio (%)	84%	80%	84%	80%	80%
Earnings Per Share (SEK)	-0,01	-0,09	-0,03	-0,24	-0,22

Insiders as of 2026-09-30

Mark McLoughlin	CEO
Stefan Vilhelmsson	Chairman of the board
Jesper Nord	Board Member
Robin Bäcklund	Board Member

Information

The company has on 2026-09-30: 44 158 038 outstanding shares

This report has not been reviewed by an auditor.

Financial Calendar

FEB 25 — **2027-02-25** Q4 Report 2026

MAY 24 — **2027-05-24** Annual Report 2026

MAY 26 — **2027-05-26** Q1 Report 2027

MAY 26 — **2027-05-26** AGM 2027

AUG 27 — **2027-08-27** Q2 Report 2027

NOV 26 — **2027-11-26** Q3 Report 2027

Group Income Statement

(SEK)	Q3 2026	Q3 2025	Q1-Q3 2026	Q1-Q3 2025	2025
Operating income					
Net sales	38 572 691	32 778 620	95 885 355	99 147 052	122 520 816
	38 572 691	**32 778 620**	**95 885 355**	**99 147 052**	**122 520 816**
Operating expenses					
Goods for resale / Merchandise	-23 389 552	-23 122 850	-55 675 982	-70 435 219	-86 877 987
Other external expenses	-5 873 983	-3 078 212	-14 396 323	-7 602 139	-10 078 048
Personnel expenses	-4 975 564	-4 872 780	-14 386 851	-15 009 383	-20 405 452
Depreciation and amortisation	-1 804 092	-1 121 343	-5 097 430	-3 242 427	-6 742 681
Other operating expenses	-2 049 266	0	-6 656 580	0	-52 276
	-38 092 457	**-32 195 185**	**-96 213 166**	**-96 289 168**	**-124 156 444**
Operating profit (EBIT)	**480 234**	**583 435**	**-327 811**	**2 857 884**	**-1 635 628**
Result from financial investments					
Interest revenue	16	0	26	0	165 681
Interest expenses	-2 052 771	-922 615	-4 855 238	-1 480 234	-3 179 383
	-2 052 755	**-922 615**	**-4 855 212**	**-1 480 234**	**-3 013 702**
Profit after financial items	**-1 572 521**	**-339 180**	**-5 183 023**	**1 377 650**	**-4 649 330**
Tax	28 628	0	571 238	0	-1 296 660
Net profit for the period	**-1 543 893**	**-339 180**	**-4 611 785**	**1 377 650**	**-5 945 990**
Earnings per share	**-0,03**	**-0,01**	**-0,10**	**0,03**	**-0,13**

Group Balance Sheet

Assets	2026-09-30	2025-09-30	2025-12-31
Non-current Assets			
Intangible Assets			
Goodwill	9 223 059	12 241 774	11 518 395
Platform and Trademarks	1 159 799	1 435 233	1 086 328
	10 382 858	13 677 007	**12 604 723**
Tangible Assets			
Product Development Costs, Equipment and Installations	5 760 436	6 941 240	6 322 128
	5 760 436	**6 941 240**	**6 322 128**
Total Non-current Assets	**16 143 294**	**20 618 247**	**18 926 851**
Current Assets			
Inventory etc.			
Finished Goods and Merchandise	28 810 307	19 159 669	20 149 599
	28 810 307	**19 159 669**	**20 149 599**
Current Receivables			
Trade Receivables	27 976 943	21 115 133	16 276 360
Other Receivables	6 516 198	6 709 416	4 521 715
Prepaid Expenses and Accrued Income	11 757	72 924	3 416 537
	34 504 898	**27 897 473**	**24 214 612**
Cash and Bank Balances	2 473 299	243 822	1 182 223
Total Current Assets	**65 788 504**	**47 300 964**	**45 546 434**
Total Assets	**81 931 798**	**67 919 211**	**64 473 285**

Group Balance Sheet

Equity and Liabilities	2026-09-30	2025-09-30	2025-12-31
Equity			
Share Capital	6 370 795	6 117 459	6 117 459
Additional Paid-in Capital	234 665 412	227 604 074	227 604 074
Other Equity Including Net Result for the Year	-284 721 862	-278 674 187	-280 588 048
Total Equity	**-43 685 655**	**-44 952 654**	**-46 866 515**
Provisions			
Deferred Tax Liability	1 376 865	872 628	1 289 643
Total Provisions	**1 376 865**	**872 628**	**1 289 643**
Non-current Liabilities			
Liabilities to credit institutions	4 377 961	5 795 712	4 672 367
Other Liabilities	47 504 080	32 901 548	32 190 410
Total Non-current Liabilities	**51 882 041**	**38 697 260**	**36 862 777**
Current Liabilities			
Bank Overdraft Facility	1 558 262	3 656 314	2 521 757
Trade Payables	11 675 942	10 305 603	4 386 765
Current Tax Liabilities	431 573	1 366 128	1 085 185
Other Liabilities	52 273 630	52 496 238	60 818 783
Accrued Expenses and Deferred Income	6 419 140	5 477 694	4 374 890
Total Current Liabilities	**72 358 547**	**73 301 977**	**73 187 380**
Total Equity and Liabilities	**81 931 798**	**67 919 211**	**64 473 285**

Parent Company Income Statement

(SEK)	Q3 2026	Q3 2025	Q1-Q3 2026	Q1-Q3 2025	2025
Net Revenue	0	0	0	50 000	1 550 000
Operating Income	**0**	**0**	**0**	**50 000**	**1 550 000**
Operating Expenses					
Other External Costs	-135 419	-144 192	-408 009	-542 922	-869 510
Personnel Costs	-77 801	0	-233 403	-96 140	-263 811
Depreciation and amortisation	0	0	0	-5 767	-5 767
	-213 220	**-144 192**	**-641 412**	**-644 829**	**-1 139 088**
Operating Profit	**-213 220**	-144 192	-641 412	-594 829	410 912
Financial Income and Expenses					
Profit from Shares in Group Companies	0	0	0	-5 152 310	-5 152 310
Income from other securities and receivables held as fixed assets	0	-3 919 487	0	-4 328 314	-4 328 314
Interest Income and Similar Items	16	68	26	1 059	1 281
Interest Expenses and Similar Items	-260 864	-75 341	-931 333	-462 929	-777 996
	-260 848	**-3 994 760**	**-931 307**	**-9 942 494**	**-10 257 339**
Profit After Financial Items	-474 068	-4 138 952	-1 572 719	-10 537 323	-9 846 427
Tax on Profit for the Period	0	0	0	0	0
Profit for the Period	-474 068	-4 138 952	-1 572 719	-10 537 323	-9 846 427

Parent Company Balance Sheet

Assets	2026-09-30	2025-09-30	2025-12-31
Financial Non-current Assets			
Shares in Group Companies	166 800 000	166 800 000	166 800 000
Other Long-term Securities Holdings	0	0	0
	166 800 000	**166 800 000**	**166 800 000**
Total fixed assets	**166 800 000**	**166 800 000**	**166 800 000**
Current Assets			
Current Receivables			
Receivables from Group Companies	1 216 331	0	1 500 000
Other Receivables	7 581	22 296	41 188
Prepaid Expenses and Accrued Income	11 757	72 924	72 924
	1 235 669	**95 220**	**1 614 112**
Cash and Bank Balances	138 823	41 718	38 080
Total Current Assets	**1 374 492**	**136 938**	**1 652 192**
Total Assets	**168 174 492**	**166 936 938**	**168 452 192**

Parent Company Balance Sheet

Equity and Liabilities	2026-09-30	2025-09-30	2025-12-31
Equity			
Restricted Equity			
Share Capital	6 370 795	6 117 459	6 117 459
	6 370 795	**6 117 459**	**6 117 459**
Unrestricted Equity			
Share Premium Reserve	234 665 412	227 604 074	227 604 074
Retained Earnings	-98 871 640	-89 025 213	-89 025 213
Profit for the Period	-1 572 720	-10 537 323	-9 846 427
	134 221 052	**128 041 538**	**128 732 434**
Total Equity	**140 591 847**	**134 158 997**	**134 849 893**
Non-current Liabilities			
Liabilities to group companies	4 392 711	0	0
Liabilities to Associated Companies	0	0	32 190 410
Other liabilities	21 916 536	0	0
	26 309 247	**0**	**32 190 410**
Current Liabilities			
Trade Payables	230 693	394 462	405 881
Liabilities to Associated Companies	0	0	0
Other Liabilities	90 000	31 919 648	244 307
Accrued Expenses and Deferred Income	952 705	463 831	761 701
	1 273 398	**32 777 941**	**1 411 889**
Total Equity and Liabilities	**168 174 492**	**166 936 938**	**168 452 192**

Additional Disclosures

Accounting Principles

Accounting Method – K3 Principle: The consolidated financial statements have been prepared in accordance with the acquisition method. This means that the assets and liabilities of acquired subsidiaries are recognised at the fair value that formed the basis for determining the purchase consideration of the shares. The difference between the purchase consideration and the acquired company's equity is reported as goodwill. The Group's equity comprises the parent company's equity and the portion of the subsidiaries' equity that has arisen after the date of acquisition.

The Share

The Company's share is available for trading on Spotlight Stock Market under the ticker symbol SIN and ISIN code SE0020541589.

Risks

There are several risks that may affect the Company's operations and results. Many internal risks are mitigated by strengthening the Group's internal procedures, but there are external factors that the Group cannot influence. Investors should exercise caution and form a complete understanding of the Company before making any investment decision. Due to rounding, figures presented in this interim report may in some cases not sum exactly to the totals, and percentage figures may deviate from precise values.

Employees

The Company had 20 employees at the end of the period.

Non-current Assets

Non-current assets are measured at cost less accumulated depreciation and any impairment losses. Intangible and tangible non-current assets are recognised at cost less accumulated depreciation and any impairment. Straight-line depreciation is applied to the depreciable amount (cost less estimated residual value) over the asset's useful life as follows: equipment, tools, installations and goodwill - 5 years.

Rounding

Due to rounding, figures presented in this interim report may in some cases not sum exactly to the totals, and percentage figures may deviate from precise values.

Depreciation and Impairment

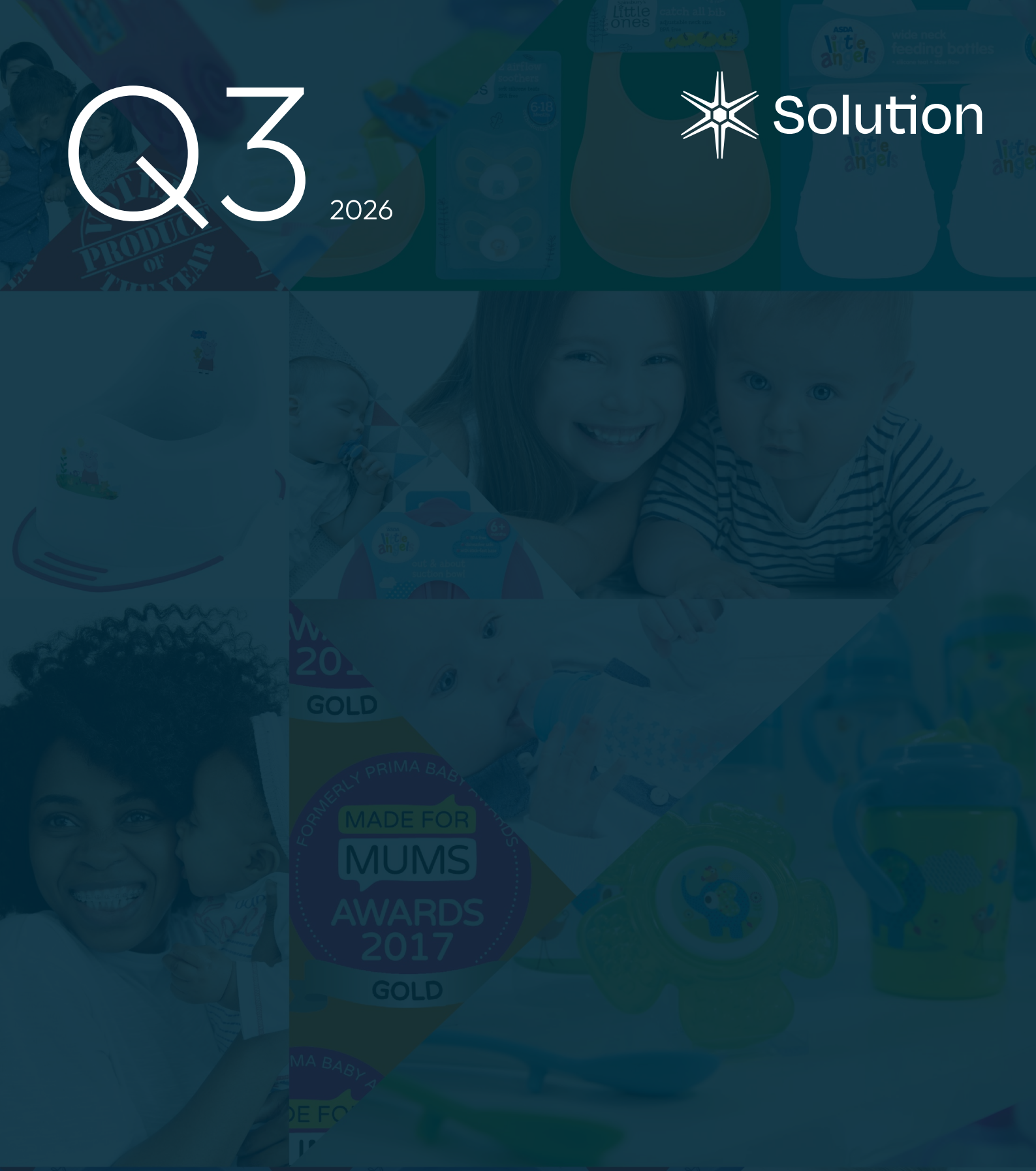
The Group's depreciation and amortisation amounted to -1 804 092 SEK (-1 121 343 SEK) for the third quarter of 2026 and -5 097 430 SEK (-3 242 427 SEK) for January–September 2026. Comparative figures refer to the corresponding periods in 2025.

Equity

As of 30 September 2026, consolidated equity amounted to -43 685 655 SEK (-44 952 654 SEK). The parent company's equity amounted to 140 591 847 SEK (134 158 997 SEK). Comparative figures refer to 30 September 2025.

Q3 2026

Solution



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Published 2026-11-26