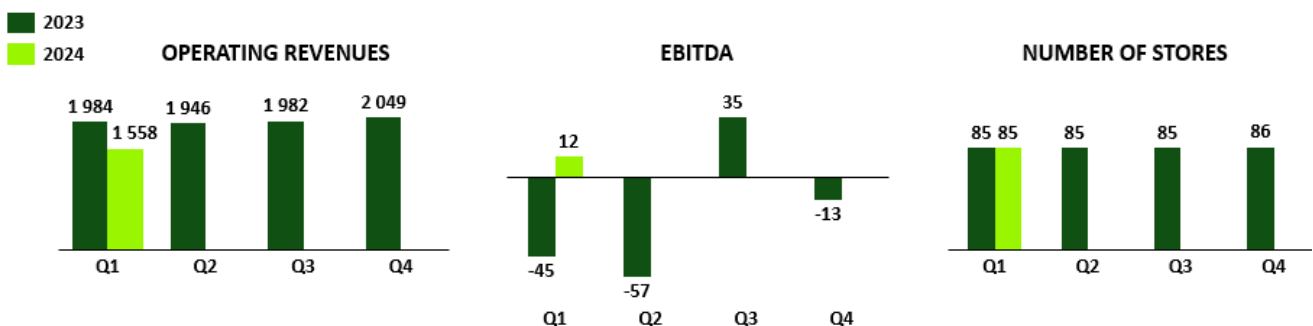


## HIGHLIGHTS<sup>1</sup>

- **Weak revenue development, but positive gross margin trend and strong cost control**
  - Total operating revenue of NOK 1 558 million (1 984 million)
  - Gross margin of 38.8 per cent (31.4 per cent)
  - EBITDA NOK 12 million (negative NOK 45 million)
- **But with a strengthened balance sheet moving forward in 2024**
  - Reduced inventory by NOK 288 million
  - Successful and oversubscribed private placement of NOK 500 million to strengthen liquidity
- **And the “Reset & Rethink” strategy continuing to progress well**



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

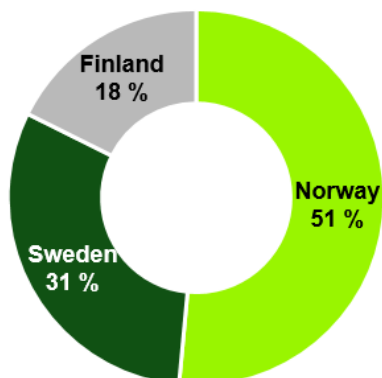
### KEY FIGURES GROUP – Continuing Operations

(Amounts in NOK million)

	Q1 2024	Q1 2023	FY 2023
<b>GROUP   Continuing Operations</b>			
Operating revenue	1 558	1 984	7 961
Growth (%)	-21,5 %	6,4 %	-5,5 %
Gross profit	605	622	2 509
Gross margin (%)	38,8 %	31,4 %	31,5 %
OPEX %	38,0 %	33,6 %	32,5 %
EBITDA	12	-45	-80
EBITDA margin (%)	0,8 %	-2,3 %	-1,0 %
EBIT	-188	-239	-1 409
EBIT margin (%)	-12,0 %	-12,0 %	-17,7 %
Impairment losses	-	-	576
EBIT adj.	-188	-239	-833
EBIT adj. margin (%)	-12,0%	-12,0%	-10,5%
Net Income	-209	-225	-1 590
Net Income adj.	-209	-225	-1 014
*Basic Earnings per share (NOK)	-0,13	-0,86	-2,18
*Average number of shares (1 000 shares)	1 663 574	310 304	822 974
Cash provided by operating activities	24	-57	198
Like for like revenue growth	-24,4 %	3,0 %	-9,3 %
Number of stores at period end	85	85	86
New stores in the period	-	1	2
Closed stores in the period	1	-	-

\*Earnings per share: See Note 5.

#### Revenue Split



### KEY FIGURES SEGMENTS

<i>(Amounts in NOK million)</i>	Q1 2024	Q1 2023	FY 2023
<b>Norway</b>			
Operating revenue	802	1 004	4 049
Growth (%)	-20,1 %	2,4 %	-7,9 %
Gross profit	319	330	1 342
Gross margin (%)	39,7 %	32,9 %	33,1 %
OPEX %	26,6 %	23,4 %	22,6 %
EBITDA	106	95	425
EBITDA margin (%)	13,2 %	9,5 %	10,5 %
Number of stores at period end	39	38	39
New stores in the period	-	-	1
Closed stores in the period	-	-	-
<b>Sweden</b>			
Operating revenue	481	599	2 387
Growth (%)	-19,7 %	10,9 %	-4,1 %
Gross profit	184	167	672
Gross margin (%)	38,2 %	27,8 %	28,2 %
OPEX %	33,0 %	28,9 %	29,3 %
EBITDA	25	-7	-28
EBITDA margin (%)	5,3 %	-1,1 %	-1,2 %
Number of stores at period end	30	30	30
New stores in the period	-	1	1
Closed stores in the period	-	-	-
<b>Finland</b>			
Operating revenue	275	381	1 525
Growth (%)	-28,0 %	10,7 %	-1,2 %
Gross profit	102	126	495
Gross margin (%)	37,1 %	32,9 %	32,5 %
OPEX %	34,8 %	29,2 %	28,1 %
EBITDA	6	14	67
EBITDA margin (%)	2,3 %	3,7 %	4,4 %
Number of stores at period end	16	17	17
New stores in the period	-	-	-
Closed stores in the period	1	-	-
<b>HQ &amp; logistics *</b>			
EBITDA	-125	-148	-544
EBITDA margin (% of Group revenues)	-8,0 %	-7,5 %	-6,8 %

\*As of Q1 2024 Austria Segment is incorporated in the HQ & Logistics Segment.

## “Reset & Rethink” plan progressing well in a quarter with weak sales development, strengthened gross margin and strong cost control

Oslo, 23 April 2024: XXL is concluding its first quarter with negative sales development, but with strengthened gross margin, strong cost control and full focus on delivering the “Reset & Rethink” plan. The first phase of the “Reset & Rethink” plan, centered around five must win battles, is expected to deliver an EBITDA run-rate uplift of NOK 500-750 million during the next 12-15 months. The plan is progressing well, and most initiatives are beginning to yield positive effects, including the cost out ambition, and the effects will be seen even more so during rest of 2024 and fully in 2025.

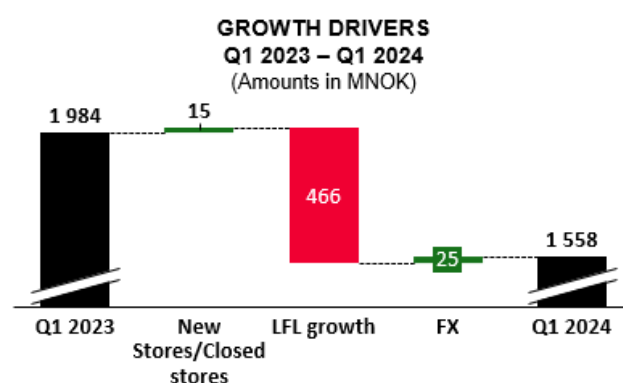
XXL delivered negative year over year growth of 22 percent in the first quarter 2024, and total operating revenue amounted to NOK 1.6 billion (NOK 2.0 billion). The sports and outdoor retail market in the Nordics continued to be challenging, making it the ninth consecutive quarter with negative growth. The decline in comparable year over year sales volume for XXL was also impacted by the extraordinary clearance campaign in Q1 last year. The winter conditions have been favourable though and XXL had growth in important winter categories like alpine and cross country. Sales of non-seasonal products and other capital-intensive products continued to be challenging. Limited product availability on important price points and products in high demand with high turnover continued to hold back sales potential as well.

EBITDA amounted to NOK 12 million (negative NOK 45 million) driven by strengthened gross margin and lower operating expenses. XXL also launched a successful and oversubscribed private placement of NOK 500 million to secure the liquidity situation going forward.

### First quarter 2024 review

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

Total operating revenue in the first quarter 2024 ended at NOK 1 558 million (NOK 1 984 million) which represented a decline of 21.5 per cent. XXL’s markets continued to be challenging, now with nine consecutive quarters with negative growth, driven by low consumer confidence and reduced demand for sports and outdoor goods in general. XXL launched a massive clearance campaign in late January 2023 with strong sales rest of the quarter impacting the comparable figures year over year. The winter conditions have been favorable and XXL had growth in important winter categories like alpine and cross country, while sales of non-seasonal products and other capital-intensive products have continued to be challenging. Limited product availability on important price points and products in high demand has been holding back sales potential as well. XXL has continued to prioritize strict liquidity and inventory control, resulting in a reduction of its inventory of NOK 288 million compared to Q1 2023.



E-commerce decreased by 39.9 per cent from Q1 2023 to Q1 2024, representing 21.7 per cent (27.8 per cent) of total operating revenue for the Group. The extraordinary clearance campaign in Q1 2023 explained most of the decline. Overall XXL delivered a negative like-for-like growth of 24.4 per cent in the quarter.

The gross margin was strengthened compared to previous quarters and ended at 38.8 per cent (31.4 per cent), of which around 1.9 percentage points is explained by a release of obsolescence provisions at year end 2023. The market is still characterized by lower demand for products with higher price

points and XXL continues to see a higher share of sales on campaign products, impacting the gross margin negatively. However, the underlying margin trend is improving due to healthy inventory levels as well as the "must win battle" pricing project within the new strategy. The gross margin last year was affected by heavy discounting activities related to the extraordinary clearance campaign.

Operating expenses as percentage of sales increased to 38.0 per cent in the first quarter of 2024 (33.6 per cent) impacted by the negative sales growth hampering scale in operations. However, operating expenses in absolute value are lower than last year by approximately NOK 75 million and include negative currency translation effects of around NOK 7 million, and despite new stores. The cost out program and restructuring effects are thus starting to materialize.

The Group EBITDA in the first quarter 2024 was NOK 12 million (negative of NOK 45 million), explained by negative growth as described above, but with improved gross margin and strong cost control.

XXL had total liquidity reserves of NOK 591 million (NOK 438 million) and a net interest-bearing debt of NOK 1 070 million (NOK 889 million) by the end of Q1 2024. Late March 2024 XXL launched a private placement of NOK 500 million, which was oversubscribed and approved by an extraordinary general meeting held 12 April 2024. In the second quarter 2023 XXL received a temporary deferral of Swedish tax payments for 2021, which has resulted in a tax repayment for that year in the amount of SEK 345 million that improved the liquidity reserves accordingly. The deferred tax amount will become payable on 12 September 2024, provided that a standard extended 36 months payment plan is not accepted by Swedish tax authorities. XXL has booked the deferred tax payment as net interest-bearing debt. XXL's Swedish tax advisors are confident that the extension will be approved, as per standard.

XXL has continued to adapt purchasing volumes to sales and thereby normalized its inventory levels. The inventory decreased to NOK 1 885 million (NOK 2 173 million). XXL is currently working on several short-term turn around actions and a longer-term strategic plan, called "Reset & Rethink", in order to improve profitability. Five must win battles are identified and is currently in execution as part of the "Reset":

- Reset category strategies
- Secure product availability
- Store sales strategies and operations
- Pricing
- E-commerce profitability

The identified must win battles are expected to deliver an EBITDA run-rate uplift of NOK 500-750 million during the next 12 months.

As part of the "Reset" plan XXL has in Q1 2024 closed down its operations in Denmark as well as one unprofitable store in Finland.

"Rethink" is related to detailing out a longer-term strategic plan that will transform XXL into a resilient, profitable and a once again winning and growing concept in the market. The four long-term strategic pillars are;

- Restructure physical stores
- Accelerate E-commerce
- Double down on private label
- Leverage service offering

### Operating segments

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

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

#### Norway

The Norwegian operations delivered total operating revenue of NOK 802 million in the first quarter 2024 compared to NOK 1 004 million in the same quarter last year, representing a negative growth of 20.1 per cent. The decline in revenue is explained by continued weak markets, low product availability and an extraordinary clearance campaign in Q1 2023.

Gross margin improved to 39.7 per cent (32.9 per cent), driven by healthier inventories and lower clearance activities compared to last year as well as more strict price control. Also, gross margin was positively impacted by the release of obsolescence provisions of 2 percentage points.

Operating expenses as percentage of sales ended at 26.6 per cent (23.4 per cent) impacted by a negative like for like growth of 21.9 per cent hurting scale in the operations. However, operating expenses in absolute value are lower than last year by approximately NOK 21 million despite the opening of one new store.

EBITDA amounted to NOK 106 million (NOK 95 million).

#### Sweden

Total operating revenue for XXL in Sweden in Q1 2024 amounted to NOK 481 million (NOK 599 million) corresponding to a negative growth of 22.2 per cent in local currency. In Q1 last year XXL launched an extraordinary clearance campaign with strong sales volumes.

Gross margin improved to 38.2 per cent (27.8 per cent) driven by healthier inventory levels and lower clearance activities and stricter price control. Also, gross margin was positively impacted by the release of obsolescence provisions of 2 percentage points.

Operating expenses as percentage of sales ended at 33.0 per cent (28.9 per cent) explained by the negative like for like growth hampering scale in operations. However, in local currency operating expenses are lower than last year by approximately SEK 20 million despite the costs of opening a new store.

EBITDA is NOK 25 million (negative of NOK 7 million), driven by weak sales development compensated by higher gross margin and lower costs.

### Finland

Total operating revenue in the quarter amounted to NOK 275 million (NOK 381 million). This corresponded to a negative growth of 30.9 per cent in local currency in a very challenging market with weak consumer sentiment and low demand. The development is also explained by the extraordinary clearance campaign last year. In March 2024 XXL closed its store in Redi, Helsinki.

Gross margin ended at 37.1 per cent (32.9 per cent) due to fewer clearance activities and stricter price control. Gross margin was positively impacted by the release of obsolescence provisions of 1.4 percentage points.

Operating expenses as percentage of sales ended at 34.8 per cent in Q1 2024 (29.2 per cent) due to negative growth hurting scale in the operations. The cost base in local currency was approximately EUR 2 million lower than last year.

EBITDA amounted to NOK 6 million in Q1 2024 (NOK 14 million).

### HQ and Logistics

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

Operating expenses were NOK 125 million (NOK 148 million) in Q1 2024. XXL has continued to address the HQ cost base to adapt to the current sales development. The reduction versus last year is mainly explained by reduced personnel expenses at the HQ as well as lower bonus accruals.

## Financials

### Consolidated income statement – First quarter

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

**Total operating revenue** decreased by 21.5 per cent to NOK 1 558 million (NOK 1 984 million).

**Total operating expenses** excluding depreciation, impairment losses and cost of goods sold equaled NOK 593 million (NOK 668 million) in the first quarter. As percentage of total operating revenue of the Group, operating expenses increased from 33.6 per cent in the first quarter last year to 38.0 per cent in the first quarter this year.

**Operating income** amounted to negative NOK 188 million (negative NOK 239 million). The change is mainly explained by the higher gross margin as described above.

**Net financial expense** amounted to NOK 21 million for the

first quarter (net financial expense of NOK 45 million) of which NOK 21 million is related to IFRS 16 effects compared to NOK 22 million in Q1 2023. Net interest expense ended at NOK 20 million (net interest expense of NOK 29 million). Net financial expenses included a positive currency effect of NOK 22 million compared to a positive currency effect of NOK 10 million last year. Other financial expenses of NOK 2 million were related to amortization of capitalized borrowing costs and other financial costs.

**Income tax expense** XXL has chosen not to capitalize any deferred tax asset during Q1 2024. Hence the tax cost is NIL.

**Profit for the period from continuing operations** ended at negative NOK 209 million (negative NOK 225 million).

**Profit for the period** ended at negative NOK 209 million (negative NOK 267 million)

### Consolidated cash flow – 2024

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

Cash provided by operating activities was positive by NOK 24 million (2023; Cash negative by NOK 57 million) in the first quarter. This was mainly attributable to reduction in net working capital of NOK 156 million, of which cash effect was largely offset by a reduction in public duties payable by NOK 144 million.

Cash used by investing activities was NOK 19 million (NOK 31 million) for first quarter 2024. This is mainly related to investments in existing stores and IT.

Cash used by financing activities amounted to NOK 267 million (cash used of NOK 232 million) in 2023. This was mainly attributable to repayments on borrowings by NOK 66 million and payments of lease liabilities by NOK 162 million.

### Financial position and liquidity

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

As of 31 March 2024, total assets amounted to NOK 7 286 million (NOK 8 850 million). Total equity was NOK 2 109 million (NOK 3 255 million), resulting in an equity ratio of 28.9 per cent (36.8 per cent), prior to the capital raise described below. Net interest-bearing debt (NIBD) ended at NOK 1 070 million (NOK 889 million).

The Group had cash and cash equivalents of NOK 142 million (NOK 255 million) as of 31 March 2024. The Group's liquidity reserves include total credit facilities of NOK 1 300 million where of NOK 851 million was used as of 31 March 2024. Available liquidity reserves as of 31 March 2024 were NOK 591 million (NOK 438 million).

### Private placement

On 21 March 2024 XXL announced a private placement of NOK 500 million and allocated 535 714 285 new ordinary shares (class A-shares) and 178 571 429 new non-voting

shares (class B-shares) at a price of NOK 0.70 per share. The net proceeds from the offering will be used for general business purposes hereof NOK 300 million will be used to reduce the existing revolving credit facility with DNB ASA and Nordea Bank Abp. The private placement was subject to approval by an extraordinary general meeting, which was obtained on 12 April 2024.

XXL has also resolved to carry out a subsequent offering of up to 85 714 285 new class A-shares directed towards shareholders not allocated shares or participating in the private placement. The subscription will be equal to the subscription price in the private placement, i.e. NOK 0.70 per class A-share. The extraordinary general meeting of 12 April 2024 gave the mandate to the Board of Directors to commence the subsequent offering. The subscription period for the subsequent offering, if any, is expected to commence during Q2 2024 following approval of a prospectus.

More information about the private placement can be found on <https://newsweb.oslobors.no>

#### **Change in the Executive Management team**

CFO in XXL ASA, Stein Eriksen, has informed the Company that he has accepted a new position as CFO in another company. Consequently, he will leave XXL this summer, after the Q2 2024 reporting in July, and XXL has initiated a search for a new CFO.

#### **Outlook**

XXL is in the phase of implementing several strategic initiatives and projects to improve profitability and operational efficiency moving forward, called "Reset & Rethink". Five must win battles are expected to deliver an EBITDA uplift of NOK 500-750 million during the next 12-15 months.

XXL's target and goal moving forward is to come back to sound profitability as well as over time gain market shares in all markets and regain growth in the E-commerce channel.

In line with the existing strategy, XXL will continue to mainly invest in operational efficiency, store footprint optimization, customer experience enhancing projects in both stores and in the E-commerce platform, as well as in IT and tech. Total CAPEX for XXL Group in 2024 is expected to remain modest at around NOK 100-150 million.

XXL has thus far no new store openings signed in 2024. Mid- to long-term XXL continues to expect the pace of the store roll-out to be 2-3 new stores per year including relocations of stores. At the same time XXL will be downsizing several existing stores. Short term the Group will continue to focus on optimizing the store portfolio, including evaluation of selective closures of low performing stores with limited turnaround abilities.

### Condensed Consolidated Interim Statements of Income & Comprehensive Income

<i>(Amounts in NOK million)</i>	Q1 2024	Q1 2023	FY 2023 (Audited)
<b>Total Operating Revenue</b>	<b>1 558</b>	<b>1 984</b>	<b>7 961</b>
Cost of goods sold	953	1 362	5 452
Personnel expenses	382	436	1 657
Other operating expenses	211	232	931
Depreciation	200	194	754
Impairment losses	-	-	576
<b>Total Operating Expenses</b>	<b>1 745</b>	<b>2 223</b>	<b>9 370</b>
<b>Operating Income</b>	<b>-188</b>	<b>-239</b>	<b>-1 409</b>
<b>Net financial expense</b>	<b>-21</b>	<b>-45</b>	<b>-186</b>
<b>Profit before income tax</b>	<b>-209</b>	<b>-284</b>	<b>-1 595</b>
Income tax expense	-	-58	-5
<b>Profit from Continuing Operations</b>	<b>-209</b>	<b>-225</b>	<b>-1 590</b>
<b>Net Income Discontinued Operations</b>	<b>-</b>	<b>-42</b>	<b>-206</b>
<b>Profit for the Period</b>	<b>-209</b>	<b>-267</b>	<b>-1 796</b>
<b>Basic Earnings per share from continuing operations (NOK)</b>	<b>-0,13</b>	<b>-0,73</b>	<b>-1,93</b>
<b>Basic Earnings per share (NOK)</b>	<b>-0,13</b>	<b>-0,86</b>	<b>-2,18</b>
<b>Other comprehensive income</b>			
Foreign currency rate changes	7	-35	17
<b>Total Other Income and Expense</b>	<b>7</b>	<b>-35</b>	<b>17</b>
<b>Total comprehensive income for the period</b>	<b>-202</b>	<b>-302</b>	<b>-1 779</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the company	-200	-294	-1 721
Non-controlling interest	-2	-8	-57

*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	31.03.2024	31.03.2023	31.12.2023 (Audited)
<b>NON CURRENT ASSETS</b>				
<b>Intangible Assets</b>				
Goodwill		2 222	2 744	2 222
Other Intangible Assets		270	268	270
Deferred tax asset		254	217	253
<b>Total Intangible Assets</b>		<b>2 747</b>	<b>3 229</b>	<b>2 745</b>
Fixed Assets		456	609	490
Right of Use Assets	9	1 777	2 129	1 804
<b>Total Non Current Assets</b>		<b>4 979</b>	<b>5 967</b>	<b>5 039</b>
<b>CURRENT ASSETS</b>				
Inventory		1 885	2 173	1 776
Trade and Other Receivables		280	223	320
Cash and Cash Equivalents		142	255	406
<b>Total Current Assets</b>		<b>2 307</b>	<b>2 651</b>	<b>2 502</b>
<b>Total assets of disposal group held for sale</b>		<b>-</b>	<b>232</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>7 286</b>	<b>8 850</b>	<b>7 542</b>

<i>(Amounts in NOK million)</i>	Note	31.03.2024	31.03.2023	31.12.2023 (Audited)
<b>SHAREHOLDERS' EQUITY</b>				
Paid-in Capital		4 065	3 532	4 065
Other equity		-1 957	-278	-1 754
<b>Total Shareholders' Equity</b>		<b>2 109</b>	<b>3 255</b>	<b>2 310</b>
<b>Other non-current liabilities</b>				
Interest Bearing Non-Current Liabilities		218	481	276
Lease Liabilities	9	1 488	1 787	1 528
<b>Total non-current liabilities</b>		<b>1 706</b>	<b>2 268</b>	<b>1 804</b>
<b>Current liabilities</b>				
Accounts Payable		1 116	1 037	908
Lease Liabilities	9	599	604	585
Current Interest Bearing Liabilities		995	695	1 006
Tax payable		32	9	28
Public duties payable		197	289	342
Other current liabilities		533	535	560
<b>Total current liabilities</b>		<b>3 472</b>	<b>3 171</b>	<b>3 428</b>
<b>TOTAL LIABILITIES</b>		<b>5 178</b>	<b>5 439</b>	<b>5 232</b>
<b>Total liabilities of disposal group held for sale</b>		<b>-</b>	<b>156</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7 286</b>	<b>8 850</b>	<b>7 542</b>

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

### Condensed Consolidated Interim Statement of Cash Flows

	Q1 2024	Q1 2023 (Audited)	FY 2023
<b>Operating Activities</b>			
Profit before tax from continued operations	(209)	(286)	(1 595)
Income tax paid	-	-	-
Depreciation and amortization	200	194	1 330
Net financial expense	37	45	165
Changes in inventory	(109)	75	552
Changes in accounts receivable	57	45	(44)
Changes in accounts payable	208	(180)	(340)
Changes in other balance sheet items	(159)	28	103
Cash provided (used) by operating activities from discontinuing operations	-	21	28
<b>Net cash flow from operating activities</b>	<b>24</b>	<b>(57)</b>	<b>198</b>
<b>Investing Activities</b>			
Investment in fixed assets	(19)	(31)	(129)
<b>Net cash flow from investing activities</b>	<b>(19)</b>	<b>(31)</b>	<b>(129)</b>
<b>Financing Activities</b>			
Proceeds from share capital increase	-	500	1 001
Transaction costs	-	(11)	(35)
Payments from and repayments of borrowings	(66)	(500)	(774)
Proceeds from other short term debt	-	-	342
Interest payments on interest-bearing liabilities	(18)	(30)	(95)
Payment of Interest element of lease payments	(21)	(22)	(84)
Payments of lease liabilities	(162)	(156)	(607)
Cash provided (used) by financing activities from discontinuing operations	-	(14)	(33)
<b>Net cash flow from financing activities</b>	<b>(267)</b>	<b>(232)</b>	<b>(285)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(262)</b>	<b>(321)</b>	<b>(216)</b>
Cash and cash equivalents - beginning of period	406	575	575
Effect of foreign currency rate changes on cash and equivalents	(2)	-	24
Cash and Cash Equivalents (AHS) - End of period	-	33	23
<b>Cash and Cash Equivalents - End of period</b>	<b>142</b>	<b>288</b>	<b>406</b>

### 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 31.12.2022</b>	<b>101</b>	<b>2 900</b>	<b>40</b>	<b>61</b>	<b>-47</b>	<b>10</b>	<b>3 066</b>
Net income 2023	-	-	-	-1 731	-	-65	-1 796
Foreign currency rate changes	-	-	-	-	17-	-	17
<b>Transactions with owners:</b>							-
Employee share incentive program			3-				3
Dividends	-	0					-
Share issue	564	455					1 020
Purchase of own shares	-	-					-
<b>Shareholders' Equity 31.12.2023</b>	<b>665</b>	<b>3 355</b>	<b>43</b>	<b>-1 670</b>	<b>-30</b>	<b>-54</b>	<b>2 310</b>
Net income Q1 2024				-207		-2	-209
Foreign currency rate changes					7		7
<b>Transactions with owners:</b>							0
Employee share incentive program			1				1
Share issue							0
Purchase of own shares	-	-					0
<b>Shareholders' Equity 31.03.2024</b>	<b>665</b>	<b>3 355</b>	<b>45</b>	<b>-1 877</b>	<b>-23</b>	<b>-56</b>	<b>2 109</b>

## 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.

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 2024 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 2023, which have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

### 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 2023.

### 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 2023.

### Note 5 Earnings per share

	Q1 2024	Q1 2023	FY 2023
Net income from continuing operations	-209	-225	-1 590
Net income from discontinued operations	0	-42	-206
<i>Weighted average number of ordinary shares issued</i>	1 663 574 430	318 774 282	822 974 251
<i>Weighted average number of own shares</i>	0	8 470 000	0
Weighted average number of shares used in calculating basic earnings per share	1 663 574 430	310 304 282	822 974 251
<b>Basic earnings per share from continuing operations (NOK)</b>	<b>-0,13</b>	<b>-0,73</b>	<b>-1,93</b>
<b>Basic earnings per share from discontinued operations (NOK)</b>	<b>0,00</b>	<b>-0,14</b>	<b>-0,25</b>
<b>Basic earnings per share (NOK)</b>	<b>-0,13</b>	<b>-0,86</b>	<b>-2,18</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 three reportable geographical segments and HQ & Logistics segment. The following presents the Group's revenue by operating segment:

#### Q1 2024

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics*	Total Cont'Ops
Operating revenue	802	481	275	-	1 558
Gross profit	319	184	102	-	605
EBITDA	106	25	6	-125	12
Operating Income	27	-28	-31	-155	-188

#### Q1 2023

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total Cont'Ops
Operating revenue	1 004	599	381	-	1 984
Gross profit	330	167	126	-	621
EBITDA	95	-7	14	-148	-45
Operating Income	26	-65	-22	-179	-239

#### 01.01.2023 - 31.12.2023

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total Cont'Ops
Operating revenue	4 049	2 387	1 525	-	7 961
Gross profit	1 342	672	495	-	2 509
EBITDA	425	-28	67	-544	-80
Operating Income	-371	-293	-84	-661	-1 409

\* As of Q1 2024 Austria Segment is incorporated in the HQ & Logistics Segment.

### 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 2024. Furthermore, 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 arm-length basis.

### Note 8 Risk Management

A description of main risk factors in XXL is included in Note 20 in the Annual Report for 2023.

### 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 01.01.2024</b>	<b>4 658</b>
Additions and adjustments	112
Change incentives	-7
Net exchange differences	41
<b>Aquisition costs 31.03.2024</b>	<b>4 805</b>
Accumulated depreciation and impairment losses 01.01.2024	-2 854
Depreciation	-145
Impairment losses (-) Reversal of losses (+)	0
Transfers and reclassifications	0
Currency exchange differences	-29
<b>Accumulated depreciation and impairment 31.03.2024</b>	<b>-3 027</b>
<b>Total Right-of-Use Assets at 31.03.2024</b>	<b>1 777</b>
<b>Right of Use Assets</b>	<b>1 777</b>

#### Lease liabilities

*(Amounts in NOK million)*

<b>Summary of the lease liabilities in the financial statements</b>	
<b>Total lease liabilities 01.01.2024</b>	<b>2 112</b>
New lease liabilities recognised in the period and adjustments	105
Leasing payments for the principal portion of the lease liability	-167
Interest expense on lease liabilities	21
Reassessment of the discount rate on previous lease liabilities	0
Currency exchange differences	17
<b>Lease liabilities at 31.03.2024</b>	<b>2 087</b>

#### whereof:

Current lease liabilities < 1 year	599
Non-current lease liabilities > 1 year	1 488

### Note 10 Deviation from Q4 2023 report

There is a deviation from the Q4 2023 report regarding Net financial expense which has increased from negative NOK 157 million to negative NOK 186 million. Also, there is an adjustment to income tax expense providing an improvement from NOK 63 million, to negative of NOK 5 million. Consequently, the Profit from Continuing Operations has improved from negative of NOK 1 629 million to a negative of NOK 1 590 million.

## 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.

All APMs are related to Continuing Operations. We refer to note 10 for details on Discontinued Operations.

### EBIT

Our EBIT represents operating income.

### EBIT adj

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

	Q1'24	Q1'23	FY23
EBIT	-188	-239	-1 409
+ Impairment Losses	0	0	576
= EBIT adj	-188	-239	-833

### 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.

### Net Income Adj

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

	Q1'24	Q1'23	FY23
Net Income	-209	-225	-1 590
+ Impairment Losses	0	0	576
= Net Income adj	-209	-225	-1 014

### EBITDA

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

	Q1'24	Q1'23	FY23
Operating Income	-188	-239	-1 409
+ Depreciation	200	194	754
+ Impairment losses	0	0	576
= EBITDA	12	-45	-80

### Like for Like

Like for Like includes 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.

### Gross profit / Gross margin

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

	Q1'24	Q1'23	FY23
Operating revenue	1 558	1 984	7 961
÷ Cost of goods sold	953	1 362	5 452
= Gross profit	605	622	2 508
Gross margin	38.8%	31.3%	31.4%

### 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.

	Q1'24	Q1'23	FY'23
Other operating expenses	211	232	931
+ Personnel expenses	382	436	1 657
<b>= OPEX</b>	<b>593</b>	<b>668</b>	<b>2 588</b>

### 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.

	Q1'24	Q1'23	FY23
Non-Current Interest-Bearing liabilities	218	481	276
+ Current Interest-Bearing liabilities	995	695	1 006
÷ Cash and Cash Equivalents	142	288	406
<b>= Net Interest-Bearing Debt</b>	<b>1 070</b>	<b>889</b>	<b>876</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.

	Q1'24	Q1'23	FY23
Cash and Cash Equivalents	142	255	406
+ Cash and Cash Equivalents (AHS)	0	33	0
+ Undrawn Credit Facilities	449	150	354
<b>= Liquidity reserve</b>	<b>591</b>	<b>438</b>	<b>760</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.

Q1'24	XXL Group	NOR	SWE	FIN	HQ & logistics
<b>EBITDA reported</b>	<b>12</b>	<b>106</b>	<b>25</b>	<b>6</b>	<b>-125</b>
IFRS 16 effects OPEX	-162	-65	-50	-33	-14
<b>EBITDA ex IFRS 16 effects</b>	<b>-150</b>	<b>41</b>	<b>-25</b>	<b>-27</b>	<b>-139</b>
<b>EBIT Reported</b>	<b>-188</b>	<b>27</b>	<b>-28</b>	<b>-31</b>	<b>-155</b>
IFRS 16 effects affecting EBIT	-17	-2	-11	-3	-2
<b>EBIT ex IFRS 16 effects</b>	<b>-205</b>	<b>25</b>	<b>-39</b>	<b>-34</b>	<b>-157</b>



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[www.xxlasa.com/investor](http://www.xxlasa.com/investor)

## FINANCIAL CALENDAR

Q1 Results	24.4.2024:
Q2 Results	12.7.2024:
Q3 Results	6.11.2024:

## INVESTOR CONTACT

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