

INTERIM REPORT

Kährs BondCo AB (publ)

Quarter 2, April–June 2025

CONTINUED LOW ACTIVITY IN NEW CONSTRUCTION BUT MORE STABLE RENOVATION

Kährs' order intake decreased by 14 per cent in the second quarter compared to the previous year, driven by a continued weak project market, particularly within new construction. The renovation market has meanwhile stabilized somewhat, although geopolitical tensions are mitigating activity both in Europe and the US.

The efficiency program for cost savings and cash flow improvements is progressing. Production optimisation is in line with plans for SEK 45 million in annual savings; more of our European flooring production is now in Sweden. Streamlining the fixed cost base will reduce overhead costs by more than SEK 20 million in 2025. Working capital decreased by SEK 185 million compared to the previous year, mainly through inventory reductions.

SECOND QUARTER 2025

- Sales amounted to SEK 508 million (671), which was a decrease of -24 per cent. Organic change adjusted for currency was -15 per cent
- Operating EBITA amounted to SEK 17 million (34), corresponding to an operating EBITA margin of 3.4 per cent (5.1)
- Operating profit/loss totalled SEK 12 million (-40), corresponding to an operating margin of 2.4 per cent (-6.0)
- Profit/loss for the period amounted to SEK -26 million (-76)
- Cash flow from operating activities totalled SEK -39 million (-28)

JANUARY – JUNE 2025

- Sales amounted to SEK 1,049 million (1,314), which was a decrease of -20 per cent. Organic change adjusted for currency was -11 per cent
- Operating EBITA amounted to SEK 39 million (73), corresponding to an operating EBITA margin of 3.7 per cent (5.6)
- Operating profit/loss totalled SEK 30 million (-6), corresponding to an operating margin of 2.9 per cent (-0.5)
- Profit/loss for the period amounted to SEK -26 million (-88)
- Cash flow from operating activities totalled SEK 2 million (8)

KEY PERFORMANCE INDICATORS FOR THE GROUP

SEKm	Apr-Jun 2025	Apr-Jun 2024 ³	Jan-Jun 2025	Jan-Jun 2024 ³	Jan-Dec 2024 ³	Jul 2024-Jun 2025 ³
Net Sales	508	671	1,049	1,314	2,391	2,126
Organic growth, %	-15%	-11%	-11%	-18%	-15%	-11%
EBITA	17	-36	39	3	-37	0
EBITA, %	3.4%	-5.3%	3.7%	0.2%	-1.5%	0.0%
Operating EBITA	17	34	39	73	73	39
Operating EBITA, %	3.4%	5.1%	3.7%	5.6%	3.1%	1.8%
Operating profit/loss (EBIT)	12	-40	30	-6	-54	-18
Operating profit/loss (EBIT), %	2.4%	-6.0%	2.9%	-0.5%	-2.3%	-0.9%
Operating EBIT	12	30	30	64	55	21
Operating EBIT, %	2.4%	4.5%	2.9%	4.9%	2.3%	1.0%
Profit/loss for the period	-26	-76	-26	-88	-253	-191
Profit/loss for the period, %	-5.0%	-11.3%	-2.4%	-6.7%	-10.6%	-9.0%
Earnings per share before and after dilution, SEK ¹	-51	-151	-52	-176	-505	-382
Net cash flows from operating activities	-39	-28	2	8	90	84
Net debt ²	1,260	1,248	1,260	1,248	1,215	1,260
Equity ratio, %	-9.9%	1.8%	-9.9%	1.8%	-6.5%	-9.9%
Return on capital employed, %	-0.7%	3.0%	-0.7%	3.0%	-2.9%	-0.7%

¹ Number of shares in Kährs BondCo AB (publ) (500,000) used to calculate earnings per share before and after dilution, SEK

² Net debt excluding effect of IFRS 16. - Definitions of alternative performance indicators are available on page 23 of this report

³ Russia is included in the reported figures until December 3, 2024.

CHIEF EXECUTIVE'S COMMENTS



Growth in the consumer segment partially balances challenges in the project market and geopolitical uncertainty

Consumer sales in Europe and the US continue to recover. In particular, we are growing in the US through our direct distribution model and in Germany with a strong offering to the flooring trade.

At the same time, sales to inventory-holding customers were negatively impacted in the second quarter due to uncertainty surrounding tariffs in the US and its consequences.

The project market for new construction remains challenging, especially in the Nordics and the US, where record-low construction activity continues to negatively impact demand:

- Nordics: After a tough downturn, Finland is once again showing stable growth, while Sweden has a weak project market that is partly offset by increased consumer sales. In Norway, demand from inventory-holding customers decreased going into the summer as these customers chose to postpone campaigns until the third quarter.
- Europe: Germany continues its strong recovery while we face tough price competition in the UK from Chinese parquet flooring.
- North America shows good demand in the education segment and strong growth in our direct distribution model despite weak new construction and reduced sales to distributors due to tariffs and their consequences.

Sales outside the main markets decreased, especially in China where the housing market is cautious.

New market conditions – Kährs strengthens its position

During the quarter, new anti-dumping rules were introduced for imports of parquet flooring from China, with tariffs of 21–36 per cent. This affected the inventory strategies of major players in Europe. In the longer term, the rules, which will

apply for at least five years, are expected to benefit European manufacturers like Kährs.

In response, Kährs has already accelerated plans to increase production capacity in Europe and developed a new, more cost-effective product platform that will be launched in the fourth quarter.

In the US, new tariffs have so far primarily affected vinyl flooring, while certain wood-based tariff classes, which are under investigation, remain exempt. Kährs has already established local development and third-party manufacturing of flooring solutions for both wood and vinyl-based products for the American market.

Going forward, the focus is on moving the supply chain closer to customers by replacing purchasing from China and Southeast Asia with production and delivery from Europe and North America.

Stronger profitability program continues to deliver

Our production optimisation program is ahead of schedule and is having a full impact with over SEK 45 million in annual savings. We have concentrated most of our production for Europe in Sweden, and we are reconfiguring the unit in Romania for new cost-effective flooring platforms – a milestone that strengthens quality and efficiency.

We create a more flexible and cost-effective organisation through digitalisation and improved processes. The efficiency program, which reduces overhead costs by 5 per cent annually (SEK 20 million in 2025), is progressing successfully.

Our program to free up an additional SEK 100 million in working capital primarily through inventory optimisation is also progressing according to plan.

Kährs continues to impress and receive accolades in the US

Kährs has once again been named the winner of the *2025 FCN Award of Excellence* as the parquet flooring supplier of the year in the US – an award voted on by the American flooring trade. This is the fourth time in five years that Kährs has been ranked number one in the American market.

Outlook

Despite an uncertain geopolitical situation, we see long-term opportunities primarily in the residential renovation segment. With adapted operations, and increased stability, we believe that demand will be strengthened going forward.

The focus is on growth through digitalisation, innovation, sustainable product launches, and expansion in Europe and the US – to create value both now and in the future.

Johan Magnusson
President and CEO

GROUP PERFORMANCE SECOND QUARTER & JANUARY-JUNE 2025

NET SALES

Total consolidated net sales amounted to SEK 508 million (671) for the second quarter. This corresponds to a decrease in organic sales of -15 per cent. During the second quarter, the geopolitical environment, primarily uncertainty surrounding actions in the US regarding tariffs, had a negative impact on net sales as inflation and long-term interest rates increased. This led to a delay in the recovery of new construction and a decrease in demand in the renovation sector.

The Nordics show a continued decrease in organic sales of -15 per cent. Sweden in particular is showing low sales linked to weak demand in new construction, and renovation in Norway was lower. Finland continues to develop positively.

In Europe, sales decreased organically by -15 per cent. Germany continues to perform well while demand in the UK remains weak.

North America decreased -8 per cent organically. In North America, the weak housing market is also the main reason for the decline in sales. Efforts to increase presence in the retail segment continue, and during the second quarter sales from new customers continued to grow by around 15 per cent.

APIM decreased -30 per cent, largely due to a continued weak market in China and challenging comparative figures in the Middle East during the quarter.

Total net sales for the Group totalled SEK 1,049 million (1,314) for the first half of the year. This corresponds to a decrease in organic sales of -11 per cent.

The residential segment in the Nordic region is still accounting for the large decline in sales during the first half of the year.

The second quarter was weaker than the first quarter, largely due to the geopolitical uncertainty surrounding tariffs in the US and its impact on the global economy combined with unrest in the Middle East.

OPERATING PROFIT

Operating EBITA totalled SEK 17 million (34), corresponding to an EBITA margin of 3.4 per cent (5.1) for the second quarter.

Operating profit during the second quarter continued to be strongly affected by low sales.

During the second quarter, Kährs continued to focus on strict cost control, and the effects of implemented restructuring programs continue to reduce fixed costs, which has alleviated the effects of the low sales.

During the second quarter, Kährs also invested in digital improvements and to increase accessibility and transparency for customers. Roll-out began in the second quarter, starting in the UK, and the investments are expected to lead to increased sales going forward.

Operating profit (EBIT) for the second quarter amounted to SEK 12 million (-40), corresponding to an operating margin of 2.4 per cent (-6.0), of which comparative items in the quarter amounted to SEK 0 million (-70). For more details, see Note 4 Items affecting comparability.

Consolidated total depreciation/amortisation/impairment for the quarter totalled SEK 31 million (73), including impairment of right-of-use assets that amounted to SEK 9 million (11).

For the first half of the year, Kährs' operating EBITA amounted to SEK 39 million (73), corresponding to an operating EBITA margin of 3.7 per cent (5.6).

Operating profit (EBIT) amounted to SEK 30 million (-6) for the first half of the year. This corresponds to an operating margin of 2.9 per cent (-0.5) and has not been affected by any items affecting comparability (-70).

NET SALES PER REGION

Starting in 2025, net sales will be reported in the following regions: Nordics, Europe, North America and the APIM region.

Due to the divestment of the Russian operations on 3 December 2024, sales for Russia are only included up to this date.

NORDICS

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024-Jun 2025
Nordics	228	274	483	568	1,029	944
Europe	172	205	340	393	703	650
North America	82	106	169	192	365	342
APIM region	13	18	30	36	66	60
Divested operations in Russia	-	53	-	91	171	80
Other	13	15	27	34	57	50
Net sales Group, external customers	508	671	1,049	1,314	2,391	2,126

Second quarter

Net sales for the Nordics region amounted to SEK 228 million (274). This resulted in a decrease of -17 per cent, of which the decrease in organic sales was -15 per cent.

Finland and the Baltics had strong performance during the quarter, driven by increased retail activity and a strengthened order pipeline. Sweden and Norway showed weaker performance, mainly due to low new production activity and inventory reductions at retailers.

Growth initiatives in DIY and specialty retail continued as planned and support the broadening of the product portfolio.

Kährs also restructured the Nordic sales organisation to better cover the entire customer base – a change that has already resulted in several important project gains in the public sector.

January-June

Net sales for the Nordics region amounted to SEK 483 million during the first half of the year, compared to SEK (568) million in the same period last year. This resulted in a decrease of -15 per cent, of which the decrease in organic sales was -14 per cent.

During the first half of the year, demand remained weak in the new construction area, which mainly affected Sweden. Renovation and retail had a more positive development.

Geographically, Finland had the most positive development in the Nordic region during the first six months of the year.

EUROPE

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024-Jun 2025
Nordics	228	274	483	568	1,029	944
Europe	172	205	340	393	703	650
North America	82	106	169	192	365	342
APIM region	13	18	30	36	66	60
Divested operations in Russia	-	53	-	91	171	80
Other	13	15	27	34	57	50
Net sales Group, external customers	508	671	1,049	1,314	2,391	2,126

Second quarter

Net sales for the Europe region amounted to SEK 172 million (205). This was a decrease in sales of -16 per cent compared to the previous year, of which -15 per cent was organic.

Sales in Europe have been characterised by weak demand in the second quarter, and to the extent that consumers were making purchases they have chosen products at lower price points. Germany has grown and performed well while other

markets have lower sales than in the previous year. In the quarter, price pressure increased due to the sale of excess.

January-June

Net sales for the Europe region amounted to SEK 340 million in the first half of the year compared to SEK (393) million in the same period last year. This represents a decrease of -13 per cent, of which the decrease in organic sales was -10 per cent. The volume decline was only -5 per cent, but there is a clear trend that consumers are buying cheaper products.

NORTH AMERICA

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Nordics	228	274	483	568	1,029	944
Europe	172	205	340	393	703	650
North America	82	106	169	192	365	342
APIM region	13	18	30	36	66	60
Divested operations in Russia	-	53	-	91	171	80
Other	13	15	27	34	57	50
Net sales Group, external customers	508	671	1,049	1,314	2,391	2,126

Second quarter

Net sales for the North America region amounted to 82 million (106). This is a decrease in sales of -23 per cent, of which -8 per cent was organic.

Demand in the quarter was negatively affected by uncertainty surrounding tariffs on imported goods to the US and the effects on inflation and interest rates. This applied to both the new construction and the renovation sectors. Kährs' sales in the US outperformed the market primarily in retail where the introduction of new customer partnerships continued to develop well.

January-June

Net sales for the region North America amounted to SEK 169 million in the first half of the year compared to SEK (192) million in the same period the previous year. This represents a decrease of -12 per cent, of which the decrease in organic sales was -5 per cent.

The entire first half of the year was also affected by uncertainty in the geopolitical environment and a restructuring of a number of Kährs distributors. Sales in retail developed well and have been driven by efforts to introduce Kährs products to new retail customers.

APIM REGION

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Nordics	228	274	483	568	1,029	944
Europe	172	205	340	393	703	650
North America	82	106	169	192	365	342
APIM region	13	18	30	36	66	60
Divested operations in Russia	-	53	-	91	171	80
Other	13	15	27	34	57	50
Net sales Group, external customers	508	671	1,049	1,314	2,391	2,126

Second quarter

Net sales for the APIM region totalled SEK 13 million (18) during the second quarter. This represented a sales decrease of -28 per cent compared to the previous year. Organically, this corresponds to a decrease of -30 per cent.

Demand in the Chinese market remained weak due to the ongoing downturn in the construction sector, which negatively impacted the region's performance.

The continued uncertainty in the Middle East contributed to subdued demand and delayed project sales in the region.

A new national agreement was signed with a Chinese retail chain, and new distribution partnerships were established in Turkey – creating a strong foundation for recovery in the second half of the year.

January-June

Net sales for the APIM region amounted to SEK 30 million (36) during the first half of the year, which corresponds to a decrease of -17 per cent compared to the previous year, of which -16 per cent was organic.

Demand has been weak in the APIM region during the first half of the year. China, which was previously the largest export market, came to a complete halt, and the Middle East, which has been a strong contributor to growth, had slightly cooler demand during the first half of 2025.

During the period, Kährs established new distribution channels together with strategic key customers in Oceania and China and initiated new distribution in Africa.

These establishments are in line with the company's long-term strategy for growth in prioritised regions and create a good foundation for future growth.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities totalled SEK -39 million (-28) in the second quarter. During the second quarter, working capital increased as a result of weak sales and thus increased inventories. Cash flow before interest and taxes totalled SEK 41 million (32). Interest paid totalled SEK 34 million (41), which primarily consists of interest on the bond loan. Adjusted for currency effects, total working capital increased by SEK 40 million (17) during the quarter. The main reasons for the increase in working capital are an increase in inventories of SEK 15 million (-3) and a decrease in other current liabilities of SEK 22 million (9).

Investments during the second quarter were at a relatively low level, SEK 6 million (12).

Total cash flow for the period amounted to SEK -54 million (-51).

During the first half of the year, cash flow from operating activities totalled SEK 2 million (8). During the period, working capital increased by SEK 8 million (-10) mainly due to an increase in accounts receivable and an increase in other current receivables. Total cash flow for the first half of the year was SEK -33 million (-36).

NET FINANCIAL EXPENSES

Net financial expenses totalled SEK 43 million (38) for the second quarter of 2025. They consist primarily of interest expenses of SEK 34 million (39), of which bond financing of SEK 31 million (37). Interest income amounted to SEK 1 million (3). In addition, there are other financing expenses of SEK 4 million (4) and currency losses of SEK 7 million (-3).

For the first half of the year, the net financial expenses totalled SEK 61 million (86), of which external interest expenses were SEK 68 million (77).

FINANCIAL POSITION

Consolidated net debt totalled SEK 1,260 million (1 248) as at 30 June 2025.

NET DEBT

SEKm	30 Jun 2025	30 Jun 2024	31 Dec 2024
Lease liabilities	135	74	74
Liabilities to credit institutions	1,431	1,440	1,428
Other	2	2	3
Total interest-bearing liabilities	1,568	1,516	1,505
<u>Less:</u>			
Lease liabilities	-135	-74	-74
Cash and cash equivalents including Interest-bearing receivables	-173	-194	-216
Net debt	1,260	1,248	1,215

Cash and cash equivalents in the Group totalled SEK 154 million (194) as at 30 June 2025. The Group utilised SEK 0 million (0) of the existing revolving credit facility of SEK 550 million (650), of which SEK 100 million (200) is conditional on potential acquisitions. Consequently, available liquidity for the Group as at 30 June 2025 was SEK 704 million (844), allowing good flexibility moving forward.

TAX

The tax revenue for the second quarter totalled SEK 5 million (2). Deferred tax assets have been booked in accordance with how they are likely to be utilised for settlement against future taxable profits.

GENERAL INFORMATION

SIGNIFICANT EVENTS DURING THE QUARTER

No significant events have occurred during the reporting period.

SIGNIFICANT EVENTS AFTER THE QUARTER

No significant events have occurred after the reporting period.

RELATED-PARTY TRANSACTIONS

Transactions with related parties are priced in accordance with current market terms and prices. Related parties refer to companies over which Kährs BondCo AB (publ) has a controlling or significant influence in terms of the operational and financial decisions. Related parties also include those companies and individuals, such as the board of directors and members of management, who have the ability to control or exercise significant influence over the Group's financial and operational decisions.

During the period, no related party transactions were carried out.

RISKS AND UNCERTAINTIES

All business operations involve risk and controlled risk taking is necessary to maintain good and sustainable profitability for a company. Risks may depend on events in the outside world and may affect a specific sector or market; risks can also be specific to an individual company or country. At Kährs Group, risk management is a continual process that is conducted within the framework of operational governance and forms a natural part of the day-to-day monitoring of operations.

Kährs is a global Group that operates in many countries. This means that the Group is exposed to a number of commercial and financial risks. Risk management is therefore an important part of Kährs' work to achieve the goals it has set. Effective risk management is a continual process within operational governance. It forms part of the ongoing review and forward-looking assessments of the business. Kährs' long-term risk exposure is not expected to differ from the exposure from its day-to-day activities.

Risks in terms of financial reporting are mainly assessed to be material errors in the accounts, for example, the valuation of assets. Other risks include fraud and losses through embezzlement. Risk management is built into every process, while various methods are used to assess and limit risks and to ensure that the risks to which Kährs is exposed are managed in accordance with established policies, instructions and follow-up routines designed to reduce potential risks and to promote correct accounting, reporting and information.

The risks identified for financial reporting are managed through the company's control activities, such as authorisation controls in IT systems and approval controls that are based on Kährs' Finance Manual. The control structure comprises clear organisational roles that enable an efficient allocation of responsibilities for specific control

activities; this aims to identify or prevent in time the risk of reporting errors. Every unit has its own controller/finance manager that is involved in evaluating their own reports with the central finance function. The continual analysis of financial reporting, alongside the analysis conducted at Group level, is extremely important to ensure that financial reporting is free of any material errors.

The CEO is responsible for ensuring that the internal control is organised and followed up in accordance with the guidelines adopted by the Board of Directors. The CEO is also responsible for ensuring that independent and objective reviews are conducted in order to systematically assess and propose improvements to the Group's processes for governance, internal control and risk management. Financial governance and control are performed by the central finance function. Kährs' executive management team reviews results on a monthly basis, analysing any deviations from the budget, forecasts and data from previous years. The Board of Directors receives monthly financial reports and follows up on financial reporting at each of its meetings. The Board of Directors and the executive management team review financial reporting ahead of the publication of the annual report. An audit is carried out of the accounts for the period January–September, known as 'hard close', as well as the annual accounts. The company's auditors report their observations to the Board. Executive management is also tasked with annually monitoring the internal control of the Group's subsidiaries.

External risks

Kährs is exposed to competition in the flooring industry and fluctuations in the prices of raw material that affect profit and capital tied-up. External risks such as geopolitical risks including trade policy measures (e.g., tariffs) can also have an impact on Kährs' operations. Pandemics and conflicts/wars are external factors that may impact Kährs, and there is uncertainty as to how these will affect Kährs in the future. The war in Ukraine and Gaza has had a limited impact on Kährs' operations.

Raw material price risk

Raw material price risk refers to the risk that the costs of materials will rise when underlying raw material prices rise on the global market. Kährs is affected by changes in raw material prices through the supply agreements it has entered into where prices are linked to the price of raw materials on the global market.

Operational risks

Kährs is exposed to operational risks, for example faults in manufactured products. Activities to introduce a similar management system at each of the Group's production facilities have been introduced to prevent this from happening.

IT and cyber security risks

The digital transformation of the global economy, and of Kährs in particular, leads to high risks. Kährs continuously prepares for cyber attacks by assessing its cyber security profile and taking measures when recommended to proactively manage its defences. Inadequate cyber security control has become an emerging risk that Kährs is monitoring and working with actively to reduce the likelihood and impact of this risk. IT failures, for example in key applications or hardware, can also have a significant impact on production, delivery, sales and other business-critical systems and functions. Kährs continuously invests in cyber security, such as improved technology and processes for scanning, monitoring and logging to identify intrusions and detect abnormal data traffic. The IT infrastructure is constantly monitored to safeguard operations and continuity.

Legal risks

Kährs operates in many countries, which means that it can become involved in disputes and legal processes. Kährs continually monitors any outstanding and potential disputes and other legal issues. These are reported in the Audit Committee, which assesses them and recommends whether a provision should be made for them.

Foreign exchange risks

The Group's reporting currency is the Swedish krona. As a significant proportion of the Group's operations is carried out outside Sweden, the company has specific risks involved with operational and financial transactions in different countries (foreign currency exposure). The Group is also exposed to foreign exchange risks when translating the balance sheets and income statements of its subsidiaries (translation exposure). The main currencies that the Group is exposed to are: EUR, USD, GBP, NOK, RON and CHF. The Group's foreign currency flows are not hedged.

Financing and interest risk

The Group has a strong financial position and partially finances its operations through borrowing. The financing consists of an RCF facility of SEK 550 million in Kährs Holding AB (publ) and a bond loan of SEK 1,450 million in Kährs BondCo AB (publ). No part of the RCF facility was utilized as of June 30, 2025. Loan agreements between banks and Kährs include specific terms, known as covenants. These covenants consist of the following financial key figures:

– Net debt in relation to EBITDA.

The covenant is calculated for the Kährs Holding Group based on quarterly financial reports, which means March 31, June 30, September 30, and December 31. The total outstanding

borrowing amount according to the RCF facility agreement is covered by this covenant. Kährs meets the covenant as of June 30, 2025 according to the Loan agreement.

The group's interest rate risk refers to long-term loans. Loans taken out at variable interest rates expose the group to interest rate risks in the cash flow, which are partially offset by cash and cash equivalents at variable interest rates.

The bond loan runs at a variable interest rate based on three-month STIBOR + 6.25 per cent and is set every three months. The interest rate on the bond loan as of June 30, 2025, was 8.557 per cent per annum (9,750). If the variable interest rate on the bond loan changes by +/- 100 points (1 percentage point), given that all other variables are constant, the annual result will be affected by approximately +/- SEK 14.7 million (14.7). The assessment is that the financing risk and the interest rate risk are low.

PARENT COMPANY

Net sales in the parent company for the period January to June 2025 was SEK 0 million (0) with a result after tax of SEK -18 million (-23). The parent company's income statement and balance sheet are presented on pages 14–15 in this interim report.

EMPLOYEES

The number of employees in the Group as of June 30, 2025, was 751 (1,087), of which 457 (697) were blue-collar workers and 294 (390) white-collar employees. The reduction in the number of employees is mainly a consequence of lower demand, which has led to restructuring of the operations. For further information, see Note 9, Divestments.

FINANCIAL REPORTING CALENDAR

Kährs BondCo AB (publ)'s interim reporting as well as its annual financial reports are available on the Kährs website, kahrsgroup.com.

Reporting calendar:

- | | |
|--------------------------|------------------|
| • Interim Report Q3 2025 | 20 November 2025 |
| • Year-End Report 2025 | 19 February 2026 |
| • Annual Report 2025 | 16 April 2026 |

GOVERNING TEXT

This interim report has been prepared in both Swedish and English. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

The Board of Directors and the CEO certify that the interim report provides a true and fair overview of the operations, financial position and results of the Parent Company and the Group and describes the material risks and uncertainties faced by the Parent Company and the companies in the Group

Malmö, 21 August 2025 Kährs BondCo AB (publ)

Anders Wassberg
Chairman

Christoffer Marköö
Member

Jonas Köhlin
Member

Mats Therman
Member

Johan Magnusson
President and CEO

The information in this interim report is that which Kährs BondCo AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication at 8 a.m. CET on Thursday 21 August.

This interim report has not been reviewed by the company's auditors

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559339-3621

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

SEKm	Note	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024-Jun 2025
Net sales	3,9	508	671	1,049	1,314	2,391	2,126
Cost of goods sold	4	-396	-589	-817	-1,075	-1,953	-1,695
Gross profit		112	82	232	239	438	431
Selling and distribution expenses	4	-73	-90	-148	-177	-340	-311
Administrative expenses	4	-34	-36	-61	-70	-148	-139
Other operating income		7	4	8	2	11	17
Other operating expenses		0	0	-1	0	-15	-16
Operating profit/loss (EBIT)	4,9	12	-40	30	-6	-54	-18
Financial income		1	2	14	5	11	20
Financial expenses		-44	-40	-75	-91	-221	-205
Profit/loss before tax		-31	-78	-31	-92	-264	-203
Tax		5	2	5	4	11	12
Profit/loss for the period		-26	-76	-26	-88	-253	-191
Attributable to:							
Shareholders of the company		-26	-76	-26	-88	-253	-191
Non-controlling interests		0	0	0	0	0	0
Total		-26	-76	-26	-88	-253	-191
Earnings per share before and after dilution, SEK		-51	-151	-52	-176	-505	-382

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	Note	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024-Jun 2025
Profit/loss for the period		-26	-76	-26	-88	-253	-191
Other comprehensive income							
Items that may be reclassified in the income statement:							
Translation differences		9	-2	-42	32	25	-49
Reclassification of currency translation		0	0	0	0	7	7
Items that cannot be reclassified in the income statement:							
Actuarial gains and losses for pensions		0	0	0	0	0	0
Total		9	-2	-42	32	32	-42
Total comprehensive income for the period		-17	-78	-68	-56	-221	-233
Total comprehensive income for the period, attributable to:							
Shareholders of the company		-18	-78	-69	-56	-221	-234
Non-controlling interests		1	0	1	0	0	1
Total		-17	-78	-68	-56	-221	-233

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKm	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
TILLGÅNGAR				
Non-current assets				
Intangible assets		140	153	144
Property, plant and equipment, owned	9	422	488	446
Property, plant and equipment, right-of-use	9	132	69	72
Financial assets	6	35	30	40
Deferred tax assets		53	53	59
Total non-current assets		782	793	761
Current assets				
Inventories	9	700	797	717
Trade receivables	6,9	239	343	213
Other current assets	6,9	80	99	48
Cash and cash equivalents	6,9	154	194	194
Total current assets		1,173	1,433	1,172
TOTAL ASSETS		1,955	2,226	1,933
EQUITY AND LIABILITIES				
Equity				
Share capital		1	1	1
Reserves		-97	-54	-54
Retained earnings		-102	89	-76
Total		-198	36	-129
Attributable to non-controlling interests		5	4	4
Total equity		-193	40	-125
Non-current liabilities				
Interest-bearing liabilities	6,7,9	1,536	1,480	1,469
Provision for pensions		1	1	1
Other provisions		3	3	3
Deferred tax liabilities		77	82	80
Total non-current liabilities		1,617	1,566	1,553
Current liabilities				
Interest-bearing liabilities	6,7,9	32	36	36
Other provisions		22	27	30
Trade payables	6,9	195	209	141
Income tax payables		4	18	9
Derivatives	6	2	6	2
Other current liabilities	6,9	276	324	287
Total current liabilities		531	620	505
TOTAL EQUITY AND LIABILITIES		1,955	2,226	1,933

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	Note	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
As at 1 January 2025		1	-54	-76	-129	4	-125
Profit/loss for the period				-26	-26	0	-26
Other comprehensive income			-43	0	-43	1	-42
Total comprehensive income		0	-43	-26	-69	1	-68
Transactions with shareholders:							
Dividend				0	0	0	0
As at 30 June 2025		1	-97	-102	-198	5	-193

SEKm	Note	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
As at 1 January 2024		1	-86	177	92	4	96
Profit/loss for the period		-	-	-88	-88	0	-88
Other comprehensive income		-	32	0	32	0	32
Total comprehensive income		-	32	-88	-56	0	-56
Transactions with shareholders:							
Dividend		-	-	-	-	-	-
As at 30 June 2024		1	-54	89	36	4	40

SEKm	Note	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
As at 1 January 2024		1	-86	177	92	4	96
Profit/loss for the period		-	-	-253	-253	0	-253
Other comprehensive income		-	32	0	32	0	32
Total comprehensive income		-	32	-253	-221	0	-221
Transactions with shareholders:							
Dividend		-	-	-	-	-	-
As at 31 December 2024		1	-54	-76	-129	4	-125

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKm	Note	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Operating activities							
Profit/loss before tax		-31	-78	-31	-92	-264	-203
Adjustments of non-cash items	8	72	110	116	195	384	305
Cash flow before interest and tax		41	32	85	103	120	102
Interest received		0	3	1	5	11	7
Interest paid		-34	-41	-70	-80	-146	-136
Income tax paid		-6	-5	-6	-30	-38	-14
Net cash flow from operating activities before change in working capital		1	-11	10	-2	-53	-41
Change in working capital							
Change in inventories		-15	3	2	56	179	125
Change in operating receivables		-1	-	-66	-56	65	55
Change in operating liabilities		-24	-20	56	10	-101	-55
Net cash flows from operating activities	9	-39	-28	2	8	90	84
Investing activities							
Divestment of operations	9	0	0	0	0	30	30
Investment in tangible assets	9	-6	-12	-14	-20	-37	-31
Investment in financial assets		1	0	1	0	-10	-9
Proceeds from sale of tangible assets		0	0	0	0	6	6
Net cash flows from investing activities	9	-5	-12	-13	-20	-11	-4
Financing activities							
Proceeds from borrowings		-	-	-	-	1,525	1,525
Repayment of borrowings		-	-	-	-	-1,525	-1,525
Payment of refinancing costs		-	-	-	-	-62	-62
Payment of lease liabilities	9	-10	-11	-22	-24	-50	-48
Net cash flows from financing activities	9	-10	-11	-22	-24	-112	-110
Cash flow for the period		-54	-51	-33	-36	-33	-30
Cash and cash equivalents at beginning of period		211	241	194	224	224	194
Exchange-rate differences in cash and cash equivalents		-3	4	-7	6	3	-10
Cash and cash equivalents at end of period		154	194	154	194	194	154

PARENT COMPANY INCOME STATEMENT

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Administrative expenses	0	0	0	0	0	0
Operating profit (EBIT)	0	0	0	0	0	0
Financial income	14	15	28	29	58	57
Financial expenses	-32	-38	-65	-75	-193	-182
Result after financial items	-18	-23	-37	-46	-135	-125
Provision for accrual fund	0	0	0	0	-2	-2
Group contribution, received	0	0	0	0	11	11
Result before tax	-18	-23	-37	-46	-126	-116
Tax	0	0	0	0	-3	-2
Result for the period	-18	-23	-37	-46	-129	-118

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Result for the period	-18	-23	-37	-46	-129	-118
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	-18	-23	-37	-46	-129	-118

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

SEKm	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
ASSETS				
Non-current assets				
Financial assets	10	1,400	1,400	1,400
Deferred tax assets	10	641	583	641
Total non-current assets		2,041	1,983	2,041
Current assets				
Other current assets		27	30	11
Cash and cash equivalents		7	3	-
Total current assets		1	1	1
Current assets		35	34	12
TOTAL ASSETS		2,076	2,017	2,053
EQUITY AND LIABILITIES				
Equity				
<i>Restricted equity</i>				
Share capital		1	1	1
Statutory reserve		-	-	-
Total restricted equity		1	1	1
<i>Unrestricted equity</i>				
Retained earnings		223	351	351
Result for the period		-37	-46	-129
Total unrestricted equity		186	305	222
Total equity		187	306	223
Untaxed reserves				
Tax allocation reserve		34	32	34
Total untaxed reserves		34	32	34
Non-current liabilities				
Interest-bearing liabilities		1,431	1,440	1,429
Deferred tax liabilities		4	2	4
Total non-current liabilities		1,435	1,442	1,433
Current liabilities				
Current tax liability		1	12	1
Other current liabilities		419	225	362
Total current liabilities		420	237	363
TOTAL EQUITY AND LIABILITIES		2,076	2,017	2,053

NOTES

NOTE 1. ACCOUNTING POLICIES

This interim report has been prepared in accordance with the rules for interim reporting set out in the Swedish Annual Accounts Act and IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as they have been adopted by the EU. Furthermore, RFR 1 Supplementary Accounting Rules for Groups is applied. The parent company's accounts have been prepared in accordance with RFR 2, Accounting for Legal Entities and the Swedish Annual Accounts Act.

Applied accounting policies are consistent with those applied in the preparation of the 2024 annual report, apart from changed standards that apply from 1 January 2025. The changes have had no material impact on the financial reports. For more information, see note C2 "Basis for establishment and summary of significant accounting policies" on pages 24-33 and the section "New or amended accounting standards applied in 2025 or later" on page 26 of the 2024 annual report.

NOTE 2. SIGNIFICANT ASSESSMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of this interim report in accordance with the accounting policies that have been applied requires the Board of Directors to make certain estimates and assumptions that may affect the carrying amounts of assets, liabilities, revenue and expenses. The areas in which the estimates and

assumptions are of material significance for the Group and where changes may affect the financial reporting are set out in Note C3 "Significant assessments, estimates and assumptions" on pages 33-34 in the annual report 2024.

NOTE 3. NET SALES BY REGION

The group has four regions: Nordics, Europe, North America, and APIM (Asia Pacific India and Middle East).

The largest markets are Sweden, the USA, Germany, Finland, Norway, Switzerland and England.

NET SALES BY REGION, EXTERNAL CUSTOMERS

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Nordics	228	274	483	568	1,029	944
Europe	172	205	340	393	703	650
North America	82	106	169	192	365	342
APIM region	13	18	30	36	66	60
Divested operations in Russia	-	53	-	91	171	80
Other	13	15	27	34	57	50
Net sales Group, external customers	508	671	1,049	1,314	2,391	2,126

* Russia divested per 3 December, 2024

NOTE 4. ITEMS AFFECTING COMPARABILITY

During the second quarter, Kähns had not had costs of a one-off nature (-).

During the first half of the year, Kähns had non-recurring items amounting to 0 million SEK (-70).

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Operating profit excl. items affecting comparability (operating EBIT)	12	30	30	64	55	21
Transition of operations in Russia	-	-70	-	-70	-84	-14
Transition of operations in Romania	-	-	-	-	-14	-14
Customs costs USA	-	-	-	-	-11	-11
Operating profit (EBIT)	12	-40	30	-6	-54	-18

NOTE 5. RELATED PARTY TRANSACTIONS

Saltri II LuxCo SARL owns 100% (500,000 shares) of the parent company and therefore has a controlling influence of the Group. Saltri II LuxCo SARL ultimately has a controlling influence of Kähns BondCo AB (publ) Group.

There were no related party transactions in the second quarter.

Kähns has not issued any guarantees nor any other commitments to the benefit of Board members and senior executives. During period January to June 2025 there were no direct nor indirect transactions between the Group and Board members or senior executives, except salaries, benefits, pension costs to senior executives and board fees to board members and employee representatives.

For intra-Group transactions, the same pricing principles are applied as for transactions with external customer.

NOTE 6. FINANCIAL INSTRUMENTS

The following tables show the fair value of the Group's financial assets and liabilities that are subject to risk management.

30 Jun 2025 SEKm	Assets at fair value via the income statement	Assets measured at amortised cost	Total fair value	Carrying value of financial assets
Assets				
Financial non-current assets ¹	-	35	35	35
Accounts receivable	-	239	239	239
Other current assets	-	40	40	40
Cash and cash equivalents	-	154	154	154
Summa	-	468	468	468

¹ Comprises deposits SEK 27 million, endowment insurance SEK 5 million and other items SEK 3 million

30 Jun 2025 SEKm	Liabilities at fair value via the income statement	Liabilities measured at amortised cost	Total fair value	Carrying value of financial liabilities
Liabilities in the balance sheet				
Interest-bearing liabilities	-	1,569	1,569	1,569
Trade payables	-	195	195	195
Derivatives	2	-	2	2
Other current liabilities	-	123	123	123
Total	2	1,887	1,889	1,889

30 Jun 2024 SEKm	Assets at fair value via the income statement	Assets measured at amortised cost	Total fair value	Carrying value of financial assets
Assets				
Financial non-current assets ¹	-	30	30	30
Accounts receivable	-	343	343	343
Other current assets	-	51	51	51
Cash and cash equivalents	-	194	194	194
Summa	-	618	618	618

¹ Comprises deposits SEK 25 million, endowment insurance SEK 3 million and other items SEK 2 million

30 Jun 2024 SEKm	Liabilities at fair value via the income statement	Liabilities measured at amortised cost	Total fair value	Carrying value of financial liabilities
Liabilities in the balance sheet				
Interest-bearing liabilities	-	1,515	1,515	1,515
Trade payables	-	209	209	209
Derivatives	6	-	6	6
Other current liabilities	-	141	141	141
Total	6	1,865	1,871	1,871

31 Dec 2024 SEKm	Assets at fair value via the income statement	Assets measured at amortised cost	Total fair value	Carrying value of financial assets
Assets				
Financial non-current assets ¹	-	40	40	40
Accounts receivable	-	213	213	213
Other current assets	-	24	24	24
Cash and cash equivalents	-	194	194	194
Summa	-	471	471	471

¹ Comprises deposits SEK 31 million, endowment insurance SEK 6 million and other items SEK 3 million

31 Dec 2024 SEKm	Liabilities at fair value via the income statement	Liabilities measured at amortised cost	Total fair value	Carrying value of financial liabilities
Liabilities in the balance sheet				
Interest-bearing liabilities	-	1,505	1,505	1,505
Trade payables	-	141	141	141
Derivatives	2	-	2	2
Other current liabilities	-	146	146	146
Total	2	1,792	1,794	1,794

NOTE 7. INTEREST-BEARING LIABILITIES

SEKm	30 Jun 2025	30 Jun 2024	31 Dec 2024
Non-current liabilities			
Corporate bond ¹	1,431	1,440	1,428
Leasingskulder	104	40	41
Revolver Credit facilitet	-	-	-
Other loans	1	-	-
Total non-current interest-bearing liabilities	1,536	1,480	1,469
Current liabilities			
Lease liabilities	31	34	33
Other loans	1	2	3
Total current interest-bearing liabilities	32	36	36
Non-current liabilities	1,568	1,516	1,505

¹ Periodisation of direct transaction costs spread over the term of the bond loan

NOTE 8. ADJUSTMENT OF NON-CASH ITEMS

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Adjustment of non-cash items						
Depreciation and impairment of property, plant and equipment, owned	17	57	34	79	105	60
Depreciation and impairment of right-of-use assets	9	11	19	23	49	45
Amortisation and impairment of intangible assets	5	5	9	9	18	18
Loss on divestment of fixed assets	-	-	-	-	1	1
Financial income	6	-3	-14	-5	-11	-20
Financial expenses	38	40	76	91	221	206
Other provisions	-3	0	-8	-2	1	-5
Total	72	110	116	195	384	305

NOTE 9. DIVESTMENTS

Company	Type of business	Divestment date	Number of employees , 30 Jun 2025	Number of employees , 30 Jun 2024	Number of employees , 31 Dec 2024	Divested share	Holdings after divestment
Kähns OY	Holding company	3 Dec 2024	-	-	-	100 %	0 %
Karelia-Upofloor CIS LLC	Manufacturing	3 Dec 2024	-	237	-	100 %	0 %

Karelia-Upofloor CIS LLC, Kähns OYs part of consolidated income statement

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Net sales	-	53	-	91	171	80
Costs	-	-50	-	-84	-160	-76
Exchange rate differences when translating divested operations	-	-	-	-	-7	-7
Write-down of assets to net realizable value	-	-69	-	-69	-72	-3
Operating profit (EBIT)	-	-66	-	-62	-68	-6

Carrying amount of assets and liabilities

SEKm	30 Jun 2025	30 Jun 2024	31 Dec 2024
Tangible Fixed Assets	-	31	-
Inventories	-	30	-
Trade receivables	-	12	-
Other assets	-	7	-
Cash and cash equivalents	-	44	-
Total assets	-	123	-
Trade payables	-	4	-
Other liabilities	-	140	-
Total liabilities	-	144	-
Net assets	-	-21	-

NOTE 9. DIVESTMENTS CONT'D

Impact on consolidated statement of cash flows

SEKm	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jan-Dec 2024	Jul 2024- Jun 2025
Net cash flows from operating activities	-	8	-	11	13	2
Net cash flows from investing activities	-	-1	-	-1	29	30
Net cash flows from financing activities	-	-3	-	-3	-5	-3
Net increase in cash and cash equivalents in divested units	-	4	-	7	36	29

NOTE 10. FINANCIAL ASSETS (PARENT COMPANY)

SEKm	30 Jun 2025	30 Jun 2024	31 Dec 2024
Financial assets			
Shares in subsidiaries	1,400	1,400	1,400
Shareholder loan, Kährs Holding AB ¹	641	583	641
Total	2,041	1,983	2,041

¹Shareholder loans carry a variable interest rate of 8,557 per cent. The shareholder loan will mature on 14 November 2028.

SEKm	30 Jun 2025	30 Jun 2024	31 Dec 2024
Shares in directly owned subsidiaries			
Name, corporate identity number, company domicile	Number of shares		
Kährs Holding AB (556535-2481), Nybro	500 000	1,400	1,400
Total	500 000	1,400	1,400

CONSOLIDATED KEY PERFORMANCE INDICATORS

SEKm	Apr-Jun 2025	Apr-Jun 2024 ³	Jan-Jun 2025	Jan-Jun 2024 ³	Jan-Dec 2024 ³	Jul 2024- Jun 2025 ³
Net Sales	508	671	1,049	1,314	2,391	2,126
Organic growth, %	-15%	-11%	-11%	-18%	-15%	-11%
EBITA	17	-36	39	3	-37	0
EBITA, %	3.4%	-5.3%	3.7%	0.2%	-1.5%	0.0%
Operating EBITA	17	34	39	73	73	39
Operating EBITA, %	3.4%	5.1%	3.7%	5.6%	3.1%	1.8%
Operating profit/loss (EBIT)	12	-40	30	-6	-54	-18
Operating profit/loss (EBIT), %	2.4%	-6.0%	2.9%	-0.5%	-2.3%	-0.9%
Operating EBIT	12	30	30	64	55	21
Operating EBIT, %	2.4%	4.5%	2.9%	4.9%	2.3%	1.0%
Operating profit before depreciation and items affecting comparability (adjusted EBITDA)	43	70	92	143	210	159
Operating profit before depreciation and items affecting comparability (adjusted EBITDA), %	8.4%	10.5%	8.8%	10.9%	8.8%	7.5%
Profit/loss for the period	-26	-76	-26	-88	-253	-191
Profit/loss for the period, %	-5.0%	-11.3%	-2.4%	-6.7%	-10.6%	-9.0%
Earnings per share before and after dilution, SEK ¹	-51	-151	-52	-176	-505	-382
Net cash flows from operating activities	-39	-28	2	8	90	84
Investments	6	12	14	20	37	31
Total cash flow	-54	-51	-33	-36	-33	-30
Total assets	1,955	2,226	1,955	2,226	1,933	1,955
Cash and cash equivalents at end of period	154	194	154	194	194	154
Net working capital	744	931	744	931	789	744
Net debt ²	1,260	1,248	1,260	1,248	1,215	1,260
Equity	-193	40	-193	40	-125	-193
Capital employed	1,379	1,560	1,379	1,560	1,384	1,1379
Equity ratio, %	-9.9%	1.8%	-9.9%	1.8%	-6.5%	-9.9%
Return on equity, %	-234.7%	-60.2%	-234.7%	-60.2%	-1,316.2%	-234.7%
Return on capital employed, %	-0.7%	3.0%	-0.7%	3.0%	-2.9%	-0.7%
Interest coverage ratio, times	0.9	1.7	0.9	1.7	1.2	0.9
Net debt / EBITDA ratio, times	11.1	5.2	11.1	5.2	7.3	111
Number of employees, end of period	751	1,087	751	1,087	818	751

¹ Number of shares in Kährs BondCo AB (publ) (500,000) used to calculate earnings per share before and after dilution, SEK

² Net debt excluding effect of IFRS 16. - Definitions of alternative performance indicators are available on page 23 of this report

³ Russia is included in the reported figures until December 3, 2024.

FINANCIAL DEFINITIONS AND KEY PERFORMANCE INDICATORS

ALTERNATIVE PERFORMANCE INDICATORS

In order to fairly present the Group's operations, the Kährs Group uses a number of alternative key indicators that are not defined by IFRS or in the Annual Accounts Act. The alternative performance indicators that Kährs uses can be seen in the definitions below.

NET SALES

The Group's total income, after deduction of bonuses and discounts, VAT and other taxes related to sales.

EBITA

Earnings after depreciation, amortisation and impairment but before deduction for impairment of goodwill as well as amortisation and impairment of other intangible assets that arose in conjunction with company acquisitions.

OPERATING EBITA

EBITA before items affecting comparability.

OPERATING EBITA IN PER CENT

Calculated as EBITA above as a percentage of net sales for the period.

OPERATING PROFIT EBITDA

Operating profit before depreciation/amortisation.

ADJUSTED EBITDA

Operating profit before depreciation/amortisation and items affecting comparability.

OPERATING PROFIT/LOSS (EBIT)

Earnings before financial items and tax.

OPERATING MARGIN, (EBIT) IN PER CENT

Calculated as EBIT above as a percentage of net sales for the period.

OPERATING EBIT

Operating profit before items affecting comparability.

ORGANIC GROWTH

Sales growth excluding currency effects and acquisitions.

NET DEBT

Net interest-bearing debt (excluding shareholder loans and lease liabilities) less interest-bearing assets, as well as cash and cash equivalents.

NET DEBT/EBITDA RATIO

Net debt excluding finance lease in relation to adjusted EBITDA, 12 months rolling.

NET WORKING CAPITAL

Inventories and trade receivables, less trade payables.

RETURN ON EQUITY

Profit after tax for the period, 12 months rolling, as a percentage of average equity excluding shares with non-controlling interests.

CAPITAL EMPLOYED

Total assets less non-interest-bearing liabilities.

RETURN ON CAPITAL EMPLOYED

Operating profit (EBIT) with addition for interest income, 12 months rolling, in relation to average capital employed.

EQUITY RATIO

Equity as a percentage of total assets

DEPRECIATION

Depreciation/amortisation of intangible and tangible non-current assets and right of use assets.

INVESTMENTS

Investments in non-current assets.

INTEREST COVERAGE RATIO

Adjusted EBITDA, 12 months rolling, divided by paid interest, 12 months rolling.

EARNINGS PER SHARE AFTER TAX AND BEFORE DILUTION

Profit for the period excluding non-controlling interests, in relation to the number of shares before dilution.

EARNINGS PER SHARE AFTER TAX AND AFTER DILUTION

Profit for the period excluding non-controlling interests, in relation to the number of shares after dilution.

TOTAL WORKING CAPITAL

Inventories, trade receivables, derivatives and other current assets reduced by trade payables, income tax payables, derivatives and other current liabilities.

ITEMS AFFECTING COMPARABILITY

An income statement item that is non-recurring, has a significant impact on profit and is important for understanding the underlying development of operations

ABOUT KÄHRS BONDCO AB (PUBL)

Kährs BondCo AB (publ) is a leading manufacturer and distributor of flooring with the aim of providing customer experiences beyond expectations. Kährs' innovations have shaped the industry throughout its history and the company is dedicated to offering flooring solutions for every room, environment and need. The company delivers sustainable and durable flooring solutions to approx. 70 countries, being a market leader in hardwood flooring in Sweden and Finland and having strong positions in other key markets, such as Norway, the UK, US, Germany, and Switzerland. The Group has approx. 751 employees and annual sales of SEK 2.1 billion. www.kahrsgroup.com