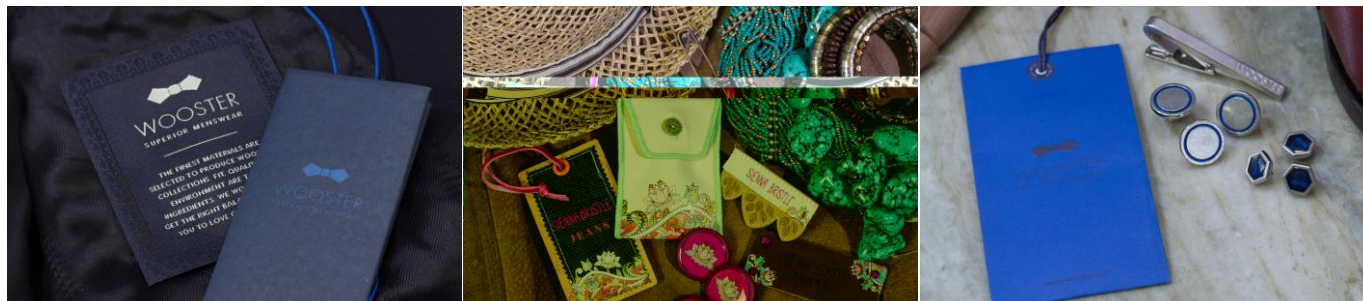


## Interim report Nilörngruppen AB (publ) Q2, January – June 2022



### Period April - June

- Order bookings increased by 43 percent to MSEK 245 (171).
- Revenue increased by 54 percent to MSEK 269 (175).
- Revenue adjusted for currency effects amounted to MSEK 243, i.e. an underlying organic increase of 39 percent.
- Operating profit amounted to MSEK 44.9 (23.1).
- Profit for the period amounted to MSEK 36.0 (16.7).
- Earnings per share amounted to SEK 3.16 (1.47).

### Period January – June

- Order bookings increased by 50 percent to MSEK 525 (351).
- Revenue expressed in SEK increased by 46 percent to MSEK 511 (350).
- Revenue adjusted for currency effects amounted to MSEK 468, i.e. an underlying organic increase of 34 percent.
- The operating profit amounted to MSEK 85.1 (50.1).
- Profit for the period amounted to MSEK 63.9 (36.3).
- Earnings per share amounted to SEK 5.61 (3.19).



## CEO STATEMENT

Dear Shareholder,

Just as the order intake in the first quarter indicated, we had a strong quarter where sales increased by 54 percent and operating profit almost doubled to SEK 45 million. Our warehouse operations in Shanghai have been shut down for most of the quarter attributable to Covid, but despite this, our staff together with our suppliers have made a heroic effort and have been able to handle most of the deliveries.

It is the best second quarter and first half of the year ever with sales on a 12-month rolling basis of SEK 949 million and an operating profit of SEK 154 million. The best years before Covid were 2019 with sales of SEK 718 million and 2018 with an operating profit of SEK 85 million.

There has been a positive development in all markets, not least in Germany. The relatively new markets Italy, France, Spain continues to develop strongly and it is extra fun that, after a few years now, the company in the US is now starting to take off, albeit from a low level.

Our own production units continue to develop positively, which benefit from increased volumes both from new customers and from volumes converted primarily from China. Therefore, Nilorn

Portugal are now investing in a couple of new looms to increase capacity even more.

The positive earnings trend, with an operating margin of 17 (13) percent, is attributable to higher sales and thus also a high utilization rate in our own production and in other operations.

The work to strengthen the organization and create a clear structure continues. Nilorn has full focus on this and with the goal of becoming leading in terms of sustainability. This means even more investment in systems and organizations with the aim of guiding and helping our customers to achieve their goals.

It is difficult to predict the future and especially with the possible recession and decline in retail. However, order intake rose by 43 percent, which is good albeit slightly lower than recent quarters.

I am very proud of all our employees who have done a fantastic job in being able to handle the sharp increase in volume and delivery challenges we have had, while adapting the organization, introducing new ways of working and introducing new colleagues.

Krister Magnusson  
CEO

## Period April – June

### Order bookings

Order bookings increased by 43 percent to MSEK 245 (171).

### Net revenue

Revenue in SEK increased by 54 percent to MSEK 269 (175). Revenue adjusted for currency effects amounted to MSEK 243, i.e. an underlying organic increase of 39 percent. Since the Group is relatively well balanced in currencies in other respects, this has a marginal effect on profit.

### Gross profit

The gross margin was 44.0 (47.6) percent. The quarter was negatively affected by delivery problems in China which has resulted in more purchases, increased costs and product mix where packaging as a lower margin.

### Other income, costs and depreciation

Other income amounted to MSEK 7.2 (1.7) of which MSEK 4.6 was attributable to currency and total other operating costs of MSEK 2.4 is also attributable to currency. The external costs amounted to MSEK 21.8 (15.0) and personnel costs to MSEK 48.7 (39.7) of which the majority is attributable to more employees and provision for bonuses. Depreciation increased to MSEK 7.7 (6.3) MSEK.

### Operating profit

The operating profit amounted to MSEK 44.9 (23.1), which makes for an operating margin of 16.7 (13.2) percent.

High capacity utilization of our own factories and other operations attributable to high volumes has had a positive impact on the operating margin. It has been an intense spring and our employees have handled the situation very well.

### Net finance items, taxes and profit for the period

Net finance items amounted to MSEK -0.6 (-0.8). Taxes amounted to MSEK -8.3 (-5.6) and is a function of different tax rates in different countries. We expect a tax rate of approximately 23-24 percent for the year. The period's result amounted to MSEK 36.0 (16.7) and earnings per share amounted to SEK 3.16 (1.47).

### Cash flow, capital expenditures, financing and liquidity

Cash flow from operating activities amounted to MSEK 23.7 (24.8).

Cash flow from investment activities amounted to MSEK -3.6 (-1.4) which is mainly attributable to investment in a new ERP system.

## Period January - June

### Order bookings

Order bookings increased by 50 percent to MSEK 525 (351).

### Net revenue and profit

Net revenue in SEK increased by 46 percent to MSEK 511 (350). Net revenue adjusted for currency effects amounted to MSEK

468 (350), equivalent to underlying organic increase of 34 percent. The gross margin was 43.9 (47.0) percent.

The Swedish krona has weakened against most currencies, which negatively affects consolidated sales. However, the Group's income is met by costs in each respective foreign currency, which minimizes the effect on earnings.

Other income amounted to MSEK 9.9 (5.3). External costs increased to MSEK 36.9 (27.4). Personnel costs increased to MSEK 94.5 (78.1).

Depreciation, amortisation and impairment charges increased to MSEK 14.7 (12.4).

Operating profit amounted to MSEK 85.1 (50.1), for an operating margin of 16.6 (14.3) percent.

Taxes paid amounted to MSEK -19.6 (-12.2). The higher tax rate is due to relatively higher revenue in high-tax countries. Profit after taxes amounted to MSEK 63.9 (36.3).

### Segments

As shown in the segment accounting in Note 2 all segments have won in both revenue and profit.

### Equity

Consolidated equity amounts to MSEK 297.1 (224.7), for an increase since the beginning of the year by MSEK 18.8. The increase is attributable to profit for the period of MSEK 63.9, pay out of dividend of MSEK 57.0 and translation differences of MSEK 11.9.

### Cash flow, capital expenditures, financing and liquidity

Cash flow from operating activities amounted to MSEK 16.7 (37.7). Accounts receivables have increased by MSEK 34 to MSEK 148 and are attributable to currency and higher sales. Inventories have increased by MSEK 60 to MSEK 206 and are attributable to currency, new customers, and increased volumes of product group packaging and the delivery problems we have had in China, which has resulted in more purchases. However, we believe that the inventory risk has not increased.

Cash flow from investment activities amounted to MSEK -7.1 (-5.7). Net debt at the end of the period amounted to MSEK 4.6 of which the transition to the new leasing standard, IFRS 16, has increased liabilities by MSEK 29.7. Comparable figures not including rebooking according to IFRS 16 is net cash of MSEK 34.4 (36.4). The change in net liability relative to the year before is primarily attributable to the payment of dividend of MSEK 57.0.

### Personnel

The average number of employees in the Group was 578 (553), of whom 247 (227) were women. Of the total number of employees 326 persons or 56 percent are active in production and warehouses.

## Transactions with closely related parties

There were no transactions between the Nilörn Group and closely related parties affecting the Group's profit and financial position during the period, except for dividends to the Parent Company's shareholders during the period. The Parent Company's transactions with subsidiaries refer to design, product development, IT and other services.

## Parent Company

The Parent Company's operations largely consist of handling group-wide functions, such as branding and design, product development, finances, administration, information and IT. The average number of employees was 24 (21). Net revenue for the period amounted to MSEK 13.8 (13.1). The operating result was MSEK -4.2 (-2.6) and profit after taxes was MSEK 1.6 (10.7), mainly attributable to dividend from group companies.

## Risks and uncertainty factors

Given its international operations, Nilörngruppen is always subject to a variety of financial risks. The significant risks and uncertainty factors facing Nilörngruppen are currency risks, political risks in individual countries, credit risks and IT security as described in Nilörngruppen's 2021 Annual Report, Note 2.

## Review

This report has not been subject to review by the Company's auditors.

## Calendar

- 26 October 2022 Interim Report Q3
- 9 February 2023 Year-end Report
- 18 April 2023 Interim Report Q1
- 3 May 2023 Annual General Meeting at 16.00 in Borås

This information is information that Nilörngruppen is under obligation to publish in accordance with the EU Market Abuse Regulation. The information herein was provided by the contact person named below for publication at 8:00 a.m., 15 July 2022.

The Board of Directors and the CEO hereby affirms that this interim report provides a fair overview of the operations of the Company's and the Group's operations, financial position and results, and describes significant risks and factors of uncertainty facing the Company and the companies in the Group.

BORÅS, 15 July 2022  
NILÖRN GRUPPEN AB (PUBL)

Petter Stillström  
Chairman

Magnus Johansson  
Director

Ann-Christine Hvittfeldt  
Director

Johan Larsson  
Director

Henrik Lange  
Director

Krister Magnusson  
CEO

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503 13 Borås  
SWEDEN  
[www.nilorn.com](http://www.nilorn.com)

## Summary financial reports

Amounts in SEK thousand	3 months		6 months	
	April - June		January - June	
	2022	2021	2022	2021
Net revenue	269,138	175,157	511,476	350,405
Raw materials, supplies and goods for resale	-150,846	-91,778	-287,032	-185,640
<b>Gross profit</b>	<b>118,292</b>	<b>83,379</b>	<b>224,444</b>	<b>164,765</b>
Other operating revenue	7,208	1,748	9,941	5,280
Other external costs	-21,766	-14,977	-36,902	-27,392
Personnel costs	-48,717	-39,675	-94,484	-78,124
Depreciation, amortisation and impairment charge	-7,748	-6,257	-14,661	-12,457
Other operating costs	-2,384	-1,127	-3,273	-1,942
<b>Operating profit</b>	<b>44,885</b>	<b>23,091</b>	<b>85,065</b>	<b>50,130</b>
Net finance items	-606	-829	-1,563	-1,575
<b>Profit before taxes</b>	<b>44,279</b>	<b>22,262</b>	<b>83,502</b>	<b>48,555</b>
Taxes	-8,300	-5,556	-19,578	-12,229
<b>Net profit for the period</b>	<b>35,979</b>	<b>16,706</b>	<b>63,924</b>	<b>36,326</b>
Average number of shares outstanding (thousand)	11,402	11,402	11,402	11,402
Average number of shares outstanding after dilution	11,402	11,402	11,402	11,402
<b>Earnings per share, SEK</b>	<b>3.16</b>	<b>1.47</b>	<b>5.61</b>	<b>3.19</b>
<b>Earnings per share, SEK after dilution</b>	<b>3.16</b>	<b>1.47</b>	<b>5.61</b>	<b>3.19</b>

## Consolidated Statement of Comprehensive Result

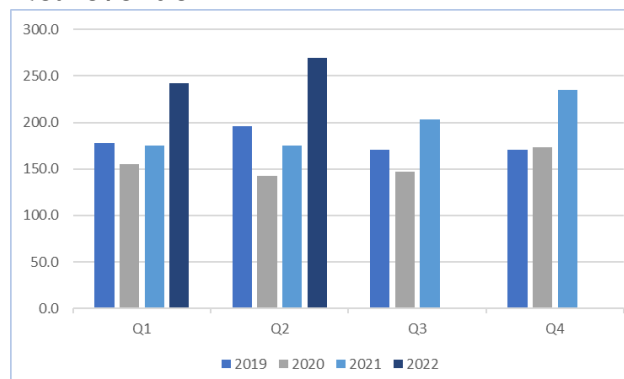
Amounts in SEK thousand	April - June		January - June	
	2022	2021	2022	2021
<b>Net profit for the period</b>	<b>35,979</b>	<b>16,706</b>	<b>63,924</b>	<b>36,326</b>
Other comprehensive result that may be reposted to net profit for the period				
Translation differences	11,336	-3,134	11,916	1,400
<b>Total profit for the period</b>	<b>47,315</b>	<b>13,572</b>	<b>75,840</b>	<b>37,726</b>
Total profit for the period attributable to:				
The Parent Company's equity holders	47,315	13,572	75,840	37,726

## Quarterly Income Statements

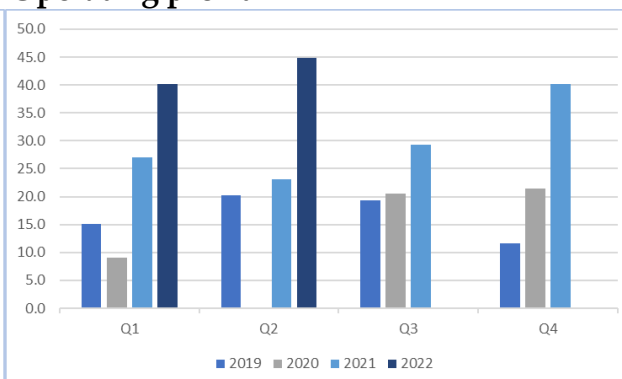
Amount in MSEK)	2022		2021				2020				2019			
	Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net revenue	242.3	269.1	175.2	175.2	203.4	234.5	155.5	142.3	147.0	173.4	178.1	195.8	170.8	170.6
Raw materials, supplies and goods for resale	-136.2	-150.8	-93.9	-91.8	-110.5	-128.0	-82.8	-88.2	-78.2	-97.0	-103.9	-114.0	-94.4	-95.3
Gross profit	106.2	118.3	81.3	83.4	92.9	106.5	72.7	54.1	68.8	76.4	74.2	81.8	76.4	75.3
Gross margin	43.8%	44.0%	46.4%	47.6%	45.7%	45.4%	46.8%	38.0%	46.8%	44.1%	41.7%	41.8%	44.7%	44.1%
Other income	2.7	7.2	3.5	1.7	1.8	4.8	1.5	6.9	5.3	5.4	2.5	0.7	1.2	0.7
Operating costs	-61.8	-72.9	-51.7	-55.8	-58.9	-64.2	-58.5	-54.2	-47.0	-54.8	-55.8	-56.5	-51.8	-58.0
Depreciation, amortisation and impairment charges	-6.9	-7.7	-6.2	-6.3	-6.5	-7.0	-6.7	-6.7	-6.6	-5.8	-5.8	-5.8	-6.5	-6.4
<b>Operating profit</b>	<b>40.2</b>	<b>44.9</b>	<b>26.9</b>	<b>23.0</b>	<b>29.3</b>	<b>40.1</b>	<b>9.0</b>	<b>0.1</b>	<b>20.5</b>	<b>21.2</b>	<b>15.1</b>	<b>20.2</b>	<b>19.3</b>	<b>11.6</b>
<b>Operating margin</b>	<b>16.6%</b>	<b>16.7%</b>	<b>15.4%</b>	<b>13.1%</b>	<b>14.4%</b>	<b>17.1%</b>	<b>5.8%</b>	<b>0.1%</b>	<b>13.9%</b>	<b>12.2%</b>	<b>8.5%</b>	<b>10.3%</b>	<b>11.3%</b>	<b>6.8%</b>
<b>Operating profit per share</b>	<b>3.5</b>	<b>3.9</b>	<b>2.4</b>	<b>2.0</b>	<b>2.6</b>	<b>3.5</b>	<b>0.8</b>	<b>0.0</b>	<b>1.8</b>	<b>1.9</b>	<b>1.3</b>	<b>1.8</b>	<b>1.7</b>	<b>1.0</b>

## Quarterly development of:

### Net revenue



### Operating profit



KEY FINANCIAL INDICATORS	1 January – 30 June		1 January – 31 December				
	2022	2021	2021	2020	2019	2018	2017
Revenue growth, %	46	18	28	-14	1	7	12
Organic growth %, (local currencies)	34	29	33	-9	4	8	13
Operating margin, %	16.6	14.3	15.2	8.2	9.3	12.0	12.1
Profit margin, %	16.3	13.9	14.7	7.6	8.8	11.8	12.1
Average equity	287.7	217.3	244.0	198.3	183.7	167.3	145.9
Return on equity, %	22.2	16.7	35.8	16.9	25.7	42.3	44.6
Equity ratio, %	45.3	49.2	50.0	51.3	45.3	53.0	49.2
Interest-bearing net cash (liabilities -), MSEK*	4.6	-3.1	40.7	-13.2	-89.6	-2.5	9.2
Earnings per share, SEK	5.61	3.19	7.67	2.94	4.14	6.20	5.70
Equity per share, SEK	26.06	19.71	24.40	18.40	16.37	15.85	13.50
Dividend per share, SEK	5.00	2.00	2.00	0.00	4.00	4.00	3.60
Average number of shares outstanding	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988
Number of shares outstanding at end of period	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988
Average number of employees	578	531	553	502	482	446	358

\* Interest-bearing net cash (liabilities -), has been effected by 30 MSEK by the introduction of IFRS 16

## Consolidated Balance Sheet

Amounts in SEK thousand	2022-06	2021-06	2021-12	2020-12
<b>Assets</b>				
Intangible non-current assets	26,595	24,296	25,617	23,486
Other non-current assets	130,638	136,832	133,320	132,597
Inventories	206,031	114,698	145,917	106,648
Trade receivables	148,406	79,090	114,216	72,012
Other current assets	32,185	23,910	20,748	21,323
Cash and cash equivalents	112,505	78,205	116,367	66,276
<b>Total assets</b>	<b>656,360</b>	<b>457,031</b>	<b>556,185</b>	<b>422,342</b>
<b>Equity and liabilities</b>				
Equity	297,088	224,730	278,258	209,809
Long-term interest-bearing liabilities	43,266	52,694	46,078	51,274
Long-term non-interest-bearing liabilities	5,648	4,989	5,766	4,601
Current interest-bearing liabilities	64,609	28,636	29,583	28,179
Current non-interest-bearing liabilities	245,749	145,982	196,500	128,479
<b>Total equity and liabilities</b>	<b>656,360</b>	<b>457,031</b>	<b>556,185</b>	<b>422,342</b>

## Changes in Consolidated Equity

2022	Other		Retained earnings		Total	
Amounts in SEK thousand	Share capital	contributed capital	Reserves	including net profit for the period	Total	equity
<b>OPENING EQUITY 2022-01-01</b>	<b>2,850</b>	<b>43,231</b>	<b>-6,432</b>	<b>238,609</b>	<b>278,258</b>	<b>278,258</b>
Net profit for the period				63,924	63,924	63,924
<b>Other total profit</b>						
Translation differences during the period			11,916		11,916	11,916
<b>Transactions with shareholders</b>						
Dividend				-57,010	-57,010	-57,010
<b>CLOSING EQUITY 2022-06-30</b>	<b>2,850</b>	<b>43,231</b>	<b>5,484</b>	<b>245,523</b>	<b>297,088</b>	<b>297,088</b>

2021	Other		Retained earnings		Total	
Amounts in SEK thousand	Share capital	contributed capital	Reserves	including net profit for the period	Total	equity
<b>OPENING EQUITY 2021-01-01</b>	<b>2,850</b>	<b>43,231</b>	<b>,156</b>	<b>163,572</b>	<b>209,809</b>	<b>209,809</b>
Net profit for the period				36,326	36,326	36,326
<b>Other total profit</b>						
Translation differences during the period			1,400		1,400	1,400
<b>Transactions with shareholders</b>						
Dividend				-22,806	-22,806	-22,806
<b>CLOSING EQUITY 2021-06-30</b>	<b>2,850</b>	<b>43,231</b>	<b>1,556</b>	<b>177,092</b>	<b>224,729</b>	<b>224,729</b>

## Consolidated Cash Flow Statement

Amounts in SEK thousand	April-June		January-June	
	2022	2021	2022	2021
<b>Operating activities</b>				
Operating profit	44 885	23 091	85 065	50 130
<i>Adjustment for items not included in cash flow</i>				
Depreciation, amortisation and impairment charges	7 748	6 257	14 661	12 457
Other non cash generated items	-5 535	-4 385	-9 892	-8 553
	<b>47 098</b>	<b>24 963</b>	<b>89 834</b>	<b>54 034</b>
Interest income	302	104	461	276
Interest expense	-222	-240	-397	-467
Paid taxes	-5 232	-4 330	-9 016	-5 490
<b>Cash flow from operating activities before changes in working capital</b>	<b>41 946</b>	<b>20 497</b>	<b>80 882</b>	<b>48 353</b>
<b>Cash flow from changes in working capital</b>				
Inventories	-26 177	-2 764	-49 913	-6 452
Trade receivables	5 689	20 929	-23 421	2 005
Other short-term receivables	-4 557	-4 809	-11 553	-2 586
Trade payables	9 697	-549	3 249	48
Other liabilities	-2 911	-8 507	17 487	-3 683
<b>Cash flow from operating activities</b>	<b>23 687</b>	<b>24 797</b>	<b>16 731</b>	<b>37 685</b>
<b>Investment activities</b>				
Acquisition of intangible non-current assets	-1 226	-1 623	-2 490	-2 102
Acquisition of tangible non-current assets	-1 874	42	-3 991	-3 404
Change in long-term receivable	-509	137	-569	-182
<b>Cash flow from investment activities</b>	<b>-3 609</b>	<b>-1 444</b>	<b>-7 050</b>	<b>-5 688</b>
<b>Financing activities</b>				
Repayment/raising loans	37 664	-3 313	36 770	655
Paid dividend	-57 010	-22 806	-57 010	-22 806
<b>Cash flow from financing activities</b>	<b>-19 346</b>	<b>-26 119</b>	<b>-20 240</b>	<b>-22 151</b>
<b>Cash flow for the year</b>	<b>732</b>	<b>-2 766</b>	<b>-10 559</b>	<b>9 846</b>
Cash and cash equivalents at beginning of period	105 838	80 586	116 367	66 276
Translation difference in cash and cash equivalents	5 935	385	6 697	2 083
<b>Cash and cash equivalents at end of period</b>	<b>112 505</b>	<b>78 205</b>	<b>112 505</b>	<b>78 205</b>



## Parent Company Income Statement

Amounts in SEK thousand	3 months		6 months	
	April - June		January - June	
	2022	2021	2022	2021
Net revenue	6,868	6,617	13,765	13,147
Other operating income	22	30	43	67
<b>Total revenue</b>	<b>6,890</b>	<b>6,647</b>	<b>13,808</b>	<b>13,214</b>
Other external costs	-2,706	-2,025	-5,427	-4,133
Personnel costs	-5,809	-6,117	-10,938	-10,392
Depreciation, amortisation and impairment charges	-831	-621	-1,601	-1,239
<b>Operating profit</b>	<b>-2,456</b>	<b>-2,116</b>	<b>-4,158</b>	<b>-2,550</b>
Net finance items	6,174	13,404	5,774	13,296
<b>Profit after finance items</b>	<b>3,718</b>	<b>11,288</b>	<b>1,616</b>	<b>10,746</b>
Taxes	-42	-24	-71	-29
<b>Net profit for the period</b>	<b>3,676</b>	<b>11,264</b>	<b>1,545</b>	<b>10,717</b>

Since there are no comprehensive profit items, comprehensive income coincides with the period's results.

## Parent Company Balance Sheet

Amounts in SEK thousand	2022-06	2021-06	2021-12	2020-12
<b>Assets</b>				
Intangible non-current assets	24,641	22,103	23,573	21,132
Tangible non-current assets	676	755	657	797
Financial non-current assets	116,770	117,286	117,348	117,233
Short-term receivables	94,993	91,710	51,069	87,514
Cash and cash equivalents	0	0	43,305	27,656
<b>Total assets</b>	<b>237,080</b>	<b>231,854</b>	<b>235,952</b>	<b>254,332</b>
<b>Equity and liabilities</b>				
Equity	125,877	172,298	181,340	184,387
Untaxed reserves	12,800	9,936	12,800	9,936
Current liabilities	98,403	49,620	41,812	60,009
<b>Total equity and liabilities</b>	<b>237,080</b>	<b>231,854</b>	<b>235,952</b>	<b>254,332</b>

## Notes

### 1. Accounting policies

As was the case with the Annual Accounts for 2021, the Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by EU, recommendation No 1 (RFR 1) of the Swedish Financial Reporting Board. As was the case with the Annual Accounts for 2021, the Parent Company prepares its financial statements in accordance with the Annual Accounts Act and recommendation No 2 (RFR 2) of the Swedish Financial Reporting Board. The Year-end Report is prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The Year-end Report is prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34.16 are found in the financial reports and its notes as well as in the other parts of the interim report.

From 1 January 2019 Nilörngruppen applies IFRS 16 Leases. The Group has applied the simplified transition method and

has thus not recalculated comparative data. The simplification rule, that the right-of-use asset shall be equivalent to the lease liability, has been applied in the transition. No transition effect is therefore reported in equity. A complete description of the accounting policies for leases will be found in the 2020 Annual Report. Also refer to Note 3 for the effect of IFRS 16 on the quarter.

The Parent Company has chosen to apply the simplification rules in RFR 2, which means that all leases will continue to be reported as operating leases.

#### New accounting policies for 2022

No new accounting policies with significant impact on Nilörn have entered into force in 2022.

## 2. Information by geographic area

<b>Period January - June 2022</b>	<b>Sweden</b>	<b>Other Europe</b>	<b>Asia</b>	<b>Intra Group</b>	<b>Total</b>
<i>Revenue</i>					
External revenue	27,485	181,585	302,406	-	511,476
<b>Total revenue</b>	<b>27,485</b>	<b>181,585</b>	<b>302,406</b>	<b>0</b>	<b>511,476</b>
<i>Profit</i>					
Operating profit	9,617	33,134	44,486	-2,172	85,065
Interest income				461	461
Interest expense				-2,024	-2,024
Taxes on the on the period's profit				-19,578	-19,578
<b>Net profit for the period</b>	<b>9,617</b>	<b>33,134</b>	<b>44,486</b>	<b>-23,313</b>	<b>63,924</b>

### **Period January - June 2021**

<i>Revenue</i>					
External revenue	21,539	116,594	212,272	-	350,405
<b>Total revenue</b>	<b>21,539</b>	<b>116,594</b>	<b>212,272</b>	<b>0</b>	<b>350,405</b>
<i>Profit</i>					
Operating profit	7,464	16,502	28,317	-2,153	50,130
Interest income				276	276
Interest expense				-1,851	-1,851
Taxes on the profit for the year				-12,229	-12,229
<b>Net profit for the year</b>	<b>7,464</b>	<b>16,502</b>	<b>28,317</b>	<b>-15,957</b>	<b>36,326</b>

### 3. IFRS 16 Leases

<b>Report of financial position</b>	<b>30-Jun-22</b>	<b>Of which effect of IFRS 16</b>	<b>30 June 2022 not incl. effect of IFRS 16</b>
Other non-current assets	130,638	30,269	100,369
Other current assets	32,185	-1,349	33,534
Equity (profit for the year)	297,088	-827	297,915
Long-term interest-bearing liabilities	43,266	12,632	30,634
Short-term interest-bearing liabilities	64,609	17,115	47,494
<b>Total effect on equity</b>		<b>28,920</b>	

<b>Report of effects on profit</b>	<b>Jan-Jun 2022</b>	<b>Of which effect of IFRS 16</b>	<b>Jan-June 2022 not incl. effect of IFRS 16</b>
Other external cost	-36,902	9,335	-46,237
Depreciation, amortisation and impairment	-14,661	-8,699	-5,962
Net finance items	-1,563	-496	-1,067
Taxes	-19,578	-30	-19,548
<b>Total</b>	<b>-72,704</b>	<b>110</b>	<b>-72,814</b>

<b>Key financial indicators</b>	<b>Jan-Jun 2022</b>	<b>Of which effect of IFRS 16</b>	<b>Jan-June 2022 not incl. effect of IFRS 16</b>
Operating margin	16.6%	0.1%	16.5%
Net cash and cash equivalents (liabilities)	4.6	-29.7	34.4
Equity ratio, %	45.3%	-2.1%	47.3%

#### 4. Definitions of alternative key financial indicators

ESMA (The European Securities and Markets Authority) has published guidelines for alternative key financial indicators for companies with securities listed on a regulated market within EU. These guidelines shall be applied to alternative key financial indicators used starting 3 October 2016. Reference is made in the annual accounts to a number of non-IFRS performance metrics used to help investors as well as management to analyse the company's operations. These financial metrics should therefore not be seen as replacements for metrics defined according to IFRS. Since all companies do not calculate financial metrics in the same way, they are not always comparable with metrics used by other companies. These financial metrics should therefore not be seen as replacements for metrics defined according to IFRS. We describe below the various non-IFRS performance metrics used as a complement to the financial information reported in accordance with IFRS and how these metrics have been used.

##### *Definitions of key financial indicators not defined by IFRS*

<u>Non-IFRS metrics</u>	<u>Definition</u>	<u>Justification</u>
<b>Average equity</b>	Equity at the beginning of the period, plus equity at the end of the period, divided by two.	The metric is the difference between the Group's assets and liabilities, which is equivalent to consolidated equity contributed by owners and the consolidated aggregated profit. This metric is used to report the capital attributable to the Group's owners.
<b>Average number of employees</b>	Average number of yearly employed	This metric is used to measure the development of the Group's workforce.
<b>Revenue growth</b>	Net revenue at the end of the period, minus net revenue at the beginning of the period, divided by net revenue at the beginning of the period.	This metric is used to measure the development of the Group's revenue over time.
<b>Return on equity</b>	Period's result according to the income statement in percent of average equity.	This metric is used to analyse profitability over time, given the resources attributable to the Parent Company's owners.
<b>Return on capital employed</b>	Result before taxes, plus financial expenses, in percent of average capital employed.	Return on capital employed is a profitability metric used to gauge the result relative to the capital required to run the business.
<b>Interest-bearing net cash and cash equivalents/liabilities</b>	Interest-bearing receivables, cash and cash equivalents, reduced by interest-bearing liabilities.	The metric shows the total debt financing and is used as a complement to judge the feasibility of paying dividends, to implement strategic investments and to gauge the Group's ability to meet its financial obligations.
<b>Operating margin</b>	Operating result in percent of net revenue.	This metric is used to measure operative profitability.
<b>Equity ratio</b>	Equity in percent of balance sheet total.	This measure shows the proportion of the company's total assets financed with equity by its shareholders. A high equity ratio is an indication of financial strength.
<b>Operating margin</b>	Operating result in percent of net revenue.	This metric is used to measure operative profitability.

### Nilörngruppen in Brief

Nilörngruppen is a global company founded in the 1970s, with expertise in adding value to trademarks through branding in the form of labels, packaging and accessories, primarily for customers in the fashion and apparel industry. Nilörngruppen offers complete, creative and customised concepts in branding, design, product development and logistic solutions. The Group conducts business via its own subsidiaries in Sweden, Denmark, Great Britain, Germany, Belgium, Portugal, Hong Kong, India, Turkey, China, Bangladesh, Italy and Pakistan. The Group has partner companies in Tunisia and Switzerland.