



Interim Report

Extenda Retail Holding 1 AB (publ)

Org Nr: 559167-1507

Q2 2025

January - June in brief

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net sales*	165,886	169,486	337,415	339,310	686,910
<i>of which Annual software agreements continually renewed (%)</i>	87.8%	85.1%	84.8%	84.90%	86.0%
EBITDA	52,389	28,282	97,795	70,072	156,458
Adjusted EBITDA**	53,019	32,635	108,437	66,078	175,346
<i>Adjusted EBITDA-margin (%)</i>	32.0%	19.3%	32.1%	19.5%	25.5%

*Please see Note G2

**Adjusted EBITDA consists of EBITDA excluding items affecting comparability. Please see the details in Note G4. Please find definitions of KPIs and alternative performance measures on page 20.

The second quarter 2025

- Net sales were SEK 165,886 thousand. Software-related revenue, including our Hii Retail and Warehouse Management solutions, amounted to SEK 145,715 thousand and grew by 1.1%. The ongoing challenging economic climate has made some customers more cautious with new spending commitments, affecting the pace of recurring revenue growth. Service revenues amounted to SEK 19,343 thousand, representing a decrease of SEK 4,889 thousand compared to the same period the previous year. This decrease is largely due to our shift away from large implementation projects, as our new products require less custom services than the classic products, allowing significantly faster implementations.
- The share of annual agreements that are continually renewed (i.e., recurring revenue) amounts to 87.8% of Net sales. Annual Recurring Revenue increased by SEK 23,0m to SEK 570,4m, corresponding to a growth rate of 4,2%.
- The Adjusted EBITDA margin increased to 32.0%, compared to 19.2% during the same period last year. Adjusted EBITDA amounts to SEK 53,019 thousand, an increase of SEK 20,385 thousand, mainly due to efficiency measures that lowered costs for consultants and employees, and increased the share of recurring revenue, as commented above.
- During the quarter, Extenda Retail incorporated a new group entity in India with the intention of consolidating resources currently sourced through third parties in the region.

Comments from CEO Leendert Venema

Continued efficiency improvements and further EBITDA growth marked Extenda Retail's second quarter of 2025. Building on strong momentum from 2024, the company experienced growth in Annual Recurring Revenue. Overall net sales remained roughly flat, primarily due to an anticipated decline in service revenues resulting from the transition of classic applications to Hii Retail. This transition enables Extenda Retail to deliver new technology with a significantly lower total cost of ownership, primarily due to reduced custom services.

With the majority of tier 1 existing customers beginning their migration to the Hii Retail platform, we now proceed according to plan and expand our focus to the tier 2 and tier 3 markets where we see further opportunities and where we've also seen a growing interest. These segments have different needs, as they require capabilities built into the point-of-sale suite for which tier 1 has separate vendors. Extenda Retail's forward roadmap has an increased focus on these segments, and the company anticipates acquiring new customers from this market segment in the coming quarters.

The mission to bring cutting-edge cloud technology to all existing customers continues, with several tier 1 retailers already successfully migrating to the new platform. As a native Google Cloud solution, Hii Checkout continues to prove its operational stability and ability to handle exceptionally high transaction volumes, paired

with shorter implementation lead times relative to previous on-premise solutions. This shift allows both Extenda Retail and its customers to operate more cost-efficiently.

Summary of financial information

The table below summarizes Extenda Retail's financial information. Please see the definitions on page 20.

Net Sales Q2

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Software revenue	145,715	144,173	294,890	288,061	590,759
Service revenue	19,343	24,232	40,730	49,145	91,587
Hosting and infrastructure*	681	792	1,363	1,570	3,133
Hardware and technical services*	148	289	434	533	1,432
Total Net sales	165,886	169,486	337,415	339,310	686,910

*Offerings being phased out over time.

Software-related revenues grew during the period by SEK 1,542 thousand or 1.1% to SEK 145,715 thousand. The growth and modernization of core technology for retail and warehouse spaces drive demand for our Hii Retail suite and WMS software, positioning them as key contributors to our product growth. Our software-related annual agreements, which are continually renewed, now account for 87.8% of net sales, up from 85.1% last year.

Service revenue for the current period amounts to SEK 19,343, which is SEK 4,889 thousand less than during the same period last year. The decrease in service revenue for Q2 2025 continues our strategic shift away from large implementation projects, as the Hii Retail solution requires shorter implementation lead times than the classic products.

Hosting and infrastructure, together with hardware and technical services, are at a low level and continue to decline, in line with our plan to discontinue these offerings.

The strengthening of the Swedish krona against other currencies had a negative impact of SEK (2,342) thousands on the Group's revenue in Q2 2025 in comparison to Q2 2024.

Result Q2

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Operating profit	29,249	3,854	51,282	21,910	55,511
Add back amortization, depreciation and write-downs	23,140	24,429	46,513	48,162	100,948
Add back items affecting comparability*	630	4,353	10,642	(3,994)	18,888
Adjusted EBITDA	53,019	32,635	108,437	66,078	175,346
Adjusted EBITDA-margin (%)	32.0%	19.3%	32.1%	19.5%	25.5%

*Adjusted EBITDA is EBITDA less items affecting comparability (please see Note G4 for details).

The operating profit for the period was SEK 29,249 thousand, vs. SEK 3,854 thousand for the same period last year. The operating profit included one-off items of SEK (630) thousand vs. last year's SEK (4,353) thousand and depreciation and amortization of SEK (23,140) thousand vs. SEK (24,429) thousand the previous year. Net profit for the period was SEK 17,347 thousand, including net financial items of SEK (10,637) thousand and income tax of SEK

(1,265) thousand. In the previous year, net profit for the period amounted to SEK (16,659) thousand, which includes net financial items of SEK (22,408) thousand and income tax of SEK 1,896 thousand.

Adjusted EBITDA increased by SEK 20,383 thousand to SEK 53,019 thousand. The corresponding margin increased from 19.3% to 32.0%, primarily driven by improved revenue mix, increased effectiveness and efficiency leading to reduced costs. This aligns with our strategy to enhance scalability in our operations to ensure sustainable and profitable growth and continued market leadership.

Total cost Q2

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Project costs and operating costs	(22,544)	(24,478)	(43,996)	(49,892)	(97,013)
Other external costs	(39,982)	(47,383)	(83,520)	(96,329)	(189,611)
Other costs for employee compensation	(67,389)	(86,001)	(143,744)	(169,132)	(322,879)
Amortizations, depreciations and write-downs	(23,140)	(24,429)	(46,513)	(48,162)	(100,948)
Other operating expenses	(3,760)	(1,036)	(5,193)	(2,625)	(4,054)
Total cost	(156,816)	(183,326)	(322,966)	(366,140)	(714,505)

*recalculated to be comparable with 2024 (whole year) and Q1 2025

Efficient partnerships in cost-effective locations enable the Group to adapt easily to changes in the revenue mix. Thus, the corresponding cost reduction of SEK 1,934 thousand, directly related to the anticipated decrease in service revenue, allows us to maintain a high service margin in Q2 2025 compared to the same quarter last year.

Other external costs include consulting fees, mainly for maintaining our product suite and developing new products, and spending on IT infrastructure, marketing, and office-related expenses. Other external costs decreased by SEK 7,401 thousand compared to the same period last year, leveraging efficiencies in the cost of maintaining our product suite and customers migrating to new technology.

Other costs for employee compensation for this quarter totaled SEK 67,389 thousand, a decrease of SEK 18,612 thousand compared to the same period last year. Adjusted for items affecting comparability, the decrease amounts to SEK 14,532 thousand. The items affecting comparability, totaling SEK (630) thousand in Q2 2025, include provisions for restructuring, following the shift in revenue mix and the cost of maintaining our product suite.

We continue to invest in our cloud-native product. The capitalized work for our own account (i.e., work performed by our own employees and consultants) decreased by SEK 1,064 thousand compared to the same period last year, as the cloud-native Hii Retail suite is live and incremental investments are lower than the initial build investment. It amounted to SEK 15,281 thousand, compared to SEK 16,345 thousand in the same period last year.

Financial position and cash flow in brief

SEK thousands	2025	2024	2024
	Jun 30	Jun 30	Dec 31
Non-current assets	946,190	986,613	975,328
Other current assets	129,245	134,031	129,882
Cash and cash equivalents	18,519	24,304	20,909
Total assets	1,093,955	1,144,949	1,126,119
Total equity	221,625	181,087	219,806
Non-current liabilities	577,014	641,176	590,746
Current liabilities	295,315	322,686	315,567
Total equity and liabilities	1,093,955	1,144,949	1,126,119

Total assets at the end of the period amounted to SEK 1,093,955 thousand compared to year-end 2024 of SEK 1,126,119 thousand, of which SEK 859,817 thousand consisted of intangible assets, primarily goodwill and other intangible assets arising in connection with the acquisition of Re-Vision group on April 1, 2022, and STG's acquisitions of Visma Retail and Extenda. As of December 31, 2024, the intangible assets amounted to SEK 881,076 thousand. Investments in intangible fixed assets consist of capitalized development for internally developed software. The investments in intangible fixed assets from January to June 2025 totaled SEK 30,952 thousand, and during the same period last year, SEK 35,353 thousand.

Cash and cash equivalents by June 30, 2025, amounted to SEK 18,519 thousand and decreased by SEK 2,390 thousand during the period from January to June 2025. The net working capital change includes SEK 27,240 thousand repayments of deferred taxes from the Corona pandemic, a decrease in salary accruals related to paid bonuses, commissions and restructuring from last year. Cash Flow from current activities amounted to SEK 33,740 thousand. Investment in financial, intangible, and tangible assets was SEK (31,064) thousand, and lease payments were SEK (11,508) thousand. To manage timing in customer payments, new borrowings of SEK 5,000 thousand from the revolving credit facility were made in June 2025.

Total equity amounted to SEK 221,625 thousand, compared to SEK 219,806 thousand at year-end 2024. The change derives from the net profit of SEK 7,501 thousand, currency differences in equity of SEK (5,682) thousand. The equity/assets ratio at the end of the period was 20.3%, compared to 15.8% in the same period last year.

Non-current liabilities decreased by SEK 13,732 thousand compared to year-end 2024 and by SEK 64,162 thousand compared to June 2024, mainly due to repayment of loans and reclassification of long-term lease liabilities to short-term lease liabilities.

In Q2 2025, current liabilities of SEK 295,315 thousand include SEK 21,376 thousand of deferred payments of taxes for social charges and withholding taxes to support companies through the Corona pandemic.

Investments

The group's total cash flow for investments (intangible, tangible, and financial) has come down as a percentage of revenue as the product becomes more feature-complete. It amounts to SEK (31,064) thousand for January - June 2025, compared to SEK (36,449) thousand in Q2 2024. The investments primarily refer to developing new functionality in our cloud-native solution, Hii Retail.

Seasonal variations

The business is somewhat seasonal in terms of Service revenue, with less service revenue in June–August due to the summer holidays in the Nordics.

Financing

The group's cash and cash equivalents consist of bank balances. At the end of the period, they amounted to SEK 18,519 thousand.

The current financing consists of a bond loan with a framework of SEK 1,000,000 thousand, of which SEK 550,000 thousand has been used. The bond was issued at the end of March 2022 and runs for five years with an interest rate of 3M STIBOR plus a 6.75% margin. There are no ongoing covenants attached to the bond loan. The Group had a shareholder loan from Extenda Retail S.á.r.l. with a fixed interest rate of 5.0% payable on demand and a five-year maturity. As of September 30, 2024, the loan was contributed by Extenda Retail S.á.r.l. as a shareholder contribution, improving the Group's equity and the equity/asset ratio (%).

In Q1 2025, Extenda Retail extended its super senior revolving facility agreement to January 31, 2027. As of June 30, 2025, the facility was drawn with SEK 30,000 thousand, compared to SEK 15,000 thousand as of June 30, 2024. The total credit facility amounts to SEK 75,000 thousand.

Significant risks and uncertainties

Risks and uncertainty affect Extenda Retail's operations, financial position, and results. Managing these risks is necessary for Extenda Retail to meet its short-term goals. These risks can be divided into three main categories: market-related, operational, and financial. The group's 2024 annual report describes these risks in greater detail.

Market and Technological Development

Macroeconomic and cyclical developments and trends affecting specific customer segments influence the Extenda Retail market. The financial climate influences demand from individuals and businesses, changing our customers' buying patterns, influencing investment plans and strategic initiatives. The market in 2024 was volatile, with higher-than-usual inflation and higher-than-recent benchmark interest rates. Normally, changes in the global trade environment don't directly impact Extenda Retail's main business; however, they bring new uncertainty and might delay our customers' investment decisions.

Global change in retail continues, with digitalization and new ways of delivering customer service, creating powerful forces of change that affect the entire retail and distribution industries, including our customers. The changes brought about by digitalization, increased demand for customization, dynamic pricing, AI, and mobile-first strategies require continued investment in research and development to ensure Extenda Retail can remain at the forefront of developing next-generation solutions for retailers and distributors.

This rapid industry change can lead to longer sales cycles because customers must make strategic choices with long-term implications for their businesses. Nevertheless, these developments offer us a strong and growing potential for new and additional sales of our market-leading, cloud-native offerings.

Operational risk

A prerequisite for additional sales and maintaining our long-term customer relationships is the delivery of successful customer projects. Extenda Retail's business depends on continued strong renewals by its existing customer base, and the loss of key customers may significantly negatively impact Extenda Retail's financial results. It is of the utmost importance that we continue to put the customer at the center of everything we do, as quality issues in customer projects or not meeting customer expectations can lead to long-term damage to our good reputation in the market.

Financial risk

Extenda Group is exposed to financial risks in its operations. Financial risks mainly pertain to currency, interest rate, credit, and counterparty risks. Risk management is regulated by the finance policy adopted by the Board. The ultimate responsibility for managing the Group's financial risks and developing methods and principles of financial risk management lies with the Extenda Retail management team. The group has a bond loan and a credit facility. The bond loan matures in March 2027, and the credit facility matures in January 2027. For more information concerning these risks, refer to Note G29, Financial Risk Management, and Financial Instruments of the Extenda Retail 2024 Annual Report.

Other information

The ongoing conflicts in Ukraine and the Middle East are deeply concerning. While the conflicts may have financially impacted our business, Extenda Retail has no direct operations in either Russia or the Middle East. We are monitoring the situation and are ready to adapt our strategies to navigate these geopolitical challenges. Due to the unpredictable nature of these events, it is difficult to quantify their long-term effects on our operations. However, we remain committed to our core business and customer service globally.

Current market situation

Globally, inflation and interest rates have been declining from previous top levels, while the heightened geopolitical tensions persist, with increased US trade tariffs being the latest event. The Group is relatively unaffected by the tariffs but has experienced some revenue delays related to slower investment decisions from our clients.

Events after the end of the reporting period

There are no other significant events after the reporting period to be reported.

Parent company

The Parent Company Extenda Retail Holding 1 AB (publ.) (559167-1507) was established in 2018 and was registered with the Swedish Companies Registration Office for the first time on July 5, 2018. The company is owned by Extenda Retail S.á.r.l., which is ultimately owned by STG Fund V and the management.

Net financial items for Q2 2025 totaled SEK (1,765) thousand, and income after tax amounted to SEK (1,766) thousand. Net financial items for Q2 2024 totaled SEK (4,089) thousand, and income after tax amounted to SEK (4,090) thousand.

Investments in property, plant, and equipment, and intangible assets for the period amounted to SEK - (-).

On June 30, 2025, the Parent Company had SEK 541,094 thousand in long-term liabilities consisting of the Bond Loan of SEK 550,000 thousand offset by prepaid loan fees of SEK 8,906 thousand and a Long-term receivable of SEK 542,883 thousand to Extenda Retail Holding 3 AB in comparison to June 30, 2024, the Parent Company had SEK 536,004 thousand in Long-term liabilities consisting of the Bond Loan of SEK 550,000 thousand, offset by prepaid loan fees of SEK 13,996 thousand and a long-term receivable of SEK 555,366 thousand to Extenda Retail Holding 3 AB.

Extenda Retail Holding 1 AB has no significant related party transactions other than transactions with group companies. All related party transactions are carried out on market-based terms. The nature and scope of related party transactions during the period are essentially the same as in 2024.

Statement of Assurance

The Board of Directors and CEO assure that the interim report provides an accurate and fair review of the Parent Company and the Group's operations, position, and earnings and describes the material risks and uncertainties faced by the Parent Company and the Group.

Stockholm, August 29, 2025

Leendert Venema
CEO
Stockholm

Johnie Tristan Treadwell
Chairman of the Board
Menlo Park

Adam Hendricks
Board Member
Menlo Park

Edoardo Bounous
Board Member
London

Stephen Henkenmeier
Board Member
Menlo Park

Laura Shesgreen
Board Member
Dublin

Håkan Valberg
Board Member
Lissabon

This interim report is unaudited.

Condensed consolidated statement of profit and loss and other comprehensive income

SEK thousands	No te	2025		2024		2025		2024		2024	
		Apr - Jun	Apr - Jun*	Jan - Jun	Jan - Jun*	Jan - Jun	Jan - Dec	Jan - Jun	Jan - Jun*	Jan - Dec	Jan - Dec
Net Sales	G2	165,886	169,486	337,415	339,310	686,910					
Work performed by the group and capitalized		15,281	16,346	30,953	35,092	67,329					
Other operating income		4,897	1,348	5,880	13,648	15,777					
Total revenue		186,065	187,180	374,248	388,050	770,016					
Project costs and operating costs		(22,544)	(24,478)	(43,996)	(49,892)	(97,013)					
Other external costs		(39,982)	(47,383)	(83,520)	(96,329)	(189,611)					
Other costs for employee compensation		(67,389)	(86,001)	(143,744)	(169,132)	(322,879)					
Amortizations, depreciations and write-downs		(23,140)	(24,429)	(46,513)	(48,162)	(100,948)					
Other operating expenses		(3,760)	(1,036)	(5,193)	(2,625)	(4,054)					
Total cost		(156,816)	(183,326)	(322,966)	(366,140)	(714,505)					
Operating profit		29,249	3,854	51,282	21,910	55,511					
Financial income		5,474	187	213	4,435	6,040					
Financial costs		(16,112)	(22,596)	(44,205)	(39,180)	(77,289)					
Net financial items		(10,637)	(22,408)	(43,992)	(34,744)	(71,249)					
Profit before tax		18,612	(18,555)	7,290	(12,835)	(15,738)					
Income tax		(1,265)	1,896	210	(1,630)	(7,661)					
Net profit for the period		17,347	(16,659)	7,501	(14,465)	(23,400)					
Other comprehensive income											
Items that can be reclassified to profit or loss											
Translation differences from operations abroad		(5,297)	(2,336)	(5,682)	(4,604)	(5,537)					
Total other comprehensive income		(5,297)	(2,336)	(5,682)	(4,604)	(5,537)					
Total comprehensive income for the period		12,050	(18,995)	1,819	(19,068)	(28,936)					
Profit for the period attributable to:											
Parent Company shareholders		17,347	(16,659)	7,501	(14,465)	(23,400)					
Total comprehensive income attributable to:											
Parent Company shareholders		12,050	(18,995)	1,819	(19,068)	(28,936)					

*recalculated to be comparable with 2024 (whole year) and Q1 2025

Condensed report on the financial position of the Group

SEK thousands	Note	2025	2024	2024
		Jun 30	Jun 30	Dec 31
Non-current assets				
Intangible assets and goodwill		859,817	891,119	881,076
Property, plant, and equipment		3,844	7,418	5,520
Right-of-use assets		38,145	51,096	44,741
Deferred tax assets		42,055	36,328	43,339
Other non-current assets		2,328	652	652
Total non-current assets		946,190	986,613	975,328
Current assets				
Trade receivables		107,418	102,997	105,456
Current tax assets		5,519	10,110	5,498
Contract assets		7,181	10,679	8,473
Other current assets		9,127	10,246	10,455
Cash and cash equivalents		18,519	24,304	20,909
Total current assets		147,764	158,335	150,792
Total assets		1,093,955	1,144,949	1,126,119
Equity				
Share capital		500	500	500
Other contributed capital		917,028	868,441	917,028
Reserves		(38,720)	(32,105)	(33,038)
Retained earnings including profit for the period		(657,183)	(655,749)	(664,684)
Total equity		221,625	181,087	219,806
Non-current liabilities				
Provisions		2,536	573	1,805
Loan liabilities		540,660	583,612	537,991
Non-current lease liabilities		24,724	37,715	30,838
Deferred tax liabilities		9,095	-	9,581
Other interest-bearing non-current liabilities		-	19,276	10,531
Total non-current liabilities		577,014	641,176	590,746
Current liabilities				
Trade payables		46,744	52,073	47,974
Other interest-bearing current liabilities		51,523	51,077	53,526
Current tax liabilities		-	172	68
Current lease liabilities		18,513	20,779	21,966
Contract liabilities		87,840	101,384	85,896
Other current liabilities		90,694	97,201	106,136
Total current liabilities		295,315	322,686	315,567
Total equity and liabilities		1,093,955	1,144,949	1,126,119

Condensed consolidated statement of changes in equity

Equity attributable to the Parent Company's shareholders

SEK thousands	Note	2025	2024	2024
		Jun 30	Jun 30	Dec 31
Equity				
Opening balances		219,806	200,155	200,155
Changes in equity				
Profit for the period		7,501	(14,465)	(23,400)
Shareholders Contribution		-	-	48,587
Translation differences		(5,682)	(4,604)	(5,537)
Total comprehensive income		1,819	(19,068)	19,650
Ending balance		221,625	181,087	219,806

Condensed consolidated cash flow statement

SEK thousands	Note	2025	2024	2024
		Jan - Jun	Jan - Jun	Jan - Dec
Operating profit		51,282	21,910	55,511
Adjustment for non-cash items, etc.		43,345	44,952	98,329
Interest received		210	431	964
Interest and financial items paid		(30,081)	(34,872)	(67,692)
Income tax paid		100	-	(167)
Cash flow from operations				
before changes in working capital		64,856	32,420	86,943
Cash flow from changes in working capital				
Change in current receivables		(1,311)	33,807	36,760
Change in current liabilities		(29,804)	(34,401)	(64,370)
Cash flow from current activities		33,740	31,825	59,333
Investing activities				
Acquisitions of intangible assets		(30,981)	(35,353)	(65,815)
Acquisitions of property, plant and equipment		(83)	(1,096)	(1,121)
Cash flow from investing activities		(31,064)	(36,449)	(66,936)
Financing activities				
Lease liability payments		(11,508)	(10,474)	(21,541)
New borrowings		5,000	15,000	25,000
Cash flow from financing activities		(6,508)	4,526	3,459
Cash flow for the period		(3,831)	(98)	(4,144)
Cash and cash equivalents at start of period		20,909	23,833	23,833
Translation difference on cash and cash equivalents		1,441	569	1,220
Cash and cash equivalents at end of period		18,519	24,304	20,909

Parent company income statement

SEK thousands	Note	2025	2024	2025	2024	2024
		Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Other external costs		(1)	(1)	(2)	(1)	(2)
Total cost		(1)	(1)	(2)	(1)	(2)
Operating profit		(1)	(1)	(2)	(1)	(2)
Financial income		12,506	14,728	25,274	29,465	57,652
Financial costs		(14,271)	(17,070)	(29,350)	(33,554)	(66,459)
Profit before tax		(1,766)	(2,343)	(4,078)	(4,090)	(8,810)
Appropriations		–	–	–	–	8,812
Income tax		–	–	–	–	(1,270)
Net profit for the period		(1,766)	(2,343)	(4,078)	(4,090)	(1,268)
Total comprehensive income for the period		(1,766)	(2,343)	(4,078)	(4,090)	(1,268)

Parent company balance sheet

SEK thousands	Note	2025	2024	2024
		Jun 30	Jun 30	Dec 31
Long-term assets				
Deferred tax assets		1,271	2,541	1,271
Shares in group companies		919,519	870,932	919,519
Long-term receivables from group companies		542,883	555,366	583,553
Total long-term assets		1,463,673	1,428,839	1,504,343
Short-term assets				
Trade receivables		0	-	8,973
Current tax assets		271	273	68
Total current assets		271	273	9,042
Total assets		1,463,943	1,429,112	1,513,385
Equity				
<i>Restricted equity</i>				
Share capital (50,000 shares)		500	500	500
Total restricted equity		500	500	500
<i>Unrestricted equity</i>				
Retained earnings		894,372	847,053	895,640
Profit for the period		(4,078)	(4,090)	(1,268)
Total unrestricted equity		890,294	842,963	894,372
Total equity		890,794	843,463	894,872
Long-term liabilities				
Loan liabilities		541,094	536,004	538,549
Total long-term liabilities		541,094	536,004	538,549
Short-term liabilities				
Short-term liabilities to group companies		32,056	49,645	79,964
Total current liabilities		32,056	49,645	79,964
Total equity and liabilities		1,463,943	1,429,112	1,513,385

Statement of changes in equity

Equity attributable to the Parent Company's shareholders

SEK thousands	Note	2025	2024	2024
		Jun 30	Jun 30	Dec 31
Equity				
Opening balances		894,872	847,553	847,553
Changes in equity				
Earnings for the period		(4,078)	(4,090)	(1,268)
Shareholders Contribution		-	-	48,587
Total comprehensive income		(4,078)	(4,090)	47,319
Ending balance		890,794	843,463	894,872

Notes

Note G1, Accounting Policies

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For the Parent Company, the report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. The Accounting policies adopted are consistent with those applied for in the 2024 Annual Report and should be read in conjunction with that Annual Report.

Preparing financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. The notes in the 2024 Annual Report describe those that are significant to the consolidated financial statements.

For practical reasons, the figures in this interim report have not been rounded off, which is why notes and tables may not total the correct amounts. Unless otherwise specified, all figures pertain to SEK thousands (k). The interim report provides alternative performance measures for monitoring the Group's operations.

New and changed accounting standards in 2024

Companies have previously been required to provide information about significant disclosures and accounting principles in IAS 1 – information about accounting principles, which has now been replaced by material information about accounting principles. The purpose is to ensure more company-specific information, less standardized and irrelevant information and that material information is not obscured by other information. None of the other standards and statements that have been published by the IASB and are effective for annual periods beginning on or after January 1, 2024, have had any significant impact on the financial statements of the Group.

Note G2, Net Sales

Total revenue is divided into the following lines of operations:

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Software Revenue	145,715	144,173	294,890	288,061	590,759
Service Revenue	19,343	24,232	40,730	49,145	91,587
Hosting and infrastructure*	681	792	1,363	1,570	3,133
Hardware and technical services*	148	289	434	533	1,432
Total Net Sales	165,886	169,486	337,415	339,310	686,910

*Offerings that will be phased out over time

Note G3, Recognition of financial instruments at fair value

Extenda Retail's financial assets are essentially non-interest-bearing and interest-bearing receivables, in which cash flows represent only payment for the initial investment and, where applicable, interest. Their value is intended to be held to maturity and is carried at amortized cost, which is a reasonable estimate of fair value. Financial liabilities are, for the most part, recognized at amortized cost. Financial instruments measured at fair value on the balance sheet are contingent considerations consisting of current liabilities with a value of SEK 0k. Contingent consideration liabilities are recognized at fair value based on management's best estimate of the most likely outcome (level 3, as defined in IFRS 13). Other assets and liabilities are recognized at amortized cost.

Note G4, Items affecting comparability

Accounting and Valuation Principles

Items affecting comparability refer to material items and events related to changes in the Group's structure or industry, which are relevant to understanding the Group's performance on a like-for-like basis. Group EBITDA is adjusted for items affecting comparability to enable the reader to monitor and analyze underlying profitability adjusted for items that affect comparability between periods.

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Items affecting Other operating income					
Settlement fee	-	236	-	9,393	9,208
Total items affecting Other operating income	0	236	0	9,393	9,208
Items affecting Direct costs					
Integration costs Re-vision	-	-	-	-	-
Onerous contracts and license fees (M&A insurance-related)	-	-	-	-	-
Total items affecting Direct costs	-	-	-	-	-
Items affecting Other external costs					
Legal and other services (M&A, M&A insurance, carve-out)	(70)	(244)	(148)	(244)	(153)
Outsourcing and offshoring of functions to India and Moldova	(376)	410	(1,103)	410	-
IT security & IT restructuring of the IT environment	(53)	(151)	(70)	(156)	(518)
Integration costs Re-Vision	-	-	-	-	-
Office restructuring	(53)	-	(53)	-	(623)
Redundancies (associated external cost)	-	-	-	-	(861)
Other	(24)	38	110	-	7
Total items affecting Other external costs	(575)	53	(1,264)	10	(2,148)
Items affecting Other costs for employee compensation					
Redundancies	(55)	-	(9,377)	-	(25,948)
Outsourcing and offshoring of functions to India and Moldova	-	(4,642)	-	(5,409)	-
Total items affecting Other costs for employee compensation	(55)	(4,642)	(9,377)	(5,409)	(25,948)
Total items affecting comparability in EBITDA	(630)	(4,353)	(10,642)	3,994	(18,888)

Note G5, Events after the end of the reporting period

There are no significant events after the reporting period to be reported.

Note G6, Transactions with related parties

Extenda Group conducts normal commercial transactions with its subsidiaries. No other significant transactions with related parties occurred.

Note G7, Summary of financial information

Please find definitions of KPIs and alternative performance measures on page 20.

SEK thousands	2025	2024	2025	2024	2024
	Apr - Jun	Apr - Jun*	Jan - Jun	Jan - Jun*	Jan - Dec
Net Sales	165,886	169,486	337,415	339,310	686,910
Total revenue*	186,065	187,180	374,248	388,050	770,016
Annual software agreements that are continually renewed	145,715	144,173	294,890	288,061	590,759
Share of annual software agreements continually renewed	87.8%	85.1%	87.4%	84.9%	86.0%
Operating profit	29,249	3,854	51,282	21,910	55,511
Operating profit margin, %	17.1%	2.3%	14.9%	6.20%	7.2%
EBITDA	52,389	28,282	97,795	70,072	156,458
Items affecting comparability**	630	4,353	10,642	(3,994)	18,888
Adj. EBITDA	53,019	32,635	108,437	66,078	175,346
Adj. EBITDA margin, %	32.0%	19.3%	32.1%	19.5%	25.5%
Net financial items	(10,637)	(22,408)	(43,992)	(34,744)	(71,249)
Net profit for the period	17,347	(16,659)	7,501	(14,465)	(23,400)
Profit margin, %	9.3%	neg	2.0%	neg	neg
Total assets	1,093,955	1,144,949	1,093,955	1,144,949	1,126,119
Cash and cash equivalents	18,519	24,304	18,519	24,304	20,909
Loan liabilities***	635,420	712,459	635,420	712,459	654,852
Equity	221,625	181,087	221,625	181,087	219,806
Net debt	616,901	688,155	616,901	688,155	633,943
Equity/assets ratio, %	20.3%	15.8%	20.3%	15.8%	19.5%

*recalculated to be comparable with 2024 (whole year) and Q1 2025

**Items affecting comparability (please see Note G4 for details)

*** Q2 2024 adjusted with Lease liabilities

About Extenda Retail

Extenda Retail simplifies innovation for leading retailers and 3PLs. With Extenda Retail's frictionless, game-changing software, retailers and logistics providers can grow their business and optimize their customers' experience.

The extensive portfolio includes the Hii Retail cloud platform, POS (point-of-sale) and checkout, WMS, Customer Intelligence and loyalty, and Pharmacy software. With over 40 years as an industry leader in retail software development, hundreds of retail chains with a presence in over 37 countries worldwide utilize Extenda Retail's solutions.

Since the fall of 2018, STG Partners, a US-based private equity firm with a proven track record of successful investments in technology companies, has backed Extenda Retail. Extenda Retail has a strong Nordic and European presence with several European offices. Its headquarters are situated in Stockholm, Sweden.

Learn more at www.extendaretail.com or follow the company on LinkedIn.

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extendaretail.com immediately after publication.

Financial calendar

November 30, 2025: Q3 2025 Interim report

Definitions of KPIs and alternative performance measures

The Interim Report includes key financial ratios based on IFRS. In addition, other key ratios (Alternative Performance Measures – APMs) are used by the Company and other interests to describe the Group's operations, which cannot be discerned or derived from the financial statements. These APMs are to be regarded as complements to the financial reporting presented in accordance with IFRS. It should be noted that the APMs defined below may differ somewhat from other companies' definitions of the same terms.

Net Sales

Net sales are the sum of gross sales minus any discounts.

Total revenue

Total revenue is the total revenue from recurring and nonrecurring revenue streams.

Annual agreements that are continually renewed

Annual software-related agreements that are continually renewed (i.e., recurring revenue), is an APM that is defined as revenue from customers for the provision of goods or services during the term of a contract where the customer cannot continue to benefit from the full functionality of the goods or services without ongoing payments and revenue streams that are expected to recur for more than 12 months. Recurring revenues are mainly from software, support, and maintenance contracts and also include recurring services related to software. For example, revenue from system implementation and migration is not recognized as recurring revenue.

The APM is used to follow the group's sales and the trend of converting nonrecurring revenue to recurring revenue.

Share of annual agreements that are continually renewed (%)

Annual software-related agreements that are continually renewed (i.e., recurring revenue) in percentage of Net Sales.

The APM is used to track the group's sales increase and the trend of converting nonrecurring revenue to recurring revenue in percentage.

Operating profit

Result before financial items and tax.

Operating margin (%)

Result before financial items and tax as a percentage of total revenue.

EBITDA

Result before interest, taxes, depreciation, amortization, and write-downs (Earnings before Interest, Tax, Depreciation, and Amortization).

The APM tracks the company's results generated by ongoing operations and enables profitability comparisons between companies and industries.

Items affecting comparability

Significant events and transactions that are relevant to pay attention to when a period's results are compared with another. Items affecting comparability refer to restructuring costs (consulting costs, costs related to staff reductions, loss agreements, and write-downs, acquisition costs, legal costs, and advisory costs in connection with the establishment of new subsidiaries, integration costs (consulting costs, fees, and write-downs)) in connection with acquisitions or mergers, write-downs of any additional purchase price, write-downs, and transactions from strategic decisions, such as capital gains and losses from the sale of businesses that are essential individually or in the aggregate, material customer losses, disputes, and insurance matters as well as severance pay or similar to members of the group's management team or in its subsidiaries.

Items affecting comparability are excluded to make it easier to compare results between periods.

Adjusted EBITDA

Result before interest, taxes, depreciation, amortization, and write-downs (Earnings before Interest, Tax, Depreciation, and Amortization) with items affecting comparability added back.

The APM is used to follow up on the company's results generated by ongoing operations. The APM enables profitability comparisons between companies and industries.

Adjusted EBITDA-margin (%)

Result before interest, taxes, depreciation, amortization, and write-downs (Earnings before Interest, Tax, Depreciation, and Amortization) with items affecting comparability added back as a percentage of Net Sales.

The APM reflects the business's operational profitability before amortization and write-downs of acquisition-related intangible assets. Along with sales growth, the APM is one important component of monitoring the company's profitability.

Net financial items

Interest income and similar items less interest expense and similar items.

Net profit for the period

Results after financial items, tax, and end-of-year appropriations.

The APM is used to track the company's results after tax.

Total Assets

The group's total assets

Cash and cash equivalents

Cash and bank equivalents are assets held in bank accounts.

Loan liabilities

Loan liabilities are the current and noncurrent parts of interest-bearing loans.

Net debt

Loan liabilities less cash and cash equivalents.

Equity/assets ratio (%)

Equity as a percentage (%) of total assets.

The APM shows the percentage of the assets financed with equity capital. The aim is to assess the group's ability to pay in the long term.