



# Quarterly Report for Brödernas Group AB (publ)

Q2 2025

# Corporate restructuring and liquidity update

## Management comments

### Corporate restructuring status:

- Since mid-October 2024, the company is executing a strategic turnaround involving liquidity stabilization, unit prioritization, IT cost reductions, rental renegotiations and legal restructuring. The corporate restructuring process is legally supported by court decisions (Sw: *Företagsrekonstruktion*). In July 2025, the process was extended by another three months, until mid-October 2025.
- In July, the district court approved the continuation of Brödernas Group's company restructuring, (still waiting for approval for one restaurant) and the company presented 46 formal reorganization plans, where we are pending the courts verdict (scheduled for 17<sup>th</sup> of September)
- Additional nine legal entities (restaurant units) were put in bankruptcy during the quarter as part of the strategic turnaround.

### Liquidity and financial impact:

- The cash and cash equivalent position has hovered at around ~20m SEK over Q2, and ended at 18,4 of which ~1,2m SEK are considered trapped cash (bank guarantees)
- Given larger than expected legal costs in relation to the company reorganisation process, and worsened trading a bridge loan of SEK 35 million has been granted, in framework amount, of which SEK 20 million has been drawn after the quarter (July and September)

### Key actions undertaken:

- Rental negotiations: All negotiations closed with a result of 13% lower rent levels over the next two years
- Lease evaluations: Long-term leases for restaurant equipment and IT services have been renegotiated to optimize financial outcome
- General contracts overhaul: Contracts have been evaluated, negotiated, and terminated
- Operational consolidation: During the reorganization process 30 restaurants has been closed (29 via bankruptcy and in 1 sold)

# Key highlights Q2 2025

## Management comments

### General business development and market overview:

- Market conditions have continued to be challenging during Q2 2025, with a negative impact on sales and profitability vs last year. However, the Swedish consumer sentiment is slowly improving, with confidence levels rising and household finances showing potential for growth due to upcoming tax cuts, rising real wages and lower mortgage rates. While a significant consumption surge is still some way off, indicators like rising retail sales volumes and increased household savings suggest a gradual recovery in the coming quarters.
- An additional nine (9) entities has filed for bankruptcy in the second quarter, which leaves the group with 47 operational units (of which 2 in Spain),
- In July, the district court approved the continuation of Brödernas Group's company restructuring, (still waiting for approval for one restaurant) and the company presented 46 formal reorganization plans, where we are pending the courts verdict (scheduled for 17th of September)

### Sales development:

- Sales during the second quarter amounted to SEK 99 million, corresponding to a change of -6% vs last year, which is in line with the groups overall plan across majority of the entities
- Overall sales development hampered by the formal reorganisation process – where management's focus has been taken away from daily operations

### Margin development:

- Gross margin II decreased by 4%-points in Q2 vs same quarter last year, mainly due to continued high share of delivery sales and ongoing campaigns as well as increased input prices on beef. Moreover, the reorganisation process has challenged our possibility for any supplier kickbacks.
- Cost analysis ongoing, where several cancelled (i.e. non-recurring) costs remain in the numbers as part of the reorganization (especially true for longer IT contracts, which negatively pressures our result)
- Direct restaurant expenses are in line with previous year on a like-for-like basis but still burdened by all cancelled costs during the year as well as some reclassifications between direct restaurant expenses vs. overhead (e.g. bookkeeping agency). A positive impact from the company reorganisation process will start to show effect as soon as we are out of reorganisation.
- Personnel expenses have increased due to high staff turnover and some investments in restaurant service levels.
- As a result, adj. EBITDA after leasing costs during the quarter amounted to SEK -6 million vs SEK 2 million last year

### Financial position:

- As of 30 June 2025, Brödernas' cash position amounted to SEK 18 million and net debt was in excess of 6x EBITDA (on a rolling 12-month basis)

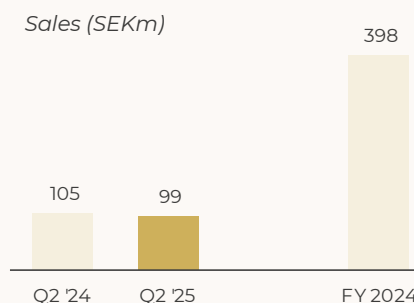
Stockholm, 15 September 2025



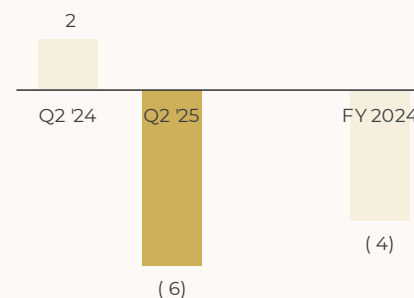
Richard Forsshéll, CEO at Brödernas

Note: Unaudited financials, adjusted for discontinued operations, divested subsidiaries, transaction costs and obvious non-recurring items

## Key financials



### Adj. EBITDA after leasing (SEKm)



# Key financials

## Adjusted P&L<sup>(1)</sup>

SEKm	YTD '25	YTD '24	FY 2024
<b>Net sales</b>	<b>195</b>	<b>204</b>	<b>398</b>
COGS	(56)	(52)	(105)
<b>Gross profit I</b>	<b>139</b>	<b>152</b>	<b>294</b>
Platform fees	(17)	(17)	(32)
<b>Gross profit II</b>	<b>122</b>	<b>135</b>	<b>262</b>
Personnel expenses	(68)	(62)	(119)
Premises	(18)	(18)	(36)
Other direct operating expenses	(25)	(25)	(51)
<b>Restaurant EBITDA</b>	<b>10</b>	<b>30</b>	<b>56</b>
Overhead expenses	(16)	(20)	(44)
<b>EBITDA</b>	<b>(5)</b>	<b>11</b>	<b>12</b>
Leasing expenses	(4)	(8)	(17)
<b>EBITDA after leasing</b>	<b>(9)</b>	<b>3</b>	<b>(4)</b>
<b>Selected key metrics:</b>			
Gross margin I	71%	74%	74%
Gross margin II	62%	66%	66%
Restaurant EBITDA margin	5%	15%	14%
EBITDA margin	(5)%	1%	(1)%

## Reconciliation of EBITDA

SEKm	YTD '25	YTD '24	FY 2024
<b>EBITDA after leasing</b>	<b>(9)</b>	<b>3</b>	<b>(4)</b>
(-) Extraordinary items and non-recurring items	(5)	(1)	(1)
(-) Historical Exceptional Items	--	(3)	(3)
(-) Transaction Costs	(16)	(9)	(20)
(-) Divested Subsidiaries	(2)	(7)	(37)
<b>Reported EBITDA</b>	<b>(33)</b>	<b>(17)</b>	<b>(66)</b>

## Net debt specification<sup>(2)</sup>

SEKm	Q2 '25
(+) Senior Secured Bond 24/27	202
(-) Own bond holdings	(11)
(-) Cash & cash equivalents	(18)
<b>Net Interest-bearing Debt</b>	<b>173</b>

4 | (1) Note: Unaudited financials, adjusted for discontinued operations, divested subsidiaries, transaction costs and obvious non-recurring items; (2) Due to ongoing corporate restructuring and leasing negotiations, Brödernas has chosen to include lease expenses in the Adjusted Profit & Loss statement instead of including the corresponding leasing debt in the Net Interest-bearing Debt calculation  
Note: Interim financials are unaudited financials and based on management accounts





