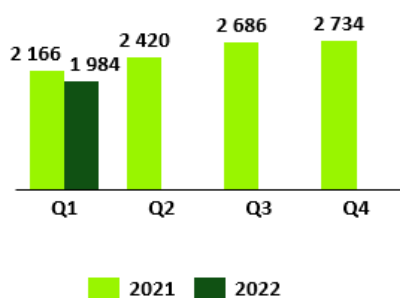


## HIGHLIGHTS<sup>1</sup>

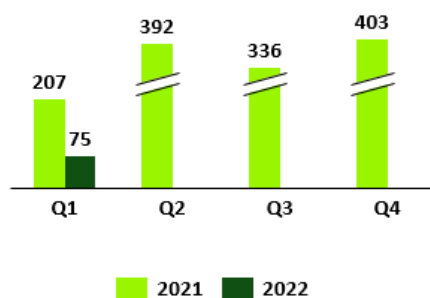
- Gaining market shares during challenging winter conditions
- Operating revenue of NOK 1 984 million (NOK 2 166 million)
- Gross margin of 38.0 per cent (40.4 per cent) – target of above 39 per cent remains
- EBITDA of NOK 75 million (NOK 207 million)
- Well prepared for the upcoming spring season



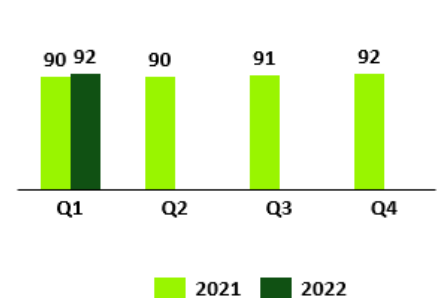
OPERATING REVENUES



EBITDA



NUMBER OF STORES

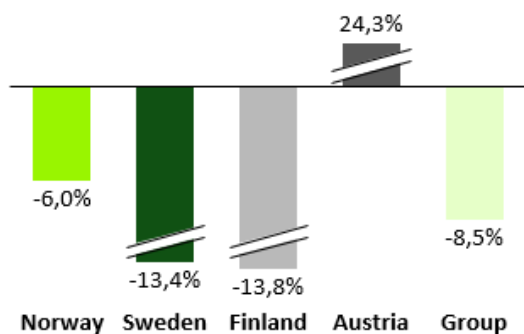


1) Please refer to definitions at the end of the report for descriptions of alternative performance measures that are used in highlights and key figures

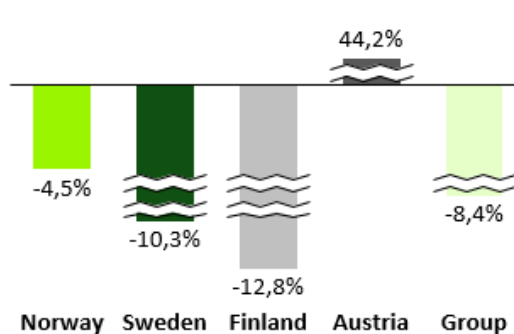
### KEY FIGURES GROUP

(Amounts in NOK million)	Q1 2022	Q1 2021	FY 2021 Audited
<b>GROUP</b>			
Operating revenue	1 984	2 166	10 006
Growth (%)	-8,4 %	0,2 %	-4,0 %
Gross profit	754	876	4 084
Gross margin (%)	38,0 %	40,4 %	40,8 %
OPEX %	34,2 %	30,9 %	27,4 %
EBITDA	75	207	1 338
EBITDA margin (%)	3,8 %	9,5 %	13,4 %
EBIT	-127	16	391
EBIT margin	-6,4 %	0,7 %	3,9 %
Net Income	-151	-39	194
**Basic Earnings per share (NOK)	-0,60	-0,15	0,77
**Earnings per share (adj)	-0,60	-0,15	1,31
**Average number of shares (1 000 shares)	252 437	252 437	252 437
Cash provided by operating activities	-47	230	905
Like for like revenue growth	-8,5 %	-0,6 %	-2,6 %
Number of stores at period end	92	90	92
New stores in the period	-	-	2

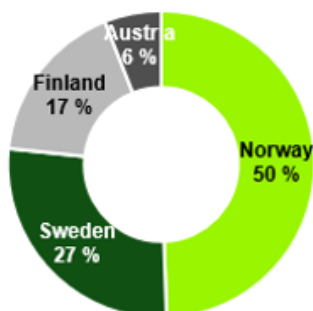
**GROWTH BY COUNTRY  
LIKE FOR LIKE  
(LOCAL CURRENCY)**



**GROWTH BY COUNTRY  
(LOCAL CURRENCY)**



**REVENUE SPLIT**



\*\*Earnings per share: See Note 5.

### KEY FIGURES SEGMENTS

<i>(Amounts in NOK million)</i>	Q1 2022	Q1 2021	FY 2021 Audited
<b>SEGMENT</b>			
<b>Norway*</b>			
Operating revenue	981	1 027	4 893
Growth (%)	-4,5 %	7,4 %	-2,4 %
Gross profit	392	432	2 105
Gross margin (%)	40,0 %	42,1 %	43,0 %
OPEX %	23,0 %	21,7 %	19,4 %
EBITDA	166	209	1 156
EBITDA margin (%)	17,0 %	20,4 %	23,6 %
Number of stores at period end	37	37	37
New stores in the period	-	-	-
<b>Sweden</b>			
Operating revenue	540	646	2 961
Growth (%)	-16,3 %	-0,1 %	-0,4 %
Gross profit	190	252	1 148
Gross margin (%)	35,1 %	39,0 %	38,8 %
OPEX %	30,4 %	27,9 %	24,6 %
EBITDA	26	72	420
EBITDA margin (%)	4,7 %	11,2 %	14,2 %
Number of stores at period end	30	29	30
New stores in the period	-	-	1
<b>Finland</b>			
Operating revenue	344	409	1 744
Growth (%)	-15,8 %	-10,3 %	-10,6 %
Gross profit	130	167	696
Gross margin (%)	37,8 %	40,8 %	39,9 %
OPEX %	29,3 %	23,2 %	23,0 %
EBITDA	29	72	294
EBITDA margin (%)	8,5 %	17,6 %	16,9 %
Number of stores at period end	17	17	17
New stores in the period	-	-	-

\*As of Q1 2022 Denmark Segment is incorporated in the Norway Segment (comparative numbers have also been changed)

KEY FIGURES SEGMENTS – cont.

<i>(Amounts in NOK million)</i>	Q1 2022	Q1 2021	FY 2021 Audited
<b>SEGMENT</b>			
<b>Austria</b>			
Operating revenue	119	85	409
Growth (%)	39,7 %	-18,0 %	-15,5 %
Gross profit	42	25	135
Gross margin (%)	35,4 %	29,6 %	33,0 %
OPEX %	37,2 %	49,2 %	40,7 %
EBITDA	-2	-17	-31
EBITDA margin (%)	-1,8 %	-19,6 %	-7,7 %
Number of stores at period end	8	7	8
New stores in the period	-	-	1
<b>HQ &amp; logistics</b>			
EBITDA	-144	-130	-501
EBITDA margin (% of Group revenues)	-7,2 %	-6,0 %	-5,0 %

## Capturing market shares during challenging winter conditions

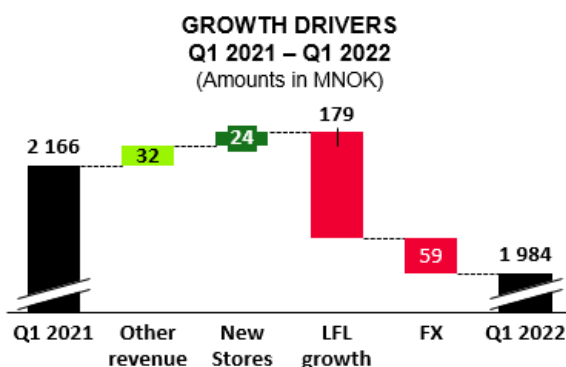
Oslo, 26 April 2022: XXL gained market shares in all markets in the first quarter 2022, despite challenging winter conditions for the sport industry overall. Under these circumstances XXL delivered a negative like for like growth of 8.5 per cent and total operating revenue in the quarter ended at NOK 2.0 billion (NOK 2.2 billion). Revenue development improved during the quarter with growth in all markets in March. Gross margin decreased to 38.0 per cent (40.4 per cent) in the quarter due to more clearance activities in the market as well as higher freight costs. XXL's target of above 39 per cent gross margin over time remains. EBITDA amounted to NOK 75 million (NOK 207 million).

XXL has secured good supply of products and is well prepared for the upcoming spring and summer season.

### First quarter 2022 review

*(Figures in brackets = same quarter previous year, unless otherwise specified)*

XXL gained market shares in all markets in the first quarter 2022 during challenging winter conditions for the sport industry overall. Under these circumstances XXL delivered a negative like for like growth of 8.5 per cent. The winter season started early in December 2021 with good sales within large categories like skies, skates and apparel abating the demand going into 2022 with more limited winter conditions. March proved to be a month with growth in all markets under varying spring conditions. The first quarter last year was impacted by store closures in Norway and Austria due to COVID-19 restrictions where XXL successfully compensated lost sales in stores with increased volumes online. Consequently, E-commerce sales decreased by 19.4 per cent from Q1 2021 to Q1 2022, representing 23.2 per cent (26.3 per cent) of total operating revenue for the Group. XXL ended the quarter with total operating revenue of NOK 1 984 million (NOK 2 166 million) which represented a decline of 8.4 per cent.



Gross margin for the Group ended at 38.0 per cent in the quarter compared to 40.4 per cent in the same quarter last year. Both the market and XXL had more clearance activities this year driven by poor market conditions impacting the gross margin negatively. In addition, increased freight costs hampered the gross margin with around 1 percentage point.

Going forward there will be fluctuations in the gross margin between quarters and seasons, but XXL targets a long term sustainable gross margin above 39 per cent for the Group.

OPEX as percentage of sales increased to 34.2 per cent in the first quarter this year (30.9 per cent) impacted by the negative like for like growth hampering scale in the operations. OPEX increased to NOK 679 million (NOK 669 million) partly related to new store openings. In addition, XXL experienced a significant increase of sick leave in stores due to the spread of Omicron in societies at large.

The Group EBITDA in the first quarter 2022 was NOK 75 million (NOK 207 million), mainly impacted by the negative like for like growth and lower gross margin as described above.

XXL is in the phase of implementing several strategic initiatives and projects to improve the customer journey and operational efficiency going forward. The key strategic focus is currently on developing an ambitious E-commerce growth plan, continue improving category strategy and plans, streamlining the campaign process as well as strengthening product availability.

The financial position of XXL is solid with total liquidity reserves of NOK 820 million (NOK 1 181 million) and a net interest-bearing debt of NOK 980 million (NOK 5 million). The inventory is still healthy, and the increase is mainly front loading of volumes and carry over products, securing deliveries under uncertain value chain conditions.

### Operating segments

*(Figures in brackets = same quarter previous year, unless otherwise specified)*

The Group's reporting structure comprises four operational segments based on XXL's operations in Norway, Sweden, Finland and Austria, in addition to the HQ and Logistics segment.

#### Norway

The Norwegian operations delivered total operating revenue of NOK 981 million in the first quarter 2022 compared to NOK 1 027 million in the same quarter last year, representing a negative growth of 4.5 per cent. According to market figures from SSB as of February 2022, the sales of sporting goods in Norway decreased by 14.2 per cent. The corresponding growth for XXL was negative of 11.4 per cent. Q1 2021 was negatively affected by store closures due to COVID-19 restrictions and consequently XXL delivered 14.6 per cent growth in March 2022.

Gross margin decreased from 42.1 per cent in Q1 2021 to 40.0 per cent in Q1 2022, explained by more clearance activities under poor winter conditions as well as higher freight costs.

Operating expenses as percentage of sales ended at 23.0 per cent (21.7 per cent) partly due to higher marketing costs but also increased personnel costs related to sick leave under the pandemic.

EBITDA amounted to NOK 166 million (NOK 209 million). The main reasons for the decreased EBITDA were negative like for like growth impacting scale in the operations as well as the lower gross margin as described above.

Denmark is from Q1 2022 part of the Norwegian segment with limited effects on both revenues and results.

#### Sweden

According to market figures from SCB as of February 2022, the sale of sporting goods in Sweden decreased by 18.9 per cent, while the corresponding decline for XXL was 16.7 per cent in local currency. The Swedish operations posted a growth of 5.7 per cent in March (local currency).

Total operating revenue for XXL in Sweden in Q1 2022 amounted to NOK 540 million (NOK 646 million). The driver was a negative like for like growth of 13,4 percent in local currency. XXL had a good start to the winter season with arrival of snow and cold weather early in December 2021 but hampered sales in Q1 2022 under challenging winter conditions.

Gross margin decreased to 35.1 per cent (39.0 per cent) explained by clearance activities under poor winter conditions as well as increased freight costs.

Operating expenses as percentage of sales ended at 30.4 per cent (27.9 per cent) explained by the negative like for like

growth impacting scale in the operations.

EBITDA decreased to NOK 26 million (NOK 72 million), driven by both the lower revenue and the reduced gross margin.

#### Finland

According to market figures from TMA in Q1 2022, the sale of sporting goods in Finland decreased by 16.3 per cent. This is to be compared to XXL with a decline of 12.8 per cent in local currency, hence gaining market shares. Total operating revenue in the quarter amounted to NOK 344 million (NOK 409 million).

XXL initiated several price adjustments in order to regain market shares in an overall slow retail market. Consequently gross margin decreased from 40.8 per cent in Q1 2021 to 37.8 per cent in Q1 2022.

Operating expenses as percentage of sales ended at 29.3 per cent in Q1 2022 (23.2 per cent), explained by higher personnel costs and overall lower scale due to negative like for like growth.

EBITDA amounted to NOK 29 million in Q1 2022 (NOK 72 million) driven by the negative growth, lower gross margins and higher personnel costs.

#### Austria

Total operating revenue from the Austrian operations amounted to NOK 119 million in the first quarter (NOK 85 million) representing a growth of 44.2 per cent in local currency. In Q1 2021 all stores were closed during almost half of the quarter due to COVID-19 restrictions. The market dynamics in Austria continues to be challenging out of the pandemic with low volumes. XXL has recognized income of NOK 8 million in the quarter due to governmental contributions related to the pandemic.

The gross margin increased to 35.4 per cent (29.6 per cent), whereof 4.8 percentage points were explained by the recognized income as described above.

Operating expenses as percentage of sales decreased from 49.2 per cent in Q1 2021 to 37.2 per cent in Q1 2022 due to positive like for like growth in all stores yielding scale in operations.

EBITDA ended at negative NOK 2 million (negative of NOK 17 million).

XXL is committed to significantly improve the profitability in Austria in 2022 and will initiate a strategic review of its Austrian operations.

#### HQ and Logistics

The HQ and Logistics segment consists of costs related to the Group's headquarter and logistics operations including three central warehouses.

Operating expenses were NOK 144 million (NOK 130 million)



in Q1 2022. This is mainly explained by increased personnel costs at the central warehouses driven by late arrival of goods and higher inventory, as well as higher personnel costs in central functions at the HQ related to ongoing improvements in Category, store concept and E-commerce.

## Financials

### Consolidated income statement – First quarter

*(Figures in brackets = same quarter previous year, unless otherwise specified)*

**Total operating revenue** decreased by 8.4 per cent to NOK 1 984 million (NOK 2 166 million).

**Total operating expenses** excluding depreciation, impairment losses and cost of goods sold equaled NOK 679 million (NOK 669 million) in the first quarter. As percentage of total operating revenues of the Group, operating expenses increased from 30.9 per cent in the first quarter last year to 34.2 per cent in the first quarter this year.

**Operating income** amounted to negative NOK 127 million (NOK 16 million). The change is mainly explained by the negative like for like growth and lower gross margins.

**Net financial expense** amounted to NOK 48 million for the first quarter (NOK 54 million) whereof NOK 20 million is related to IFRS 16 effects compared to NOK 21 million in Q1 2021. Net interest expenses ended at NOK 8 million (NOK 8 million). Net financial expenses included a negative currency effect of NOK 15 million compared to a negative currency effect of NOK 18 million last year. Other financial expenses of NOK 4 million were related to amortization of loan costs and other financial costs.

**Income tax expense** for the first quarter was negative of NOK 23 million (NOK 1 million).

**Profit for the period** ended at negative NOK 151 million (negative NOK 39 million).

### Consolidated cash flow

*(Figures in brackets = same period previous year, unless otherwise specified)*

Cash used by operating activities was at NOK 47 million (vs cash provided of NOK 230 million) in the first quarter. The reason for the decrease is mainly lower sales giving increased inventory levels as purchases have remained to frontload volumes and carry over products, securing deliveries under uncertain value chain conditions.

Cash used by investing activities was NOK 42 million (NOK 48 million) in Q1 2022. This is mainly related to investments in existing stores and ecom platform in 2022.

Cash provided by financing activities amounted to NOK 203 million (cash used of NOK 531 million) in the first quarter of 2022. The change is mainly related to a drawdown on the credit facility in Q1 2022 of NOK 388 million vs payment of

NOK 355 million in Q1 2021.

### Financial position and liquidity

*(Figures in brackets = same period previous year, unless otherwise specified)*

As of 31 March 2022, total assets amounted to NOK 8 847 million (NOK 8 615 million). The increase is mainly due to higher inventory. Total equity was NOK 3 599 million (NOK 4 130 million), resulting in an equity ratio of 40.7 per cent (47.9 per cent). Net interest bearing debt (NIBD) ended at NOK 980 million (NOK 5 million).

The Group had cash and cash equivalents of NOK 277 million (NOK 481 million) as of 31 March 2022 of which NOK 5 million was restricted cash. The Group's liquidity reserves include total credit facilities of NOK 1 800 million whereof NOK 1 257 million was used as of 31 March 2022. Available liquidity reserves as of 31 March 2022 were NOK 820 million (NOK 1 181 million).

### Long term incentive programs for employees

On 15 February 2022 employees in XXL ASA exercised 220,728 share units from 2019. Following this the Board of Directors, pursuant to authorization granted by the Annual General Meeting on 3 June 2021, decided to buy 220,728 of its own shares at a price of NOK 14.1407. All these shares were transferred to the employees. Subsequently XXL ASA hold 8,470,000 own shares after this transfer.

In accordance with the resolution made by the Annual General Meeting in XXL ASA on 3 June 2021, a program of restricted share units for around 60 employees was implemented on 15 February 2022. The allocation price was NOK 14.2714, equal to the volume weighted average price in the market from 9 February 2022 to 15 February 2022. In total 700,000 shares were allocated to employees. The shares are exercisable after three years subject to the holder at the time of exercise is employed in the company. The value of the restricted share units program is NOK 10 million and the costs related to this will be booked over the duration period of three years with effect from 15 February 2022.

### Changes in the Executive Management team

XXL has appointed Markus Solvik as the new EVP Strategy, Sustainability and Business Development and he will be part of the Executive Management team during Q3 2022. Markus comes from different positions at the Norwegian retailer Løvenskiold Handel, one of the leading Norwegian home improvement retailers operating the retail chain Maxbo, both serving as Chief Financial Officer (CFO) and Strategy and Business Development Director. Before joining Løvenskiold Handel he worked seven years as a management consultant with Boston Consulting Group (BCG).

### Outlook

XXL's target and goal going forward is to over time gain market shares in all markets and continue the growth in the E-commerce channel.

XXL targets to long term stabilize the gross margin above 39 per cent.

In line with the existing strategy, XXL will continue to invest in operational efficiency, selective new store openings, E-commerce platform, existing stores, infrastructure and IT. Total CAPEX for XXL Group in 2022 is expected to be around NOK 250-300 million.

Going forward XXL expects the pace of the store roll-out to be 3-5 new stores per year. XXL has signed 3 new lease agreements for store openings in 2022, whereof 1 in Norway and 2 in Sweden. XXL is expected to close down two outlet stores, Töcksfors and Nordby in Sweden, during 2022. At the same time XXL will be downsizing several existing stores, mainly in Sweden. The Group will continue to focus on optimizing the store portfolio.



## Condensed Consolidated Interim Statements of Income & Comprehensive Income

Unaudited for the period ended March 31, 2022

<i>(Amounts in NOK million)</i>	Q1 2022	Q1 2021	FY 2021 (Audited)
<b>Total Operating Revenue</b>	<b>1 984</b>	<b>2 166</b>	<b>10 006</b>
Cost of goods sold	1 230	1 290	5 923
Personnel expenses	465	468	1 886
Other operating expenses	215	201	860
Depreciation	202	190	810
Impairment losses	-	-	136
<b>Total Operating Expenses</b>	<b>2 112</b>	<b>2 150</b>	<b>9 615</b>
<b>Operating Income</b>	<b>-127</b>	<b>16</b>	<b>391</b>
<b>Net Financial Income (+) / Expense (-)</b>	<b>-48</b>	<b>-54</b>	<b>-146</b>
<b>Profit before income tax</b>	<b>-175</b>	<b>-38</b>	<b>246</b>
Income tax expense	-23	1	52
<b>Profit for the period</b>	<b>-151</b>	<b>-39</b>	<b>194</b>
<b>Basic Earnings per share (NOK)</b>	<b>-0,60</b>	<b>-0,15</b>	<b>0,77</b>
<b>Diluted Earnings per share (NOK)</b>	<b>-0,60</b>	<b>-0,15</b>	<b>0,77</b>
<b>Other comprehensive income</b>			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Foreign currency rate changes	-4	-16	-61
<b>Total Other Income and Expense</b>	<b>-4</b>	<b>-16</b>	<b>-61</b>
<b>Total comprehensive income for the period</b>	<b>-155</b>	<b>-55</b>	<b>134</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the company	-150	-53	128
Non-controlling interest	-5	-1	6

*The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements*

## Condensed Consolidated Interim Statement of Financial Position

<i>(Amounts in NOK million)</i>	Note	31.03.2022	31.03.2021	31.12 2021 (Audited)
<b>NON CURRENT ASSETS</b>				
<b>Intangible Assets</b>				
Goodwill		2 744	2 744	2 744
Other Intangible Assets		260	254	260
Deferred tax asset		91	14	64
<b>Total Intangible Assets</b>		<b>3 096</b>	<b>3 012</b>	<b>3 069</b>
Fixed Assets		791	794	826
Right of Use Assets	9	1 979	2 389	2 126
<b>Total Non Current Assets</b>		<b>5 866</b>	<b>6 195</b>	<b>6 020</b>
<b>CURRENT ASSETS</b>				
Inventory		2 435	1 742	2 220
Trade and Other Receivables		270	197	601
Cash and Cash Equivalents		277	481	173
<b>Total Current Assets</b>		<b>2 981</b>	<b>2 420</b>	<b>2 994</b>
<b>TOTAL ASSETS</b>		<b>8 847</b>	<b>8 615</b>	<b>9 015</b>

*The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements*

## Condensed Consolidated Interim Statement of Financial Position

<i>(Amounts in NOK million)</i>	Note	31.03.2022	31.03.2021	31.12 2021 (Audited)
<b>SHAREHOLDERS' EQUITY</b>				
Paid-in Capital		3 188	3 741	3 187
Other equity	9	411	389	566
<b>Total Shareholders' Equity</b>		<b>3 599</b>	<b>4 130</b>	<b>3 753</b>
<b>LIABILITIES</b>				
Deferred Tax Liability		-0	3	0
<b>Total Provisions</b>		<b>-0</b>	<b>3</b>	<b>0</b>
<b>Other non-current liabilities</b>				
Interest Bearing Non-Current Liabilities		487	486	485
Lease Liabilities	9	1 815	2 006	1 925
<b>Total other non-current liabilities</b>		<b>2 303</b>	<b>2 492</b>	<b>2 410</b>
<b>Total non-current liabilities</b>		<b>2 303</b>	<b>2 495</b>	<b>2 410</b>
<b>Current liabilities</b>				
Accounts Payable		784	520	644
Lease Liabilities	9	545	578	567
Current Interest Bearing Liabilities		770	0	395
Tax payable		66	17	102
Public duties payable		222	272	544
Other current liabilities		559	604	600
<b>Total current liabilities</b>		<b>2 946</b>	<b>1 991</b>	<b>2 852</b>
<b>TOTAL LIABILITIES</b>		<b>5 248</b>	<b>4 485</b>	<b>5 262</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8 847</b>	<b>8 615</b>	<b>9 015</b>

*The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements*

## Condensed Consolidated Interim Statement of Cash Flows

<i>Amounts in NOK million</i>	Q1 2022	Q1 2021	FY 2021 (Audited)
<b>Operating Activities</b>			
Income before tax	(175)	(38)	246
Income tax paid	(18)	-	(16)
Depreciation and amortization	202	190	810
Impairment losses	-	-	136
Net financial expense	48	54	146
Changes in inventory	(212)	42	(385)
Changes in accounts receivable	331	80	(318)
Changes in accounts payable and supplier financing	140	1	111
Other changes	(363)	(99)	175
<b>Cash provided (used) by operating activities</b>	<b>(47)</b>	<b>230</b>	<b>905</b>
<b>Investing Activities</b>			
Investment in fixed assets	(42)	(48)	(261)
Payments/proceeds from acquisitions/disposals	-	-	-
<b>Cash provided (used) by investing activities</b>	<b>(42)</b>	<b>(48)</b>	<b>(261)</b>
<b>Financing Activities</b>			
Sales/purchase of own shares/other equity transactions	(2)	-	(77)
Dividends	-	-	(483)
Payments on long/short term debt	-	(355)	(1 006)
Proceeds from long/short term debt	388	-	993
Interest payments	(29)	(21)	(111)
Total leasing payments for the lease liability	(154)	(155)	(600)
<b>Cash provided (used) by financing activities</b>	<b>203</b>	<b>(531)</b>	<b>(1 284)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>114</b>	<b>(348)</b>	<b>(640)</b>
Cash and cash equivalents - beginning of period	173	830	830
Effect of foreign currency rate changes on cash and equivalents	(10)	(1)	(16)
<b>Cash and Cash Equivalents - End of period</b>	<b>277</b>	<b>481</b>	<b>173</b>

*The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements*

## Condensed Consolidated Interim Statement of Changes in Equity

<i>(Amounts in NOK million)</i>	Share capital	Share premium	Other Paid in Equity	Retained earnings	Foreign Currency Rate Changes	Non-Controlling Interest	Total Shareholders' Equity
<b>Shareholders' Equity 31.12.20</b>	<b>101</b>	<b>3 609</b>	<b>31</b>	<b>404</b>	<b>14</b>	<b>26</b>	<b>4 185</b>
Net income 2021	-	-	-	188	-	6	194
Foreign currency rate changes	-	-	-	-	-61	-	-61
<b>Transactions with owners:</b>							
Employee share incentive program	-	-	5	-	-	-	5
Dividends	-	-484	-	-	-	-	-484
Purchase own shares	-	-77	-	-	-	-	-77
Transactions with non-controlling interest	-	-	-	-9	-	-2	-11
<b>Shareholders' Equity 31.12.21</b>	<b>101</b>	<b>3 049</b>	<b>36</b>	<b>583</b>	<b>-47</b>	<b>30</b>	<b>3 753</b>
Net income Q1 2022	-	-	-	-146	-	-5	-151
Foreign currency rate changes	-	-	-	-	-4	-	-4
<b>Transactions with owners:</b>							
Employee share incentive program	-	-	-1	-	-	-	-1
Purchase of own shares	-	3	-	-	-	-	3
<b>Shareholders' Equity 31.03.22</b>	<b>101</b>	<b>3 052</b>	<b>35</b>	<b>437</b>	<b>-51</b>	<b>25</b>	<b>3 599</b>

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

## Notes to the interim financial statements<sup>1)</sup>

### Note 1 General information

XXL ASA and its subsidiaries' (together the "company" or the "Group") operating activities are related to the resale of sports and leisure equipment in the Nordic countries and Austria.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated. Due to rounding, there may be differences in the summation columns.

These condensed interim financial statements have not been audited.

### Note 2 Basis of preparation

These condensed interim financial statements for the three months ended 31 March 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRS as adopted by the European Union ('IFRS').

### Note 3 Accounting policies

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended 31 December 2021.

### Note 4 Estimates, judgments and assumptions

The preparation of interim financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2021.

### Note 5 Earnings per share

	Q1 2022	Q1 2021	FY 2021 (Audited)
Profit for the period (in NOK million)	-151	-39	194
Profit for the period (adj for impairment losses) (in NOK million)	-151	-39	330
<b>Weighted average number of ordinary shares in issue</b>	<b>252 436 658</b>	<b>252 436 658</b>	<b>252 436 658</b>
<b>Number of shares outstanding</b>	<b>252 436 658</b>	<b>252 436 658</b>	<b>252 436 658</b>
<b>Adjustment for:</b>			
Effect share options	911 476	506 952	639 760
Weighted number of ordinary shares in issue for diluted earnings per share	253 348 134	252 943 610	253 076 418
<b>Basic Earnings per share (in NOK)</b>	<b>-0,60</b>	<b>-0,15</b>	<b>0,77</b>
<b>Diluted Earnings per share (in NOK)</b>	<b>-0,60</b>	<b>-0,15</b>	<b>0,77</b>
<b>Earnings per share (adj) (in NOK)</b>	<b>-0,60</b>	<b>-0,15</b>	<b>1,31</b>

1) Please refer to definitions at the end of the report for descriptions of alternative performance measures

## Note 6 Operating Segments

The Group's business is the sale of sports and leisure equipment. Segment performance is reviewed by Management and the Board of Directors as five reportable geographical segments and HQ & Logistics segment. The following presents the Group's revenue by operating segment:

### Q1 2022

<i>Amounts in NOK million</i>	Norway*	Sweden	Finland	Austria	HQ & Logistics	Total
Operating revenue	981	540	344	119	-	1 984
Gross profit	392	190	130	42	-	754
EBITDA	166	26	29	-2	-144	75
Operating Income	81	-27	-1	-8	-171	-127

### Q1 2021

<i>Amounts in NOK million</i>	Norway*	Sweden	Finland	Austria	HQ & Logistics	Total
Operating revenue	1 027	646	409	85	-	2 166
Gross profit	432	252	167	25	-	876
EBITDA	209	72	72	-17	-130	207
Operating Income	144	19	43	-30	-159	16

### 01.01.2021 - 31.12.2021

<i>Amounts in NOK million</i>	Norway*	Sweden	Finland	Austria	HQ & Logistics	Total
Operating revenue	4 893	2 961	1 744	409	-	10 006
Gross profit	2 105	1 148	696	135	-	4 084
EBITDA	1 156	420	294	-31	-501	1 338
Operating Income	867	173	176	-191	-634	391

\*As of Q1 2022 Denmark Segment is incorporated in the Norway Segment (all historical numbers for the Norway segment are also restated)



## Note 7 Related Party Transactions

The Group's related parties include its associates, key Management, members of the Board of Directors and majority shareholders.

There are no major related party transactions for XXL Group in Q1 2022. Further, none of the Board members have been granted loans or guarantees in the current year or are included in the Group's pension or bonus plans. All related party transactions are concluded on an arms-length basis.

## Note 8 Risk Management

A description of main risk factors in XXL is included in Note 20 in the Annual Report for 2021.

## Note 9 Right-of-use assets and lease liabilities

The movements of the Group's right-of-use assets and lease liabilities during the year are presented below:

### Right of use assets

<i>(Amounts in NOK million)</i>	<b>Buildings, machinery and vehicles</b>
<b>Aquisition cost 01.01.2022</b>	<b>3 872</b>
Additions and adjustments	22
Change incentives	13
Net exchange differences	-56
<b>Aquisition costs 31.03.2022</b>	<b>3 851</b>
Accumulated depreciation and impairment losses 01.01.2022	-1 747
Depreciation	-147
Impairment losses in the period	-
Disposals	-
Transfers and reclassifications	-
Currency exchange differences	22
<b>Accumulated depreciation and impairment 31.03.2022</b>	<b>-1 872</b>
<b>Total Right of Use Assets at 31.03.2022</b>	<b>1 979</b>

## Lease liabilities

*(Amounts in NOK million)*

<b>Summary of the lease liabilities in the financial statements</b>	
<b>At initial application 01.01.2022</b>	<b>2 492</b>
New lease liabilities recognised in the period and adjustments	35
Leasing payments for the principal portion of the lease liability	-154
Interest expense on lease liabilities	20
Reassessment of the discount rate on previous lease liabilities	0
Currency exchange differences	-33
<b>Total lease liabilities at 31.03.2022</b>	<b>2 360</b>
<b>whereof:</b>	
Current lease liabilities < 1 year	545
Non-current lease liabilities > 1 year	1 815

### Disclaimer

This report includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this notice, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

### Definitions

#### Alternative Performance Measures (APM)

Certain financial measures and ratios related thereto in this quarterly report, including growth, gross profit, gross margin, EBIT, EBIT margin, EBITDA, EBITDA margin, working capital and Net Interest Bearing Debt (collectively, the “Non-GAAP Measures”), are not specifically defined under IFRS or any other generally accepted accounting principles. These measures are presented in this quarterly report because they are among the measures used by Management to evaluate the cash available to fund ongoing, long-term obligations and they are frequently used by other interested parties for valuation purposes or as a common measure of the ability of a company to incur and meet debt service obligations. These measures may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, and you should not consider such items as alternatives to profit for the year, total operating revenues, operating income or any other performance measures derived in accordance with IFRS, and they may be different from similarly titled measures used by other companies. All amounts in tables below are in NOK million.

#### EBIT

Our EBIT represents operating income.

#### EBIT adj

EBIT adjusted (adj) represents EBIT adjusted for impairment losses in the period.

#### Reconciliation

	Q1'22	Q1'21	FY21
EBIT	-127	16	391
+ Impairment Losses	-	-	136
<b>= EBIT adj</b>	<b>-127</b>	<b>16</b>	<b>527</b>

#### Earnings per Share Adj

Our Earnings per share adjusted (adj) represents Net Income Adj divided per weighted average number of shares in issue. See reconciliation in note 5 – Earnings per share.

#### Like for Like

Like for Like include comparable stores and E-commerce. Comparable stores are stores that have been open all months of the current year and all months of the previous year. Stores that have been relocated or significantly expanded are excluded from

Like for Like stores. Like for Like for the total Group is calculated with FX constant year over year to eliminate the FX effect.

#### Net Income Adj

Our Net Income adjusted (adj) represents Net Income adjusted for impairment losses in the period.

#### Reconciliation

	Q1'22	Q1'21	FY21
Net Income	-151	-39	194
+ Impairment Losses	-	-	136
<b>= Net Income adj</b>	<b>-151</b>	<b>-39</b>	<b>330</b>

#### EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA) is a key financial parameter for XXL. Our EBITDA represents operating income plus depreciation.

#### Reconciliation

	Q1'22	Q1'21	FY21
Operating Income	-127	16	391
+ Depreciation	202	190	810
+ Impairment Losses	-	-	136
<b>= EBITDA</b>	<b>75</b>	<b>207</b>	<b>1 338</b>

#### Gross profit / Gross margin

Gross profit represents operating revenue less cost of goods sold. Gross margin is gross profit in per cent of revenue.

#### Reconciliation

	Q1'22	Q1'21	FY 21
Operating revenue	1 984	2 166	10 006
÷ Cost of goods sold	1 230	1 290	5 923
<b>= Gross profit</b>	<b>754</b>	<b>876</b>	<b>4 084</b>
<b>Gross margin</b>	<b>38.0%</b>	<b>40.4%</b>	<b>40.8%</b>

### Working capital

Working capital consists of trade and other receivables, accounts payables, inventory, public duties payable and other current liabilities.

### OPEX

OPEX is defined as other operating expenses including personnel expenses, but excluding depreciation and amortization.

#### Reconciliation

	Q1'22	Q1'21	FY 21
Other operating expenses	215	201	860
+ Personnel expenses	465	468	1 886
<b>= OPEX</b>	<b>679</b>	<b>669</b>	<b>2 746</b>

### Leverage ratio/covenant

Leverage ratio is defined as NIBD/EBITDA, a measure for the strength of our financial position.

### Net interest bearing debt (NIBD)

Net interest bearing liabilities is defined as non-current interest bearing debt and current interest bearing liabilities less cash and cash equivalents. NIBD does not include lease liabilities due to IFRS 16. Net debt is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength.

#### Reconciliation

	Q1 22	Q1 21	FY 21
Non-Current Interest Bearing liabilities	487	486	485
+ Current Interest Bearing liabilities	770	0	395
÷ Cash and Cash Equivalents	277	481	173
<b>= Net Interest Bearing Debt</b>	<b>980</b>	<b>5</b>	<b>707</b>

### CAPEX

Capital expenditure is the sum of purchases of fixed assets and intangible assets as used in our cash flow. Capex is a measure of investments made in the operations in the relevant period and is useful to users of XXL's financial information in evaluating the capital intensity of the operations.

### Liquidity reserve

Our liquidity reserve is defined as our available cash and cash equivalents plus available liquidity through overdraft and credit facilities.

#### Reconciliation

	Q1 22	Q1 21	FY 21
Cash and Cash Equivalents	277	481	173
+ Undrawn Credit Facilities	543	700	920
<b>= Liquidity reserve</b>	<b>820</b>	<b>1 181</b>	<b>1 093</b>

### Ecommerce

Ecommerce is sales through online sales channels in comparison to sales through retail stores that are physical stores.

### Inventory per store

Total inventory divided on number of stores and number of E-commerce markets at end of period.

$$\text{Inventory per store} = \frac{\text{Inventory}}{(\text{Number of stores} + \text{Ecom markets})}$$

### IFRS 16 effects affecting EBITDA and EBIT

IFRS 16 was implemented for the Group 1 January 2019. EBITDA ex IFRS 16 effects and EBIT ex IFRS 16 effects represent our EBITDA and EBIT if IFRS 16 had not been implemented, respectively.

Q1'22	XXL Group	NOR	SWE	FIN	AUT	HQ & logistics
EBITDA reported	75	166	26	29	-2	-144
IFRS 16 effects OPEX	-154	-64	-42	-25	-10	-13
<b>EBITDA ex IFRS 16 effects</b>	<b>-79</b>	<b>102</b>	<b>-16</b>	<b>4</b>	<b>-12</b>	<b>-157</b>
EBIT Reported	-127	81	-27	-1	-8	-171
IFRS 16 effects affecting EBIT	-11	4	1	-4	-9	-4
<b>EBIT ex IFRS 16 effects</b>	<b>-138</b>	<b>85</b>	<b>-26</b>	<b>-5</b>	<b>-17</b>	<b>-175</b>

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**FINANCIAL CALENDAR**

Annual General Meeting	02.06.2022
Q2 and H1 2022 Results:	15.07.2022
Q3 Results:	27.10.2022

**INVESTOR CONTACT**

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