



**October 2023 –  
December 2024  
Financial Statements  
Release Q5/2024**

1 October 2023 –  
31 December 2024

## Financial Statements Release 1 October 2023 – 31 December 2024

**Musti continues to invest in expansion and market share****October – December 2024**

- Group net sales totaled EUR 122.2 (115.7) million, an increase of 5.6% (4.8%).
- Like-for-like sales growth was 1.2%.
- Adjusted EBITDA was EUR 17.2 (20.5) million.
- Adjusted EBITDA margin was 14.1% (17.7%).
- Adjusted EBITA was EUR 7.3 (12.4) million.
- Adjusted EBITA margin was 6.0% (10.7%).
- Net cash flow from operating activities was EUR 7.6 (15.7) million.
- Operating profit was EUR 4.5 (9.4) million.
- Profit for the period totaled EUR 2.8 (5.8) million.
- Earnings per share, basic was EUR 0.08 (0.17).
- Number of stores grew to 415 (348).
- Total number of customers grew to 1,866 thousand (1,818 thousand).

**October 2023 – December 2024**

- The financial years are not entirely comparable because FY24 was extended to 15 months
- Group net sales totaled EUR 560.6 (425.7) million
- Like-for-like sales growth was 1.1%.
- Adjusted EBITDA was EUR 81.6 (73.6) million.
- Adjusted EBITDA margin was 14.6% (17.3%).
- Adjusted EBITA was EUR 38.0 (42.6) million.
- Adjusted EBITA margin was 6.8% (10.0%).
- Net cash flow from operating activities was EUR 46.9 (79.6) million (including impact of non-recurring items EUR 15.3 million).
- Operating profit was EUR 16.2 (37.8) million.
- Profit for the period totaled EUR 6.7 (26.5) million.
- Earnings per share, basic was EUR 0.20 (0.79).

**Key Events during the quarter**

- Musti acquired the shares of Pet City OÜ (including its subsidiaries Pet City UAB, Pet City SIA and Pet City Klinika UAB) and Eesti Veterinaaria Kliinikum OÜ from Magnum Group for an Enterprise Value (EV) of EUR 18.0 million, of which EUR 13.7 million was paid in cash at closing. The remaining will be settled once the closing accounts have been approved by both buyer and the seller.
- Pet City operates 46 retail stores and 16 veterinary clinics in the Baltic countries including an e-commerce platform operating throughout the Baltic region. Pet City is reported in the New Markets segment that was formed in December 2024.

The quarterly figures in parentheses refer to the comparison period, i.e., the same period in the previous year, unless stated otherwise. Comparison period for the financial year 2024 is 1 October 2022 – 30 September 2023. Musti Group's financial year was changed to calendar year during the reporting period, and therefore the financial year 2024 covers 15 months. The financial year was from 1 October to 30 September prior to the change. Due to the extended financial year, the amounts presented in this Financial Statements Release are not entirely comparable. Like-for-like growth for financial year 2024 has been calculated for the 15-month period.

## Key figures

EUR million or as indicated	10–12/2024	10–12/2023	Change %	10/2023– 12/2024	10/2022– 9/2023
Net sales	122.2	115.7	5.6%	560.6	425.7
Net sales growth, %	5.6%	4.8%		31.7%	8.9%
LFL sales growth, %	1.2%	4.8%		1.1%	9.5%
LFL store sales growth, %	-1.1%	2.5%		-1.6%	6.7%
Online share, %	23.9%	23.3%		24.3%	23.0%
Gross margin, %	44.0%	45.9%		44.1%	45.7%
EBITDA	15.9	18.8	-15.7%	67.2	74.6
EBITDA margin, %	13.0%	16.3%		12.0%	17.5%
Adjusted EBITDA	17.2	20.5	-16.0%	81.6	73.6
Adjusted EBITDA margin, %	14.1%	17.7%		14.6%	17.3%
EBITA	6.0	10.8	-44.2%	23.6	43.6
EBITA margin, %	4.9%	9.3%		4.2%	10.2%
Adjusted EBITA	7.3	12.4	-40,9%	38.0	42.6
Adjusted EBITA margin, %	6.0%	10.7%		6.8%	10.0%
Operating profit	4.5	9.4	-52,6%	16.2	37.8
Operating profit margin, %	3.6%	8.1%		2.9%	8.9%
Profit/loss for the period	2.8	5.8	-51.7%	6.7	26.5
Earnings per share, basic, EUR	0.08	0.17	-51.4%	0.20	0.79
Net cash flow from operating activities	7.6	15.7	-51.8%	46.9	79.6
Investments in tangible and intangible assets	4.8	4.0	18.9%	19.2	11.9
Net debt / LTM adjusted EBITDA	3.1	1.8	63.7%	3.1	1.9
Total number of customers, thousands	1,866	1,818	2.6%	1,866	1,806
Number of stores at the end of the period	415	348	19.3%	415	342
of which directly operated	411	338	21.6%	411	330

“Q5 of 2024 saw Musti further consolidate its Nordic market leadership position and complete its move into the Baltics, strengthening Musti’s growth runway. I am pleased we were able to profitably grow customer numbers and market share in what remained a tough consumer environment.” – David Rönnerberg, Musti Group CEO

The financial year ended with a satisfactory quarter in what remained a somber consumer environment. Net sales increased by 5.6% to EUR 122.2 million (EUR 115.7 million), led again by our online offering. There was a small benefit from the inclusion of the sales of the Pet City stores post completion in November. If Pet City was consolidated for the full quarter then the net sales growth would have been 10.7 %.

Online sales increased by 8,3% to EUR 29.2 million (EUR 26.9 million). Like-for-like online sales growth was 8.8% (13.0%). Online sales accounted for 23.9% (23.3%) of total net sales.

Store sales increased by 4.5% to EUR 90.4 million (EUR 86.4 million) as we added 65 directly operated stores during the quarter to our network, of which 62 as part of the acquisition of Pet City. Sweden and Norway continued to perform well during the quarter, with positive sales growth, while Finland was impacted by lower consumer confidence leading to flat year over year performance. All markets grew customer numbers and market share in pet specialty retail.

Financial performance was in line with our expectations. Group adjusted EBITDA decreased by 16.0% to EUR 17.2 million (EUR 20.5 million). The decrease was mainly due to the pressure on gross margin from the weak consumer climate (impacting mix) and inflation. Gross margin decreased to 44.0% (45.9%) due to targeted investment in price and campaign activities and a slight decrease in the share of sales of own and exclusive brands to 52% (53.0%). Adjusted EBITDA margin was 14.1% (17.7%).

The economic outlook and the consumer confidence in the Nordics are expected to improve. Lower interest rates and the improving purchasing power of the consumer will impact Musti positively. We believe that the long-term market trend of pet parenting continues despite the temporarily soft demand during the past year. Our expectation, based on recent data, is that the market is rebounding to the long-term trend. Our fundamentals and competitive advantage remain strong, our customer base is continuing to grow, and we are prepared for the next growth cycle. Musti continues to actively seek for new opportunities, both in existing markets and new geographical areas.

I’m excited about the journey ahead and confident that our omni channel offering will deliver quality and customer satisfaction in the consolidating European pet food and accessory market. To our team members – on behalf of our pet parents, our shareholders, our Board, our Group management team and myself, thank you for year 2024 and best of luck to the new year!

David Rönnerberg,

CEO

## Financial targets

Following its review in April 2024, the Board of Directors of Musti Group Plc decided to withdraw the company's long-term financial targets, updated by the Board of Directors on 3 May 2021. With the new majority owner, Musti Group is now in a new strategic phase with need to focus on sustainable growth to create value to its pet parent customers, owners and other stakeholders. In addition, the Board of Directors resolved to amend the company's dividend policy as follows: The company's net profit shall be used towards financing the company's growth and investments, and the company does not expect to distribute dividends. The Board of Directors may however assess dividend distribution annually.

## Nordic pet care market

Musti Group operates in the Nordic and Baltic pet care markets, broadly defined as the sale of pet food, products, services and veterinary care. In our Nordic markets Finland, Sweden and Norway, our core market consisting of pet food and products was estimated by Euromonitor at approximately EUR 2.2 billion in 2023, with Sweden as the largest market (approximately EUR 0.9 billion), followed by Finland (approximately EUR 0.8 billion) and Norway (approximately EUR 0.6 billion). In late 2024, Musti entered the Baltic market through acquisition of Pet City with operations in Estonia, Latvia and Lithuania.

Pet care market is driven by an underlying long term structural trend called pet parenting, the tendency of people to treat their pets increasingly like family members. This trend leads to premiumization and humanization as consumers spend more on higher quality and more premium nutrition, as well as a more diverse range of products and wider adoption of services.

## Outlook for the financial year 2025

After several years of above average growth rates, the pet care market experienced slower growth in 2024 both in the Nordics and globally. This was affected by three main drivers that combined created a temporary drag. Firstly, registrations of puppies and kittens were below the trend after peak cohorts during the covid period 2020 – 2022. As a result, pet ownership level is high increasing the addressable market for many years to come with a long positive tail effect, but new registrations were softer in the year and thus contributing less to year-on-year growth. In the Nordics, both Finland and Sweden puppy registrations were down -8% in 2024 compared to 2023. Secondly, especially 2023 the market growth was partly driven by global inflation, while in 2024 the pricing environment was stable. Thirdly, the wider Nordic consumer climate was challenging with a relative decrease in consumer spending power. This affected demand for discretionary items such as clothing and beds where postponing purchases is an option, while non-discretionary consumable categories contributing majority of market value such as food, litter and treats remained resilient underpinned by repeat purchasing behavior.

The underlying trend of pet parenting that drives long-term structural market growth remains robust. Entering 2025, our expectation is a gradual return to long term market growth levels of approximately 4%. This view is supported by normalization of the key factors that have suppressed market growth in 2024. Number of puppies and kittens that has been a drag on growth after covid related peak levels are stabilizing and returning to long term average levels. Macro forecasts indicate improving consumer spending power across the Nordic countries, supported by improving GDP outlook, decreasing interest rates and gradual wage increases.

## Group Performance

### Net sales

EUR million	10-12/2024	10-12/2023	Change %	10/2023-12/2024	10/2022-9/2023
Net sales					
Group	122.2	115.7	5.6%	560.6	425.7
Finland	51.3	51.2	0.1%	242.1	189.9
Sweden	47.1	46.0	2.4%	224.2	170.9
Norway	20.6	18.5	11.7%	91.1	64.9
New Markets	3.2	-	-	3.2	-

### October – December 2024

Group net sales increased by 5.6% to EUR 122.2 million (EUR 115.7 million). The increase was largely due to solid online sales and the acquisition of Pet City, partly offset by weak consumer climate. Currency exchange rates did not have a significant impact on the sales growth. Like-for-like sales growth, which is calculated in local currencies, was 1.2% (4.8%). Pet City increased net sales by EUR 3.2 million in December. The effect on the Group's net sales would have been approximately EUR 9.1 million if the acquisition had been consolidated from the beginning of the quarter.

Store sales increased by 4.5% to EUR 90.4 million (EUR 86.4 million). We added 65 directly operated stores during the quarter to our network, of which 62 as part of the acquisition of Pet City. Like-for-like store sales growth was -1.1% (2.5%). Online sales increased by 8.3% to EUR 29.2 million (EUR 26.9 million). Like-for-like online sales growth was 8.8% (13.0%). Online sales accounted for 23.9% (23.3%) of total net sales.

### October 2023 – December 2024

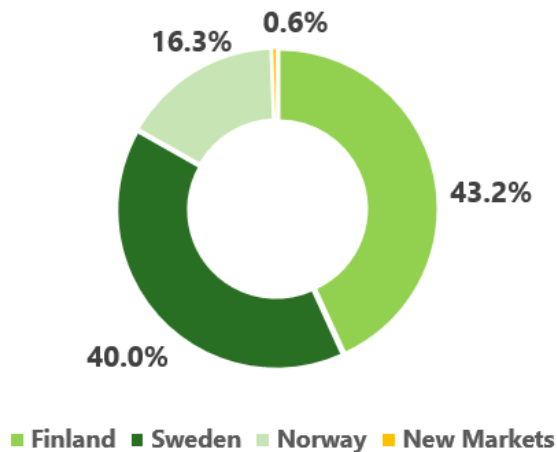
Group net sales for the 15-month period was EUR 560.6 million (EUR 425.7 million). In addition to the longer financial year, network expansion had a positive impact on the net sales and was partly offset by currency exchange rate fluctuations. Pet City increased the net sales by EUR 3.2 million during FY24. The effect on the Group's net sales would have been approximately EUR 42.2 million if the acquisition had been consolidated from the beginning of the financial year.

Currency exchange rate changes affected the net sales negatively by EUR 6.0 million. Weakened SEK exchange rate decreased sales by EUR 1.5 million and NOK exchange rate decreased sales by EUR 4.5 million. Like-for-like growth, which is calculated in local currencies, amounted to 1.1% (9.5%).

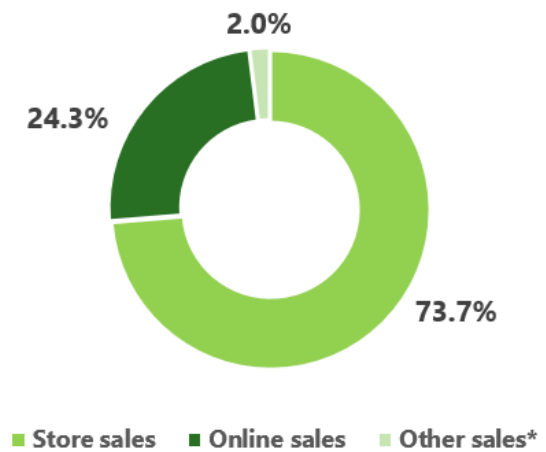
Store sales was EUR 413.2 million (EUR 322.3 million). We added a net 81 directly operated stores during the year to date to our network of which 62 as part of the acquisition of Pet City. Like-for-like store sales growth was -1.6% (6.7%). Online sales were EUR 136.4 million (EUR 97.8 million). Like-for-like online sales growth was 10.1% (19.0%). Online sales accounted for 24.3% (23.0%) of total net sales.

The total number of customers increased by 3.3% to 1,866 thousand (1,806 thousand). Rolling 12 months average spend per loyal customer was EUR 209.1 (EUR 206.4).

Net sales by segment 10/2023-12/2024



Net sales by channel 10/2023-12/2024



\*Other sales include franchise fees and wholesale.

## Result

### October – December 2024

Group adjusted EBITA decreased by 40.9% to EUR 7.3 million (EUR 12.4 million). The decrease was mainly due to continuous weak consumer climate, pressure in gross profit and inflation. Adjusted EBITA margin was 6.0% (10.7%).

Gross margin decreased to 44.0% (45.9%) due to targeted investment in price and campaign activities and a slight decrease in the share of sales of own and exclusive brands to 51.8% (53.0%). The share of employee benefits and other operating expenses as percentage of sales was 32.1% (30.3%) driven by network expansion and salary inflation.

Depreciation amounted to EUR 9.9 million (EUR 8.1 million) and amortization amounted to EUR 1.5 million (EUR 1.4 million). Main driver is the growing store network via IFRS 16 impact.

Adjustments to EBITA were EUR 1.3 million (EUR 1.6 million) in the quarter. Most of the adjustments relate to ongoing digitalization projects. Unadjusted operating profit decreased by 52.6% to EUR 4.5 million (EUR 9.4 million).

Profit before taxes amounted to EUR 3.5 million (EUR 7.4 million). The impact of financial income and expenses (net) on profit before taxes was EUR 1.0 million negative (EUR 2.0 million negative), mainly due to interest expenses and change in fair value of hedging instruments. Profit for the period was EUR 2.8 million (EUR 5.8 million) and basic earnings per share was EUR 0.08 (0.17).

### October 2023 – December 2024

Group adjusted EBITA was EUR 38.0 million (EUR 42.6 million). This was impacted by the continuously weak consumer climate, pressure in gross profit and inflation. Recent movements of the local currencies SEK and NOK had a negative impact of EUR 0.6 million on adjusted EBITA (EUR 3.1 million negative in the comparison period). Adjusted EBITA margin was 6.8% (10.0%).

Gross margin decreased to 44.1% (45.7%). The share of sales of own and exclusive brands was 51.5% (52.4%). The share of employee benefits and other operating expenses as percentage of sales was 33.1% (29.4%) mainly driven by the significant amount of non-recurring costs and inflation.

Depreciation amounted to EUR 43.7 million (EUR 31.0 million) and amortization amounted to EUR 7.3 million (EUR 5.8 million). Main driver is the growing store network via IFRS 16 impact.

Adjustments to EBITA were EUR 14.4 million (EUR -0.9 million) in the reporting period. The adjustments include costs relating to the public tender offer, digitalization projects, the value added taxes related to IPO, restructuring, the acquisition of Pet City, and the product recall which was made in November 2023.

Unadjusted operating profit was EUR 16.2 million (EUR 37.8 million).

Profit before taxes amounted to EUR 8.2 million (EUR 33.7 million). The impact of financial income and expenses (net) on profit before taxes was EUR 8.1 million negative (EUR 4.1 million negative), mainly due to interest expenses and change in fair value of hedging instruments. Profit for the period was EUR 6.7 million (EUR 26.5 million) and basic earnings per share was EUR 0.20 (0.79).

Musti Group has been subject to a tax audit of Musti Group Oyj, Musti Group Finland Oy and Musti Group Nordic Oy regarding financial years 2018-2020. Musti Group Oyj has in October 2021 received a tax audit report from the Finnish tax authorities. The tax audit report included subsequent taxes and tax increases amounting to a total of EUR 0.9 million, relating to the VAT deductibility of IPO related costs. Tax and increases have been paid in November 2021. The Company disagreed with the interpretation made in the tax audit and filed a claim for adjustment. Based on the decision by the Tax Administration, the Company recognized EUR 0.4 million in 2023 and based in the final decision EUR 0.2 million in 2024 of VAT as an expense. The Tax Administration returned EUR 0.3 million paid VAT to the Company.

## Financial position and cash flow

In October – December 2024, the net cash flow from operating activities totaled EUR 7.6 million (EUR 15.7 million). Change in net working capital had an impact of EUR -6.8 million (EUR -3.0 million) to the cash flow during the quarter. Cash flow used in investing activities during the quarter amounted to EUR 20.9 million (EUR 6.7 million).

In October 2023 – December 2024, the net cash flow from operating activities totaled EUR 46.9 million (EUR 79.6 million). Change in net working capital had an impact of EUR -12.6 million (EUR 14.7 million) to the cash flow during the reporting period. Operating cash flow was also affected by a significant amount of non-recurring costs, totaling EUR 15.3 million. Cash flow used in investing activities during the reporting period amounted to EUR 40.5 million (EUR 18.6 million).

Cash and cash equivalents at the end of the period amounted to EUR 11.8 million (31 December 2023: EUR 18.9 million). Total consolidated assets amounted to EUR 445.0 million (31 December 2023: EUR 399.5 million).

Equity attributable to owners of the parent company totaled EUR 166.9 million (31 December 2023: EUR 171.3 million).

Gearing at the end of the reporting period was 112.3% (31 December 2023: 80.0%) and net debt amounted to EUR 187.5 million (31 December 2023: EUR 137.0 million). At the end of the period, the interest-bearing loans and commercial papers included in net debt amounted to EUR 104.3 million (31 December 2023: EUR 74.9 million) and lease liabilities EUR 95.6 million (31 December 2023: EUR 79.3 million).

Musti Group focuses on maintaining sufficient liquidity in the group. Musti Group had an unutilized EUR 5.0 million bank overdraft, unutilized term facilities of EUR 15 million, unutilized revolving credit facilities in total of EUR 100 million and a EUR 50 million commercial paper program of which EUR 7.5 million was in use.

Musti Group signed a 3+1-year Facilities Agreement with Danske Bank, OP Corporate Bank plc and Swedbank AB (Publ) on 28th August 2024. The Facilities Agreement consists of a EUR 110 million Term Facility, a EUR 100 million Revolving Credit Facility and an uncommitted Accordion Facility of EUR 60 million. The proceeds were used to refinance existing indebtedness and to support the company achieving long-term strategic goals. The Facilities Agreement matures in August 2027 and with the agreed 1-year extension option, final maturity reaches August 2028.

## Investments

In October – December 2024, investments in tangible and intangible assets amounted to EUR 4.8 million (EUR 4.0 million). Investments were mainly related to store renewals and IT development projects.

In October 2023 – December 2024, investments in tangible and intangible assets amounted to EUR 19.2 million (EUR 11.9 million). Investments were mainly related to new and relocated stores, logistics and production machinery as well as IT and digital platform development projects.

In November 2024 Musti acquired the shares of Pet City OÜ (including its subsidiaries, Pet City UAB, Pet City SIA and Pet City Klinika UAB) and Eesti Veterinaaria Kliinikum OÜ from Magnum Group for an Enterprise Value (EV) of EUR 18.0 million, of which EUR 13.7 million was paid in cash at closing. The remaining will be settled once the closing accounts have been approved by both buyer and the seller.

In addition, EUR 5.7 million were invested in acquisitions whereby Musti Group acquired the businesses of eight pet stores and a majority ownership of a veterinary clinic in Sweden during the financial year 2024. In December 2024, Musti invested EUR 2.0 million in a 40% share of a veterinary business Petrus Veterinær AS in Norway. The company is treated as an associated company.



## Business segment performance

Musti Group's reporting segments are primarily based on geographical regions Finland, Sweden and Norway. The segment structure is based on geographical division where Finland, Sweden and Norway are separated to individual operating segments based on how the chief operating decision-maker monitors the business operations. In addition, the management monitors the new market areas separately, for which the new operating and reporting segment, the New Markets, was formed in the end of 2024. Currently the segment comprises of the Baltic countries. In other items, Musti Group reports the Group functions, including the operations of the headquarters, the central warehouse and production.

### Finland

Finland is our most mature market where Musti Group is the market leader with a nationwide network. A vast majority of Finnish pet parents are within convenient reach of a Musti store complemented by an omni-channel offering with fast deliveries. Musti Group's brands in Finland are Musti ja Mirri (store, services and omnichannel) and Peten Koiratarvike (online focus complemented by select stores).

In Finland, our goal is to continuously optimize our footprint and offering to best meet consumer needs, and to invest in maintaining our market leading omnichannel offering.

EUR million or as indicated	10-12/2024	10-12/2023	Change %	10/2023-12/2024	10/2022-9/2023
Net sales	51.3	51.2	0.1%	242.1	189.9
Net sales growth, %	0.1%	7.8%		27.5%	11.9%
LFL segment sales growth, %	-0.1%	3.4%		-1.3%	9.7%
EBITDA	12.8	14.1	-8.9%	60.6	52.6
EBITDA margin, %	25.0%	27.4%		25.1%	27.7%
Adjusted EBITDA	12.8	14.3	-10.4%	61.2	52.6
Adjusted EBITDA margin, %	25.0%	27.9%		25.3%	27.7%
EBITA	9.8	11.2	-12.6%	46.0	41.5
EBITA margin, %	19.1%	21.9%		19.0%	21.8%
Adjusted EBITA	9.8	11.5	-14.4%	46.6	41.5
Adjusted EBITA margin, %	19.1%	22.4%		19.2%	21.9%
Number of stores	137	137	0.0%	137	136
of which directly operated	137	137	0.0%	137	136

### October – December 2024

Net sales in Finland increased by 0.1% to EUR 51.3 million (EUR 51.2 million). Sales were still negatively affected by weak consumer climate and the product recall made in November 2023. Like-for-like sales growth was -0,1%.

EBITA decreased by 12.6% to EUR 9.8 million (EUR 11.2 million). Adjusted EBITA decreased by 14.4% to EUR 9.8 million (EUR 11.5 million). The decrease in profitability was due to pressure in gross margin arising from targeted investment in price and campaign activities, and weak consumer climate. Adjusted EBITA margin was 19.1% (22.4%).

One directly operated store was closed during the quarter.

### October 2023 – December 2024

Net sales in Finland were EUR 242.1 million (EUR 189.9 million). Net sales were positively affected by the online sales and the acquisition of Premium Pet Food Suomi Oy pet food factory, which was carried out during Q3/2023. Sales were negatively offset by weak consumer climate and the product recall made in November 2023. Like-for-like sales growth was -1.3%.

EBITA was EUR 46.0 million (EUR 41.5 million). Adjusted EBITA was EUR 46.6 million (EUR 41.5 million). Adjusted EBITA margin was 19.2% (21.9%).

During the reporting period, one new directly operated store was opened and one closed. One third party store was acquired.

## Sweden

Musti Group has been present in Sweden since 2010 and is today the Swedish market leader with 133 stores complemented by omnichannel through the brands Arken Zoo (store, omnichannel and veterinary clinics) and VetZoo (online focus).

In Sweden, our focus is on continued customer acquisition and network expansion as we see further room to increase our reach in the larger Swedish market when compared to our more mature Finnish benchmark.

EUR million or as indicated	10-12/2024	10-12/2023	Change %	10/2023-12/2024	10/2022-9/2023
Net sales	47.1	46.0	2.4%	224.2	170.9
Net sales growth, %	2.4%	2.5%		31.2%	3.6%
LFL segment sales growth, %	-0.2%	4.5%		1.0%	8.6%
EBITDA	8.8	10.2	-13.1%	43.8	36.3
EBITDA margin, %	18.8%	22.1%		19.5%	21.2%
Adjusted EBITDA	8.8	10.3	-14.4%	44.0	36.5
Adjusted EBITDA margin, %	18.8%	22.4%		19.6%	21.4%
EBITA	5.8	7.4	-20.9%	28.9	25.5
EBITA margin, %	12.4%	16.0%		12.9%	14.9%
Adjusted EBITA	5.8	7.5	-22.5%	29.1	25.7
Adjusted EBITA margin, %	12.4%	16.3%		13.0%	15.0%
Number of stores	133	134	-0.7%	133	131
of which directly operated	129	124	4.0%	129	119

## October – December 2024

Net sales in Sweden increased by 2.4% to EUR 47.1 million (EUR 46.0 million). The growth was driven by the increased number of stores opened and acquired during the last 12 months. The like-for-like sales growth, which is calculated in local currencies, was -0.2%.

EBITA decreased by 20.9% to EUR 5.8 million (EUR 7.4 million). Adjusted EBITA decreased by 22.5% to EUR 5.8 million (EUR 7.5 million). The decrease was driven by pressure in gross margin, weak consumer climate and fixed cost base. Adjusted EBITA margin decreased to 12.4% (16.3%).

During the quarter, one new directly operated store was opened and one third party store was acquired. One franchise store left the chain.

## October 2023 – December 2024

Net sales in Sweden was EUR 224.2 million (EUR 170.9 million). The weakened SEK exchange rate decreased sales by EUR 2.0 million in the reporting period. The like-for-like sales growth, which is calculated in local currencies, was 1.0%.

EBITA was EUR 28.9 million (EUR 25.5 million). Adjusted EBITA was EUR 29.1 million (EUR 25.7 million). Adjusted EBITA margin decreased to 13.0% (15.0%).

During the reporting period, three new directly operated stores were opened, seven stores were acquired, and two franchise stores left the chain.

## Norway

Musti Group entered Norway in late 2016 and has reached market leadership with presence in 83 local communities complemented by our omnichannel offering. Our brands in Norway are Musti (store, services and omnichannel) and VetZoo (online).

Norway remains a more fragmented market where Musti Group holds a market leading position, yet clearly lower market share compared to Finland and Sweden. Therefore our focus is to continue on the path of market share gains through continued customer acquisition supported by further store roll-out into more communities, and on increasing country profitability as the network matures.

EUR million or as indicated	10–12/2024	10–12/2023	Change %	10/2023–12/2024	10/2022–9/2023
Net sales	20.6	18.5	11.7%	91.1	64.9
Net sales growth, %	11.7%	2.5%		40.3%	14.9%
LFL segment sales growth, %	8.9%	10.3%		9.0%	11.3%
EBITDA	5.0	4.7	6.1%	20.6	15.1
EBITDA margin, %	24.3%	25.5%		22.6%	23.2%
Adjusted EBITDA	5.0	4.8	4.6%	20.6	15.1
Adjusted EBITDA margin, %	24.3%	25.9%		22.6%	23.2%
EBITA	3.4	3.3	4.7%	12.9	9.4
EBITA margin, %	16.6%	17.7%		14.1%	14.5%
Adjusted EBITA	3.4	3.3	2.6%	13.0	9.4
Adjusted EBITA margin, %	16.6%	18.0%		14.2%	14.5%
Number of stores	83	77	7.8%	83	75
of which directly operated	83	77	7.8%	83	75

## October – December 2024

Net sales in Norway increased by 11.7% to EUR 20.6 million (EUR 18.5 million), driven by like-for-like sales growth of 8.9% and ramp-up of the stores opened during the last twelve months. The NOK exchange rate had a EUR 0.1 million negative impact on net sales in the quarter. The growth excluding the adverse effect from the currency exchange rate change was 13.4%.

EBITA increased by 4.7% to EUR 3.4 million (EUR 3.3 million). Adjusted EBITA increased by 2.6% to EUR 3.4 million (EUR 3.3 million) positively impacted by growth and scalability, and negatively by gross margin. Adjusted EBITA margin was 16.6% (18.0%).

Two new directly operated stores were opened during the quarter.

## October 2023 – December 2024

Net sales in Norway were EUR 91.1 million (EUR 64.9 million), driven by like-for-like sales growth of 9.0% and ramp-up of the stores opened during the last twelve months. The weakened NOK exchange rate decreased sales by EUR 4.0 million in the reporting period.

EBITA was EUR 12.9 million (EUR 9.4 million). Adjusted EBITA was EUR 13.0 million (EUR 9.4 million). The currency exchange rate continued to affect profitability negatively throughout the reporting period. Adjusted EBITA margin was 14.2% (14.5%).

During the reporting period, ten directly operated stores were opened and two were closed.

## New Markets

Musti entered the Baltic markets in November 2024 by acquiring Pet City. Pet City operates 46 retail stores and 16 veterinary clinics in the Baltic countries including an e-commerce platform operating throughout the Baltic region. The store network consists of 25 stores in Estonia, 14 in Latvia and 7 in Lithuania. On the veterinary clinic side, there are 8 clinics in Estonia, 4 in Latvia and 4 in Lithuania.

EUR million or as indicated	10–12/2024	10/2023–12/2024
Net sales	3.2	3.2

EBITDA	0.2	0.2
EBITDA margin, %	5.8%	5.8%
Adjusted EBITDA	0.2	0.2
Adjusted EBITDA margin, %	5.8%	5.8%
EBITA	-0.2	-0.2
EBITA margin, %	-6.1%	-6.1%
Adjusted EBITA	-0.2	-0.2
Adjusted EBITA margin, %	-6.1%	-6.1%
Number of stores	62	62
of which directly operated	62	62

## October – December 2024

Pet City, which is reported in the segment New Markets, was acquired in November 2024 and has been consolidated in Musti Group since December 2024. The key financial figures for December are presented in the table above. The net sales would have been approximately EUR 9.1 million if Pet City had been consolidated from the beginning of the quarter and EUR 42.2 million if it had been consolidated from the beginning of the financial year.

## Group functions

### October – December 2024

Adjusted EBITA was EUR -11.5 million (EUR -9.9 million). Costs increased mainly in central warehouses and various group functions. The adjustments include costs relating to digitalization projects and the Pet City acquisition. Adjusted Group functions cost in relation to group net sales was 9.4% (8.6%).

The EBITA impact of the Group functions was EUR -12.9 million (EUR -11.1 million).

### October 2023 – December 2024

Adjusted EBITA was EUR -50.5 million (EUR -34.0 million). The adjustments include costs relating to the public tender offer, digitalization projects, the value added taxes related to IPO, restructuring, the acquisition of Pet City, and the product recall which was made in November 2023. Adjusted Group functions cost in relation to group net sales was 9.0% (8.0%). The increase related to the changed structure of the Group functions after the integration of Premium Pet Food Suomi Oy's production, inflation and investments in growth initiatives.

The EBITA impact of the Group functions was EUR -64.0 million (EUR -32.8 million). The costs relating to the public tender offer were the main driver for the increased costs.

## Personnel

At the end of the reporting period on 31 December 2024, the number of personnel was 2,178 (31 December 2023: 1,704) of whom 720 (31 December 2023: 695) were employed in Finland, 679 (31 December 2023: 672) in Sweden, 372 (31 December 2023: 337) in Norway and 408 in Baltics.

## Changes in Group structure

Musti Group divested its subsidiary Djurfriskvård Borlänge AB in May 2024. The company did not have any business operations and the divestment did not have a material impact on the Group's income statement or balance sheet.

Musti Group acquired a 70% share of a veterinary clinic Ninas Värld Arninge AB in September 2024. The acquisition did not have a material impact on the Group's assets or liabilities.

Musti Group acquired the shares of Pet City OÜ, including its subsidiaries Pet City UAB, Pet City SIA and Pet City Klinika UAB, and Eesti Veterinaaria Kliinikum OÜ in November 2024.

## Changes in Group management

On 16 May 2024 Musti Group announced that Toni Rannikko will step down as the CFO and a member of the Management Team of Musti Group plc during summer 2024. Robert Berglund started as new CFO (Chief Financial Officer) and member of the Management Team of Musti Group plc, 1st August 2024.

## Governance

### Annual General Meeting

Musti Group plc's Annual General Meeting was held on 31 January 2024 in Helsinki, Finland. Shareholders could participate in the Annual General Meeting and exercise shareholder rights by attending the meeting, by voting in advance or by way of proxy representation.

The documents of the Annual General Meeting held on 31 January 2024 are available at [www.mustigroup.com/agm](http://www.mustigroup.com/agm).

### Extraordinary General Meeting

Musti Group plc's Extraordinary General Meeting was held on 12 April 2024 in Helsinki. Shareholders of the company and their representatives had a possibility to participate in the meeting and exercise shareholder rights also through voting in advance.

The documents of the Extraordinary General Meeting held on 12 April 2024 are available at [www.mustigroup.com/extraordinary-general-meeting-2024](http://www.mustigroup.com/extraordinary-general-meeting-2024).

## Shares and shareholders

### Share capital

At the end of the reporting period on 31 December 2024, Musti Group's share capital was EUR 11,001,853.68 and the total number of shares outstanding was 33,535,453. The company has one share class. Each share carries one vote and entitles to the same dividend.

### Trading of shares

Trading of Musti Group's share commenced on the Prelist of Nasdaq Helsinki Ltd on 13 February 2020 and on the Official List on 17 February 2020.

The opening price of the share was EUR 18.00 on the first trading day of the financial year on 2 October 2023. The closing price of the share on the last trading day of the financial year on 30 December 2024 was EUR 19.92. The highest price of the share during the financial year was EUR 27.25, the lowest EUR 16.20. The average closing price during the financial year was EUR 24.14 and the average volume per day was 127,858 shares.

Musti Group's market capitalization was EUR 668.0 million on 30 December 2024.

### Own shares

On 31 December 2024 Musti Group held 147,566 (147,566) own shares representing 0.44% (0.44%) of the total number of shares and votes.

Musti Group did not purchase its own shares during the reporting period.

### Public Tender Offer for Musti's shares

A consortium comprising Sonae, Jeffrey David, Johan Dettel and David Rönnerberg announced a recommended public tender offer through Flybird Holding Oy for all shares in Musti on 29 November 2023. On 20 February 2024, the Offeror announced the final result of the tender offer and that it completes the tender offer and that it will commence a subsequent offer period for those shareholders of Musti who have not yet accepted the tender offer. On 11 March 2024, the Offeror announced the final result of the subsequent offer period. The shares validly tendered during the subsequent offer period represent approximately 80.65 per cent of the shares and votes in Musti.

## Authorizations of the Board of Directors

The Annual General Meeting 31 January 2024 authorized the Board of Directors to decide on the repurchase of the Company's own shares and/or on the acceptance as pledge of the Company's own shares as follows.

The number of own shares to be repurchased and/or accepted as pledge based on this authorization shall not exceed 3,185,000 shares in total, which corresponds to approximately 9.5 per cent of all of the shares in the Company. However, the Company together with its subsidiaries cannot at any moment own and/or hold as pledge more than 10 per cent of all the shares in the Company.

Own shares may be repurchased only using the unrestricted equity of the Company at a price formed in public trading on the date of the repurchase or otherwise at a price determined by the markets.

The Board of Directors was also authorized to decide on all other matters related to the repurchase and/or acceptance as pledge of own shares. Own shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

This authorization cancels the authorization given by the Annual General Meeting held on 30 January 2023 to decide on the repurchase the Company's own shares and/or to accept the Company's own shares as pledge. This authorization is effective until the conclusion of the next Annual General Meeting, however, no longer than until 31 March 2025.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10 section 1 of the Finnish Companies Act as follows. The number of shares to be issued based on this authorization shall not exceed 3,185,000 shares, which corresponds to approximately 9.5 per cent of all of the shares in the Company. The authorization covers both the issuance of new shares as well as the transfer of treasury shares held by the Company.

The Board of Directors was authorized to decide on all the conditions of the issuance of shares and of special rights entitling to shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

This authorization cancels the authorization given by the Annual General Meeting held on 30 January 2023 to decide on the issuance of shares as well as on the issuance of special rights entitling to shares. This authorization is effective until the conclusion of the next Annual General Meeting, however, no longer than until 31 March 2025.

## Shareholders and flagging notifications

At the end of the reporting period, the number of registered shareholders was 5,320. The proportion of nominee-registered shareholders was 3.7% of the company's shares. The 20 largest shareholders registered in the book-entry register maintained by Euroclear Finland Oy held a total of 94.88% of Musti Group's shares and votes at the end of the reporting period.

During October 2023 – December 2024, Musti Group received the following announcement under Chapter 9, Section 5 of the Securities Markets Act:

- On 23 November 2023 Musti Group plc received a notification according to which Grandeur Peak Global Advisors LLC's holding of the shares and votes of the company decreased below the threshold of 5 percent on 22 November 2023.
- On 5 December 2023 Musti Group plc received a notification according to which FMR LLC's holding of the shares and votes of the company decreased below the threshold of 5 percent on 4 December 2023.
- On 12 December 2023 Musti Group plc received a notification according to which SMALLCAP World Fund, Inc.'s holding of the shares and votes of the company decreased below the threshold of 5 percent on 8 December 2023.
- On 14 December 2023 Musti Group plc received a notification according to which The Capital Group Companies, Inc.'s holding of the shares and votes of the company decreased below the threshold of 5 percent on 13 December 2023.
- On 21 December 2023 Musti Group plc received a notification according to which The Goldman Sachs Group, Inc.'s holding of the shares and votes of the company increased above the threshold of 5 percent on 20 December 2023.
- On 22 December 2023 Musti Group plc received a notification according to which The Goldman Sachs Group, Inc.'s holding of the shares and votes of the company decreased below the threshold of 5 percent on 21 December 2023.
- On 5 January 2024 Musti Group plc received a notification according to which The Goldman Sachs Group, Inc.'s holding of the shares and votes of the company increased above the threshold of 5 percent on 3 January 2024.
- On 11 January 2024 Musti Group plc received a notification according to which Samson Rock Event Driven Master Fund Limited.'s holding of the votes of the company increased above the threshold of 5 percent on 10 January 2024.

- On 16 January 2024 Musti Group plc received a notification according to which the combined ownership of the following parties increased above the threshold of 5 percent on 15 January 2024: Sand Grove Opportunities Master Fund Ltd, Investment Opportunities SPC for the Account of Investment Opportunities 2 Segregated Portfolio, New Holland Tactical Alpha Fund, Prelude Structured Alternatives Master Fund Lp, QSMA Torus SP, Amundi Sand Grove Event Driven Fund.
- On 18 January 2024 Musti Group plc received a notification according to which JPMorgan Securities PLC's holding of the votes of the company increased above the threshold of 5 percent on 17 January 2024
- On 24 January 2024 Musti Group plc received a notification according to which JPMorgan Securities PLC's direct holding of the votes of the company increased above the threshold of 5 percent on 22 January 2024.
- On 13 February 2024 Musti Group plc received a notification according to which the combined holding of Flybird Holding Oy and Sonae – SGPS, S.A. of the shares and votes of the company increased above the threshold of 5 percent on 13 February 2024.
- On 21 February 2024 Musti Group plc received a notification according to which the combined holding of Flybird Holding Oy and Sonae – SGPS, S.A. of the shares and votes of the company increased above the threshold of 10 percent on 20 February 2024.
- On 21 February 2024 Musti Group plc received a notification according to which Samson Rock Capital LLP's holding of the voting rights of the company decreased below the threshold of 5 percent on 20 February 2024.
- On 21 February 2024 Musti Group plc received a notification according to which Samson Rock Event Driven Master Fund Limited's holding of the shares of the company decreased below the threshold of 5 percent on 20 February 2024.
- On 22 February 2024 Musti Group plc received a notification according to which the combined holding of Flybird Holding Oy and Sonae – SGPS, S.A. of the shares and votes of the company increased above the threshold of 15 percent on 21 February 2024.
- On 26 February 2024 Musti Group plc received a notification according to which JPMorgan Securities PLC's holding of the shares and votes of the company decreased below the threshold of 5 percent on 23 February 2024.
- On 5 March 2024 Musti Group plc received a notification according to which the holding of Flybird Holding Oy of the shares and votes of the company increased above the threshold of 50 percent on 5 March 2024.
- On 6 March 2024 Musti Group plc received a notification according to which the The Goldman Sachs Group, Inc.'s holding of the shares and votes of the company decreased below the threshold of 5 percent on 5 March 2024.
- On 20 March 2024 Musti Group plc received a notification according to which the holding of Flybird Holding Oy of the shares and votes of the company increased above the threshold of 2/3 on 20 March 2024.
- On 21 March 2024 Musti Group plc received a notification according to which the combined holding of the voting rights of the company of the following parties decreased below the threshold of 5 percent on 20 March 2024: Sand Grove Opportunities Master Fund Ltd, Investment Opportunities SPC for the Account of Investment Opportunities 2 Segregated Portfolio, New Holland Tactical Alpha Fund, Prelude Structured Alternatives Master Fund Lp, QSMA Torus SP, Amundi Sand Grove Event Driven Fund.

A list of the largest registered shareholders is available on the company's website at [www.mustigroup.com/investors/](http://www.mustigroup.com/investors/).

## Managers' transactions

Musti Group's managers' transactions as of the listing have been published as stock exchange releases, and they are available at the company's website at <https://www.mustigroup.com/releases-and-publications/>.

## Remuneration schemes

The Board of Directors decides on Musti Group's remuneration schemes and plans, such as short- and long-term incentive schemes as well as pension arrangements, upon the recommendation of the Remuneration Committee and in accordance with the company's effective remuneration policy. Musti Group presented a remuneration policy for approval to the shareholders for the first time at the Annual General Meeting 2021.

## Bonus scheme

The company operates a bonus scheme, which is determined by the Board of Directors of the company upon the recommendation of the Remuneration Committee and in accordance with the company's effective remuneration policy. The CEO and the members of the management team are eligible to participate in the bonus scheme in accordance with the company's bonus policy. The payment of annual bonuses is conditional upon the attainment of key performance targets of the company.

The bonuses of the CEO and the management team are based on personal targets and certain profitability targets set for the financial year. The maximum performance bonus is equivalent to a six months' full salary for the CEO and a three months' full salary for the members of the management team.

## Long-term incentives

The Board of Directors of Musti Group plc decided on 7 May 2020 on a long-term incentive plan for the management team and the key employees, the Performance Share Plan (PSP) 2020-2024.

On 16 December 2022, The Board of Directors of Musti Group plc decided to launch a new share-based incentive plan for Musti Group's key employees, the Performance Share Plan (PSP) 2023-2027.

The aim of a share-based compensation plans is to align the objectives of the shareholders and key employees for increasing the value of the company in the long term. The plans are also to commit the key employees to the company and to offer them competitive incentive schemes that are based on earning and accumulating shares.

### Performance Share Plan 2020–2024

The Performance Share Plan consists of three performance periods, covering the financial years of 2020–2022, 2021–2023 and 2022–2024. The Board of Directors decides on the plan's performance criteria and targets to be set for each criterion at the beginning of each performance period. The potential reward based on the plan will be paid partly in the company's shares and partly in cash after the end of each performance period. The cash proportion is intended for covering taxes and tax-related costs arising from the reward to a participant. The Board of Directors decided in December 2023 that the rewards for the performance period 2021-2023 will be settled fully in cash in January 2024.

The company's management team member is obliged to hold at least 50 per cent of the net number of shares paid to the member on the basis of the plan, until the value of his or her total shareholding in the company equals to 50 per cent (100 per cent for the CEO) of his or her annual base salary. Such number of shares must be held as long as the membership in the Management Team continues.

### Performance Share Plan 2023–2027

The Performance Share Plan 2023–2027 consists of three consecutive performance periods, covering the financial years of 2023–2025, 2024–2026 and 2025–2027. The Board of Directors decides on the plan's performance criteria and targets to be set for each criterion at the beginning of each performance period. The potential reward based on the plan will be paid partly in the company's shares and partly in cash after the end of each performance period. The cash proportion is intended for covering taxes and tax-related costs arising from the reward to a participant. In April 2024, the Board of Directors resolved on the payment in cash of the already allocated share plan incentive based on the 2023 performance. The payment in cash was resolved in order to facilitate the establishment of a new long-term incentive plan. The paid cash incentives amounted to approximately EUR 2.4 million.

The company's group management team member is obliged to hold at least 50 per cent of the net number of shares paid to the member on the basis of the plan, until the value of his or her total shareholding in the company equals to 50 per cent (100 per cent for the CEO) of his or her annual base salary. Such number of shares must be held as long as the membership in the group Management Team continues.

## Responsibility

Musti Group is a market leader in the growing and changing Nordic pet care market. Our mission is to make life easier, safer and more fun for pets and their parents throughout their pets' lives. For us, the well-being of pets and people comes first in everything we do. This means high standards of quality and safety, uncompromising professionalism and developing our operations in an increasingly responsible way. Our corporate responsibility work is based on the Trusty Responsibility Program, which is based on a materiality assessment carried out in the 2021 financial year. In connection with the materiality assessment, Musti Group set sustainability metrics and targets for 2022-2025.

Musti Group's Trusty Responsibility Program is divided into three themes and three pillars, covering the most relevant sustainability issues for Musti Group. The main themes are pets and their parents, employees and communities. The main themes show which issues are important to Musti Group and its stakeholders. Responsible supply chain, reducing environmental impact, good governance and high ethics are the cornerstones of the sustainability program.

Musti Group's key stakeholders include employees, consumers, partners and suppliers, investors and analysts, pet associations and other NGO partners. Regular dialogue ensures that the expectations of the various stakeholders for the sustainability work of Musti Group and the needs for improvement are taken into account.



Musti Group believes that a good customer experience cannot be achieved without satisfied and skilled employees. Musti Group invests in being an attractive and desirable employer by, among other things, training its staff and developing their skills and competencies.

Musti Group is committed to respecting human rights in accordance with international declarations. The company has been a member of the United Nations Global Compact since 2013 and a member of the amfori BSCI, the organization promoting sustainable business practices, since 2016. The Code of Conduct for Musti Group's own operations, the Supplier Code of Conduct and the amfori BSCI Code of Conduct for suppliers in high-risk countries are the guiding principles for respecting human rights and conducting ethical business. The company does not tolerate corruption or bribery.

A responsible supply chain is an integral part of our sustainability work, which we are continuously developing. This is based on a process of new supplier selection and related supplier assessment, long-term cooperation with suppliers and self-assessment and audits of their own performance. In addition, amfori BSCI audits are carried out by an independent third party for suppliers located in risk countries.

Musti Group is committed to reducing its environmental impact. The most significant environmental impacts of the Group's stores, offices and warehouses arise from energy consumption (electricity, vehicle and transport fuels), waste generation and packaging materials used. The environmental impact and emissions of product transport logistics are managed in cooperation with transport partners.

In 2023, the Musti Group started a double materiality analysis in accordance with the CSRD, which was continued in 2024 by an assessment of impacts, risks and opportunities in accordance with the Sustainability Reporting Standard (ESRS standard). This preliminary assessment determined provisionally the material issues for Musti Group that are reportable under the ESRS standards, which we will report on in 2026 for the financial year 1 January - 31 December 2025.

Musti Group's Sustainability Report for the year 2024 will be published in March 2025.

## Risks and uncertainties

Musti Group's risk profile follows the general risk level of the retail and grocery trade. The industry is not particularly cyclical and not subject to rapid changes. The company regularly monitors changes in the risks and their impact on the business. The company implements risk management continuously and systematically according to a scheduled process. The risk management process ensures that risks related to the Group are identified, estimated, and controlled in a proactive way and the management of risks is monitored. The company's risk management includes, among others: identification and review of risks, risk assessment, determining and implementing control measures for the identified risks, and monitoring and reporting of risks.

The following describes the risks and uncertainties that are considered significant for Musti Group.

### Risks relating to the macroeconomic environment and inflation

Increasing geopolitical instability could have a significant impact on the global economy and business environment. Although Musti Group sells products, a recession may have a negative impact on consumer confidence and sales. In the past years, the general cost level has risen following price increases in energy, raw materials, and freights. Musti Group's cost level has increased accordingly and is reflected in higher retail prices to maintain profitability. Higher inflation will also contribute to higher interest rates. These may have an impact on consumer behavior and price competition.

### Risks relating to changes in the competitive environment

Pet products and services retail industry has become increasingly competitive. Musti Group's competitors include large grocery retailers, smaller pet specialist stores, online competitors (including general online stockists and internet pure plays), home and garden stores, pet service providers, as well as veterinary clinics. Many are competing for the same customers with similar offerings, and it is easy to make comparisons between competitors. The large share of own and exclusive products partly mitigates this risk. If Musti Group fails in this competition, its sales and profitability would decrease.

### Risks relating to quality of products and services

A failure in product safety control or supply chain quality assurance may result in financial losses, loss of customer trust or in the worst case, a health hazard to a pet. Musti Group's pet food factory's manufacturing processes are subject to risks, such as equipment breakdown, raw material availability, accidents, damage, and interruption risks. These risks are managed through certifications and continuous EHSQ work.

Customers may also make allegations against Musti Group publicly concerning the quality of the company's product or services. This could result in a reputational loss for Musti Group.

## Risks relating to changes in customer preferences

Customers' buying patterns may change more rapidly than what the company has anticipated. With the rising trend of online shopping customers expect a simple and consistent shopping experience and fast delivery regardless of the sales channel. Brick-and-mortar stores are expected to offer experiences, a place to meet, and information. Various sustainability aspects in products and services are increasingly important to customers. If the company fails to address the new purchasing patterns and sustainability requirements, there is a risk that the investment in assortment, sales channels and services will not generate the intended results.

## Risks relating to sourcing of products

A loss of significant supplier or an inability to source products from such suppliers that meet Musti Group's standards and requirements, or a supply reduction or cost increases demanded by suppliers may have a material adverse effect on the customer relationships and competitive position.

## Risks relating to inventories

A lot of the company's capital may be tied up in carrying the inventory if the company is unable to forecast accurately customer demand. Operative difficulties in managing the inventory and obsolescence may increase costs of inventory or result in selling the goods at discount which may have a negative impact on profitability.

## Risks relating to logistics

The company's distribution center in Eskilstuna is its distribution hub. Most goods from suppliers are delivered to Eskilstuna and then distributed to shops and online customers. Collecting the logistics in one location carries certain risks, for example, disruptions to communications and information technology infrastructure, as well as fire and strikes, which may result in business discontinuity or lower sales.

## Risks relating cybercrimes

The frequency of professional cybercrimes is growing especially after the war in Ukraine begun. This has increased the risk relating to business continuity and loss of critical information. Cyber-attacks may target, for example, data systems critical for business continuity, or personal data. Cyber-attacks may result in disruptions in sales, personal data leakages, financial losses, compensation for damages or reputational damages.

## Risks relating to employees

If Musti Group is not perceived as an attractive and sustainable employer brand, the company may not be able to safeguard skilled and motivated employees. The prerequisite for execution of strategy and reaching the set targets is to be able to maintain insightful and motivated employees.

## Risks relating to currency fluctuations

As a significant part of Musti Group's business is in countries outside the eurozone, Musti Group's balance sheet and results are exposed to fluctuations in foreign currency exchange rates. The main transaction exposure currencies are USD and GBP in which Musti Group of companies has outflows related to purchases. Translation exposure arises from subsidiaries reporting in SEK and NOK as results and balance sheet items are consolidated to Musti Group level

## Seasonality

Musti Group's business is characterized by a generally limited seasonality effect, with the high share of recurring food and stable products of net sales translating into low seasonality within years. However, there are certain intra-year fluctuations that affect

cash flows, sales and profitability. Usually, the period between July to December has higher sales and profitability margins compared to January to June, driven by higher sales of accessories and other seasonal products.

The volumes and timing of Musti Group's sales may vary somewhat due to weather conditions, with sales of pet clothing being primarily impacted. Cold winters and rainy weather generally result in higher sales of coats and shoes for pets.

## Board of Directors' proposal for profit distribution

The parent company's distributable funds total EUR 122,113,666.96 of which the result for the financial year is EUR -8,913,236.90. The Board of Directors proposes to the Annual General Meeting that no dividend will be paid for the financial year ended on 31 December 2024.

## Financial calendar

Musti Group's Financial Statements and the report of the Board of Directors for October 2023 – December 2024 will be published on 14 March 2025 together with Musti Group's Corporate Governance Statement and Remuneration Report.

Musti Group's Annual General Meeting is planned to be held on 29 April 2025.

Interim Report for January – March 2025 will be published on 21 May 2025.

## Webcast for analysts and media

A webcast for the analysts and media will be arranged on 11 February 2025 at 14:00 EEST via Teams. To register in advance, please send an email to [ir@mustigroup.com](mailto:ir@mustigroup.com). The event will be held in English. The report will be presented by CEO David Rönberg and CFO Robert Berglund.

Helsinki 11 February 2025

Board of Directors

The information in this Financial Statements Release is unaudited.

### Further Information:

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### Distribution:

Nasdaq Helsinki  
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[www.mustigroup.com](http://www.mustigroup.com)

## Condensed financial information

### Condensed consolidated statement of income

EUR thousand	1 Oct 2024 - 31 Dec 2024	1 Oct 2023 - 31 Dec 2023	1 Oct 2023 - 31 Dec 2024	1 Oct 2022 - 30 Sep 2023
Net sales	122,162	115,658	560,571	425,740
Other operating income	1,340	832	5,602	5,052
Share of profit of a joint venture	0	0	0	324
Materials and services	-68,378	-62,582	-313,369	-231,252
Employee benefit expenses	-22,431	-20,747	-104,769	-76,782
Other operating expenses	-16,817	-14,319	-80,793	-48,527
Depreciation, amortization and impairment	-11,418	-9,434	-51,023	-36,756
Operating profit	4,458	9,410	16,218	37,800
Financial income and expenses, net	-970	-1,977	-8,066	-4,083
Profit before taxes	3,488	7,433	8,152	33,717
Income tax expense	-670	-1,593	-1,433	-7,229
Profit/loss for the period	2,819	5,840	6,719	26,487
Attributable to:				
Owners of the parent	2,836	5,836	6,700	26,448
Non-controlling interest	-18	4	19	39
Earnings per share (EUR) for profit attributable to owners of the parent				
Basic EPS (EUR)	0.08	0.17	0.20	0.79
Diluted EPS (EUR)	0.08	0.17	0.20	0.79

### Consolidated statement of comprehensive income, IFRS

Profit/loss for the period	2,819	5,840	6,719	26,487
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Translation differences	-1,552	4,115	197	-5,562
Other comprehensive income, net of tax	-1,552	4,115	197	-5,562
Tax on other comprehensive income	102	-278	-17	450
Total comprehensive income	1,368	9,677	6,899	21,375
Attributable to:				
Owners of the parent	1,386	9,673	6,879	21,338
Non-controlling interest	-18	4	19	37

## Consolidated statement of financial position

EUR thousand	31 Dec 2024	30 Sep 2023
<b>ASSETS</b>		
Non-current assets		
Goodwill	195,157	174,375
Other intangible assets	20,229	18,413
Right-of-use assets	90,529	75,771
Property, plant and equipment	32,400	27,570
Investments in associates	1,967	0
Deferred tax assets	6,387	2,824
Derivative financial instruments	0	1,257
Other non-current receivables	240	111
<b>Total non-current assets</b>	<b>346,910</b>	<b>300,322</b>
Current assets		
Inventories	66,455	58,385
Trade and other receivables	14,705	11,575
Derivative financial instruments	1,076	394
Income tax receivables	4,028	1,612
Cash and cash equivalents	11,829	21,954
<b>Total current asset</b>	<b>98,092</b>	<b>93,920</b>
<b>TOTAL ASSETS</b>	<b>445,002</b>	<b>394,242</b>
<b>EQUITY AND LIABILITIES</b>		
EUR thousand		
31 Dec 2024		
30 Sep 2023		
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to owners of the parent		
Share capital	11,002	11,002
Other reserves	123,349	123,349
Treasury shares	-5,340	-5,340
Translation differences	-10,524	-10,721
Retained earnings	48,328	46,009
<b>Total equity attributable to owners of the parent</b>	<b>166,815</b>	<b>164,299</b>
Equity attributable to non-controlling interest	94	88
<b>Total equity</b>	<b>166,909</b>	<b>164,387</b>
<b>LIABILITIES</b>		
Non-current liabilities		
Loans from credit institutions	94,668	69,943
Lease liability	66,889	55,518
Deferred tax liabilities	6,444	4,881
Derivative financial instruments	240	0
Non-current interest-free liabilities	2,215	2,031
Other non-current liabilities	15	0
<b>Total non-current liabilities</b>	<b>170,472</b>	<b>132,372</b>
Current liabilities		
Commercial papers	7,458	9,412
Lease liability	28,706	24,307
Trade and other payables	68,153	61,725
Derivative financial instruments	233	306
Income tax liabilities	3,071	1,711
Provisions	0	21
<b>Total current liabilities</b>	<b>107,621</b>	<b>97,482</b>
<b>Total liabilities</b>	<b>278,093</b>	<b>229,855</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>445,002</b>	<b>394,242</b>

## Consolidated statement of cash flows

EUR thousand	1 Oct 2024 - 31	1 Oct 2023 - 31	1 Oct 2023 - 31	1 Oct 2022 - 30
	Dec 2024	Dec 2023	Dec 2024	Sep 2023
<b>Cash flows from operating activities</b>				
Profit before income taxes	3,488	7,433	8,152	33,717
Adjustments				
Depreciation, amortization and impairment	11,418	9,434	51,023	36,756
Financial income and expenses, net	970	1,977	8,066	4,083
Other adjustments	118	74	-2,935	-2,174
Cash flows before changes in working capital	15,994	18,917	64,306	72,381
Change in working capital				
Increase (-) / decrease (+) in trade and other receivables	-1,883	-2,243	227	-522
Increase (-) / decrease (+) in inventories	-405	1,524	-5,239	2,127
Increase (+) / decrease (-) in trade and other payables	-4,558	-2,260	-7,579	13,096
Cash flows from operating activities before financial items and taxes	9,148	15,938	51,715	87,082
Income taxes paid	-1,596	-254	-4,775	-7,532
Net cash from operating activities	7,552	15,684	46,940	79,550
<b>Cash flows from investing activities</b>				
Investments in tangible and intangible assets	-4,782	-4,022	-19,200	-11,863
Acquisition of subsidiaries and business acquisitions, net of cash acquired	-14,155	-2,717	-19,404	-6,715
Investments in associates	-1,993	0	-1,993	0
Disposal of subsidiaries	0	0	52	0
Net cash from investing activities	-20,930	-6,738	-40,545	-18,578
<b>Cash flows from financing activities</b>				
Capital returns paid	0	0	0	-16,770
Dividends paid	0	0	-26	0
Proceeds from non-current loans	19,749	0	24,475	10,044
Repayments of non-current loans	0	0	0	-8,427
Issuance of commercial papers	-12,426	-4,436	-1,955	-6,138
Repayments of lease liabilities	-6,598	-6,288	-33,157	-24,427
Interest and other financial expenses paid	-2,230	-1,853	-9,569	-4,147
Interest and other finance income received	404	583	2,771	1,209
Net cash flow from financing activities	-1,102	-11,993	-17,460	-48,655
Net change in cash and cash equivalents	-14,480	-3,048	-11,065	12,317
Cash and cash equivalents at the beginning of the period	25,568	21,954	21,954	10,054
Foreign exchange differences and cash impact of acquisitions and divestments	741	30	940	-417
Cash and cash equivalents at end of the period	11,829	18,936	11,829	21,954

## Consolidated statement of changes in equity

EUR thousand	Attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Other reserves	Own shares	Translation differences	Retained earnings	Total		
Equity at 1 Oct 2023	11,002	123,349	-5,340	-10,721	46,009	164,299	88	164,387
Profit/loss for the period					6,700	6,700	19	6,719
Translation differences				196		196	0	197
Tax on other comprehensive income					-17	-17		-17
Comprehensive income	0	0	0	196	6,683	6,879	19	6,899
Business combinations						0	40	40
Dividends						0	-26	-26
Share-based incentive plan					-4,391	-4,391		-4,391
Other changes					27	27	-27	0
Equity at 31 Dec 2024	11,002	123,349	-5,340	-10,524	48,328	166,815	94	166,909

EUR thousand	Attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Other reserves	Own shares	Translation differences	Retained earnings	Total		
Equity at 1 Oct 2022	11,002	140,043	-6,910	-5,161	21,318	160,292	75	160,367
Profit/loss for the period					26,448	26,448	39	26,487
Translation differences				-5,560		-5,560	-2	-5,562
Tax on other comprehensive income					450	450		450
Comprehensive income	0	0	0	-5,560	26,898	21,338	37	21,375
Capital return		-16,694				-16,694		-16,694
Share-based incentive plan			1,570		-2,231	-661		-661
Other changes					24	24	-24	0
Equity at 30 Sep 2023	11,002	123,349	-5,340	-10,721	46,009	164,299	88	164,387

## Basis of preparation and accounting policies

The Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as implemented within the EU.

The financial statements release for 1 October 2023 – 31 December 2024 has been prepared in accordance with the IAS 34 Interim Financial Reporting standard, and the accounting principles applied are the same as in the financial statements. Musti Group's financial year was changed to calendar year during the reporting period, and therefore the financial year 2024 covers 15 months. The financial year was from 1 October to 30 September prior to the change. Due to the extended financial year, the amounts presented in this financial statements release are not entirely comparable. As Musti Group has been a part of Sonae Group since March 2024, the financial year was aligned with the parent group.

The figures of the financial statements release have not been audited.

The Group's consolidated financial statements are prepared in euros, which is the company's operating currency, and the company's and the Group's reporting currency. The financial statements release is presented in thousand euros unless otherwise stated.

## Critical accounting estimates and judgements

An IFRS-compliant financial statements release require the Group's management to exercise judgment and make estimates and assumptions that affect the reported amounts of assets and liabilities and other information such as the amounts of income and expense. Although these estimates are based on the management's best knowledge at the time, it is possible that actual results differ from the estimates used in the financial statements release.



## Segments

### 10/2024-12/2024

EUR thousand	Finland	Sweden	Norway	New Markets	Group functions	Group
Net sales *	51,313	47,069	20,619	3,162	0	122,162
% split of net sales between segment	42%	39%	17%	3%	0%	100%
EBITDA	12,807	8,835	5,002	183	-10,951	15,876
Adjustments	0	0	0	0	1,322	1,322
Adjusted EBITDA	12,807	8,835	5,002	183	-9,629	17,198
Depreciation and impairment of right-of use assets and tangible assets	-2,993	-3,017	-1,587	-376	-1,902	-9,875
EBITA	9,813	5,818	3,416	-193	-12,853	6,001
Adjustments	0	0	0	0	1,322	1,322
Adjusted EBITA	9,813	5,818	3,416	-193	-11,531	7,323
Amortization and impairment of intangible assets						-1,543
Operating profit						4,458
Financial income and expenses, net						-970
Profit before taxes						3,488
Income tax expense						-670
Profit/loss for the period						2,819

\* Net sales include sales of products and services to external customers. There are no internal net sales between the segments.

### 10/2023-12/2023

EUR thousand	Finland	Sweden	Norway	New Markets	Group functions	Group
Net sales *	51,245	45,957	18,456	0	0	115,658
% split of net sales between segment	44%	40%	16%	0%	0%	100%
EBITDA	14,062	10,163	4,715	0	-10,097	18,843
Adjustments	237	152	66	0	1,180	1,635
Adjusted EBITDA	14,298	10,315	4,782	0	-8,917	20,478
Depreciation and impairment of right-of use assets and tangible assets	-2,835	-2,805	-1,453	0	-987	-8,079
EBITA	11,227	7,359	3,262	0	-11,084	10,764
Adjustments	237	152	66	0	1,180	1,635
Adjusted EBITA	11,463	7,511	3,329	0	-9,904	12,399
Amortization and impairment of intangible assets						-1,354
Operating profit						9,410
Financial income and expenses, net						-1,977
Profit before taxes						7,433
Income tax expense						-1,593
Profit/loss for the period						5,840

\* Net sales include sales of products and services to external customers. There are no internal net sales between the segments.

**10/2023-12/2024**

EUR thousand	Finland	Sweden	Norway	New Markets	Group functions	Group
Net sales *	242,087	224,212	91,110	3,162	0	560,571
% split of net sales between segment	43%	40%	16%	1%	0%	100%
EBITDA	60,646	43,805	20,554	183	-57,947	67,241
Adjustments	539	182	79	0	13,588	14,388
Adjusted EBITDA	61,185	43,987	20,633	183	-44,359	81,629
Depreciation and impairment of right-of use assets and	-14,600	-14,935	-7,669	-376	-6,097	-43,676
EBITA	46,047	28,870	12,886	-193	-64,045	23,565
Adjustments	539	182	79	0	13,588	14,388
Adjusted EBITA	46,586	29,052	12,965	-193	-50,457	37,953
Amortization and impairment of intangible assets						-7,347
Operating profit						16,218
Financial income and expenses, net						-8,066
Profit before taxes						8,152
Income tax expense						-1,433
Profit/loss for the period						6,719

\* Net sales include sales of products and services to external customers. There are no internal net sales between the segments.

**10/2022-9/2023**

EUR thousand	Finland	Sweden	Norway	New Markets	Group functions	Group
Net sales *	189,908	170,899	64,933	0	0	425,740
% split of net sales between segment	45%	40%	15%	0%	0%	100%
EBITDA	52,569	36,282	15,072	0	-29,368	74,555
Adjustments	68	215	23	0	-1,239	-933
Adjusted EBITDA	52,637	36,497	15,095	0	-30,607	73,623
Depreciation and impairment of right-of use assets and	-11,116	-10,781	-5,667	0	-3,416	-30,980
EBITA	41,453	25,500	9,405	0	-32,783	43,575
Adjustments	68	215	23	0	-1,239	-933
Adjusted EBITA	41,521	25,716	9,428	0	-34,023	42,643
Amortization and impairment of intangible assets						-5,776
Operating profit						37,800
Financial income and expenses, net						-4,083
Profit before taxes						33,717
Income tax expense						-7,229
Profit/loss for the period						26,487

\* Net sales include sales of products and services to external customers. There are no internal net sales between the segments.

FY2023

EUR thousand	Finland	Sweden	Norway	New Markets	Group functions	Group
Net sales *	189,908	170,899	64,933	0	0	425,740
% split of net sales between segment	45%	40%	15%	0%	0%	100%
EBITDA	52,569	36,282	15,072	0	-29,368	74,555
Adjustments	68	215	23	0	-1,239	-933
Adjusted EBITDA	52,637	36,497	15,095	0	-30,607	73,623
Depreciation and impairment of right-of use assets and tangible assets	-11,116	-10,781	-5,667	0	-3,416	-30,980
EBITA	41,453	25,500	9,405	0	-32,783	43,575
Adjustments	68	215	23	0	-1,239	-933
Adjusted EBITA	41,521	25,716	9,428	0	-34,023	42,643
Amortization and impairment of intangible assets						-5,776
Operating profit						37,800
Financial income and expenses, net						-4,083
Profit before taxes						33,717
Income tax expense						-7,229
Profit/loss for the period						26,487

## Business combinations

During the period 1 October 2023 – 31 December 2024 Musti Group acquired eight pet stores in Sweden as business acquisitions. The total purchase price for the stores was approximately EUR 5.6 million and the resulting goodwill EUR 5.5 million. In addition, Musti Group acquired a 70% share of a veterinary clinic Ninas Värld Arninge AB in September 2024. Purchase price was EUR 0.2 million and the resulting goodwill was EUR 0.1 million. Goodwill is based on synergies from the acquisitions. The acquisitions did not have a material impact on group's net sales or result. In December 2024, Musti acquired a 40% share of a veterinary clinic Petrus Veterinærer AS in Norway amounting to EUR 2.0 million. The company is treated as an associated company.

Musti acquired the shares of Pet City OÜ (including its subsidiaries Pet City UAB, Pet City SIA and Pet City Klinika UAB) and Eesti Veterinaaria Kliinikum OÜ from Magnum Group for an Enterprise Value (EV) of EUR 18.0 million, of which EUR 13.7 million was paid in cash at closing. The remaining will be settled once the closing accounts have been approved by both buyer and the seller.

Pet City operates 46 retail stores and 16 veterinary clinics in the Baltic countries including an e-commerce platform operating throughout the Baltic region. The store network consists of 25 stores in Estonia, 13 in Latvia and 8 in Lithuania. On the veterinary clinic side, there are 8 clinics in Estonia, 4 in Latvia and 4 in Lithuania. The aggregated turnover of the acquired operations was EUR 31.5 million in FY 2023 (EUR 28.6 million in FY 2022) and the EBITDA EUR -1.1 million (EUR -0.7 million in FY 2022). In FY 2023 Pet City had assets amounting 8.7 million (EUR 8.9 million in FY 2022) and liabilities amounting EUR 23.7 million (EUR 21.3 million in FY 2022).

### Preliminary purchase price allocation of Pet City

EUR thousand	
Acquisition cost	18,237
Fair value of net identifiable assets	
Non-current assets	
Trademarks	1,750
Other intangible assets	508
Property, plant and equipment	17,602
Deferred tax assets	142
Current assets	
Inventories	2,975
Trade and other receivables	640
Cash and cash equivalents	731
Total assets	24,347
Non-current liabilities	
Deferred tax liabilities	329
Lease liability	12,045
Current liabilities	
Lease liability	2,988
Trade and other payables	5,337
Total liabilities	20,699
Net assets acquired	3,649
Goodwill	14,589
Cash flow impact	
Purchase price paid in cash	-13,678
Cash and cash equivalents of the acquired company	731
Expenses related to the acquisition	-385
Impact on cash flows	-13,332

## Changes in group structure

Musti Group divested its subsidiary Djurfriskvård Borlänge AB in May 2024. The company did not have any business operations and the divestment did not have a material impact on the Group's income statement or balance sheet.

Musti Group acquired a 70% share of a veterinary clinic Ninas Värld Arninge AB in September 2024. The acquisition did not have a material impact on the Group's assets or liabilities

Musti Group acquired the shares of Pet City OÜ, including its subsidiaries Pet City UAB, Pet City SIA and Pet City Klinika UAB, and Eesti Veterinaaria Kliinikum OÜ in November 2024.

## Personnel

	31 Dec 2024	30 Sep 2023
Personnel on average	1,761	1,640
Personnel at the end of period	2,178	1,643

## Related party transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence on the other party, or if the parties exercise joint control in making financial and operating decisions. Musti Group's related parties include its subsidiaries, Board of Directors and the members of the management team, including the CEO, as well as their family members.

## The following transactions were carried out with joint ventures

EUR thousand	31 Dec 2024	30 Sep 2023
Purchases of goods and services	0	4,638
Receivables	0	0
Payables	0	0
Other receivables	0	0
Guarantees given on behalf of joint ventures	0	0

Related party transactions are executed with the arms-length principle, and their terms and conditions correspond to transactions carried out with independent parties. No loans have been granted to the management, and no other transactions have been conducted with the management.

During the financial year 2023 Musti Group had a joint venture Premium Pet Food Suomi Oy, of which the Group acquired the full ownership on 3rd of April 2023, and it became a fully owned subsidiary. Prior to the transaction, Musti Group held 49.2% of the shares in the company.

## Goodwill, intangible assets and property, plant and equipment

EUR thousand	31 Dec 2024	30 Sep 2023
Cost at the beginning of the period	220,356	205,937
Amortization, depreciation and impairment	-16,570	-12,490
Additions	39,140	16,318
Acquisitions through business combinations	4,826	15,717
Disposals and closing of stores	0	-55
Exchange rate differences	32	-5,071
Cost at the end of the period	247,785	220,356

## Leases

### Right-of-use assets

EUR thousand	Land and water	Buildings and structures	Machinery and equipment	Total
<b>31 Dec 2024</b>				
Cost at the beginning of the reporting period	179	74,550	1,043	75,771
New contracts	0	6,525	372	6,897
Acquisitions through business combinations	0	14,942	91	15,033
Terminated contracts	0	-810	-252	-1,062
Revaluations and modifications	0	28,828	157	28,985
Exchange rate differences	0	-465	4	-461
Depreciation	-5	-34,037	-592	-34,634
<b>Cost at the end of the reporting period</b>	<b>174</b>	<b>89,533</b>	<b>823</b>	<b>90,529</b>

EUR thousand	Land and water	Buildings and structures	Machinery and equipment	Total
<b>30 Sep 2023</b>				
Cost at the beginning of the reporting period	0	75,604	623	76,227
New contracts	0	7,732	369	8,101
Acquisitions through business combinations	181	0	315	496
Terminated contracts	0	-1,470	-30	-1,500
Revaluations and modifications	0	19,384	118	19,502
Exchange rate differences	0	-2,764	-25	-2,789
Depreciation	-2	-23,937	-327	-24,266
<b>Cost at the end of the reporting period</b>	<b>179</b>	<b>74,550</b>	<b>1,043</b>	<b>75,771</b>

### Lease liability

EUR thousand	31 Dec 2024	30 Sep 2023
Lease liability at the beginning of the reporting period	79,825	80,681
Net increases	49,173	23,553
Rent expenses	-37,080	-26,743
Interest expense	3,676	2,334
<b>Lease liability at the end of the reporting period</b>	<b>95,595</b>	<b>79,825</b>

EUR thousand	31 Dec 2024	30 Sep 2023
Non-current lease liability	66,889	55,518
Current lease liability	28,706	24,307
<b>Total</b>	<b>95,595</b>	<b>79,825</b>

## Lease contracts in the income statement

EUR thousand	1 Oct 2024 - 31 Dec 2024	1 Oct 2023 - 31 Dec 2023	1 Oct 2023 - 31 Dec 2024	1 Oct 2022 - 30 Sep 2023
Expenses from rental agreements not included in lease liability	-203	-315	-1,127	-1,054
Depreciation of right-of-use assets	-7,838	-6,352	-34,454	-24,266
Interest expenses from lease liability	-810	-650	-3,676	-2,334
<b>Total</b>	<b>-8,852</b>	<b>-7,318</b>	<b>-39,257</b>	<b>-27,654</b>

## Financial assets and liabilities

### Financial assets

	Financial assets at fair value through profit and loss	Financial assets at amortized cost	Book value	Fair value	Fair value hierarchy
EUR thousand					
31 Dec 2024					
Non-current assets					
Derivative financial instruments	0		0	0	Level 2
Other non-current assets		240	240	240	Level 2
Total	0	240	240	240	
Current assets					
Trade and other receivables*		5,723	5,723	5,723	Level 2
Derivative financial instruments	1,076		1,076	1,076	Level 2
Cash and cash equivalents		11,829	11,829	11,829	Level 2
Total	1,076	17,552	18,628	18,628	
Financial assets, total	1,076	17,792	18,868	18,868	

	Financial assets at fair value through profit and loss	Financial assets at amortized cost	Book value	Fair value	Fair value hierarchy
EUR thousand					
30 Sep 2023					
Non-current assets					
Derivative financial instruments	1,257		1,257	1,257	
Other non-current assets		111	111	111	Level 2
Total	1,257	111	1,369	1,369	
Current assets					
Trade and other receivables*		6,050	6,050	6,050	Level 2
Derivative financial instruments	394		394	394	Level 2
Cash and cash equivalents		21,954	21,954	21,954	Level 2
Total	394	28,004	28,398	28,398	
Financial assets, total	1,651	28,115	29,766	29,766	



## Financial liabilities

EUR thousand	Financial liabilities at fair value through profit and loss	Financial liabilities at amortized cost	Book value	Fair value	Fair value hierarchy
31 Dec 2024					
Non-current liabilities					
Loans from credit institutions		94,668	94,668	94,668	Level 2
Derivative financial instruments	240		240	240	Level 2
Lease liability		66,889	66,889	66,889	Level 2
Other non-current liabilities		2,231	2,231	2,231	Level 3
<b>Total</b>	<b>240</b>	<b>163,788</b>	<b>164,028</b>	<b>164,028</b>	
Current liabilities					
Commercial papers		7,458	7,458	7,458	Level 2
Lease liability		28,706	28,706	28,706	Level 2
Trade and other payables*		31,300	31,300	31,300	Level 2
Derivative financial instruments	233		233	233	Level 2
<b>Total</b>	<b>233</b>	<b>67,464</b>	<b>67,697</b>	<b>67,697</b>	
<b>Financial liabilities, total</b>	<b>473</b>	<b>231,252</b>	<b>231,725</b>	<b>231,725</b>	

EUR thousand	Financial liabilities at fair value through profit and loss	Financial liabilities at amortized cost	Book value	Fair value	Fair value hierarchy
30 Sep 2023					
Non-current liabilities					
Loans from credit institutions		69,943	69,943	69,943	Level 2
Lease liability		55,518	55,518	55,518	Level 2
Other non-current liabilities		2,031	2,031	2,031	Level 3
<b>Total</b>		<b>127,492</b>	<b>127,492</b>	<b>127,492</b>	
Current liabilities					
Commercial papers		9,412	9,412	9,412	Level 2
Lease liability		24,307	24,307	24,307	Level 2
Trade and other payables*		36,078	36,078	36,078	Level 2
Derivative financial instruments	306		306	306	Level 2
<b>Total</b>	<b>306</b>	<b>69,798</b>	<b>70,104</b>	<b>70,104</b>	
<b>Financial liabilities, total</b>	<b>306</b>	<b>197,289</b>	<b>197,596</b>	<b>197,596</b>	

\*Other receivables and other payables include only items classified as financial assets or liabilities.

### Level 1

Quoted unadjusted prices at the balance sheet date in active markets. The market prices are readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. The quoted market price used for financial assets is the current bid price. Level 1 financial instruments include investments in funds classified as financial instruments at fair value through profit and loss. Musti Group does not have Level 1 financial instruments.

## Level 2

The fair value of financial instruments on level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. Musti Group has classified derivatives on level 2 of the fair value hierarchy.

## Level 3

A financial instrument is categorized into level 3, if the calculation of the fair value cannot be based on observable market data. Musti Group has classified earn-out liabilities on level 3 of the fair value hierarchy.

During the reporting period there has not been any transfers between the levels of the fair value hierarchy.

## Derivative financial instruments

EUR thousand	Nominal value	Receivables at fair value		Payables at fair value	Net fair value
31 Dec 2024					
Forward exchange contracts	85,585	1,076		-234	842
Interest rate swaps	35,000	0		-239	-239
Total	120,585	1,076		-473	603

EUR thousand	Nominal value	Receivables at fair value		Payables at fair value	Net fair value
30 Sep 2023					
Forward exchange contracts	34,537	394		-306	87
Interest rate swaps	30,000	1,257			1,257
Total	64,537	1,651		-306	1,345

## Group commitments

EUR thousand	31 Dec 2024	30 Sep 2023
Pledges given on behalf of Group companies and joint ventures		
Guarantees relating to rental payments	3,665	3,846
Other commitments	23	23
Total	3,688	3,870

## Other commitments

Other guarantees	0	0
Lease liabilities for leases not recognized in the balance sheet	750	1,939
Total	750	1,939

Lease liabilities not recognized in the balance sheet include the nominal amount of low-value and short-term lease liabilities and the liability for agreements that will enter into force in the future.

## Contingent liabilities

Musti Group has been subject to a tax audit of Musti Group Oyj, Musti Group Finland Oy and Musti Group Nordic Oy regarding financial years 2018-2020. Musti Group Oyj has in October 2021 received a tax audit report from the Finnish tax authorities. The tax audit report included subsequent taxes and tax increases amounting to a total of EUR 0.9 million, relating to the VAT deductibility of IPO related costs. Tax and increases have been paid in November 2021. The Company disagreed with the interpretation made in the tax audit and filed a claim for adjustment. Based on the decision by the Tax Administration, the Company recognized EUR 0.4 million in 2023 and based in the final decision EUR 0.2 million in 2024 of VAT as an expense. The Tax Administration returned EUR 0.3 million paid VAT to the Company.

## Financial ratios and alternative performance measures

EUR millions or as indicated	10-12/2024	10-12/2023	Change %	YTD 2024	YTD 2023
Net sales	122.2	115.7	5.6 %	560.6	425.7
Net sales growth, %	5.6 %	4.8 %		N/A	8.9 %
LFL sales growth, %	1.2 %	4.8 %		1.1 %	9.5 %
LFL store sales growth, %	-1.1 %	2.5 %		-1.6 %	6.7 %
LFL online sales growth, %	8.8 %	13.0 %		10.1 %	19.0 %
Store sales	90.4	86.4	4.5 %	413.2	322.3
Online sales	29.2	26.9	8.3 %	136.4	97.8
Online share of net sales, %	23.9 %	23.3 %		24.3 %	23.0 %
Gross margin, %	44.0 %	45.9 %		44.1 %	45.7 %
EBITDA	15.9	18.8	-15.7 %	67.2	74.6
EBITDA margin, %	13.0 %	16.3 %		12.0 %	17.5 %
Adjusted EBITDA	17.2	20.5	-16.0 %	81.6	73.6
Adjusted EBITDA margin, %	14.1 %	17.7 %		14.6 %	17.3 %
EBITA	6.0	10.8	-44.2 %	23.6	43.6
EBITA margin, %	4.9 %	9.3 %		4.2 %	10.2 %
Adjusted EBITA	7.3	12.4	-40.9 %	38.0	42.6
Adjusted EBITA margin, %	6.0 %	10.7 %		6.8 %	10.0 %
Operating Profit	4.5	9.4	-52.6 %	16.2	37.8
Operating Profit margin, %	3.6 %	8.1 %		2.9 %	8.9 %
Profit/loss for the period	2.8	5.8	-51.7 %	6.7	26.5
Earnings/Share, basic, EUR	0.08	0.17	-51.4 %	0.20	0.79
Earnings/Share, diluted, EUR	0.08	0.17	-51.3 %	0.20	0.79
Cash flow from operating activities	7.6	15.7	-51.8 %	46.9	79.6
Investments in tangible and intangible assets	4.8	4.0	18.9 %	19.2	11.9
Net debt	187.5	137.0	36.0 %	187.5	137.9
Gearing, %	112.3 %	80.0 %		112.3 %	83.9 %
Net debt / LTM Adjusted EBITDA	3.1	1.8	63.7 %	3.1	1.9
Equity ratio %	37.6 %	43.0 %		37.6 %	41.7 %
Nr of loyal customers, thousands	1,866	1,818	2.6 %	1,866	1,806
Number of stores at end of period	415	348	19.3 %	415	342
of which directly operated	411	338	21.6 %	411	330
Own & Exclusive share, %	51.8 %	53.0 %		51.5 %	52.4 %

Finland					
Net sales	51.3	51.2	0.1 %	242.1	189.9
Net sales growth, %	0.1 %	7.8 %		27.5 %	11.9 %
LFL sales growth, %	-0.1 %	3.4 %		-1.3 %	9.7 %
EBITDA	12.8	14.1	-8.9 %	60.6	52.6
EBITDA margin, %	25.0 %	27.4 %		25.1 %	27.7 %
Adjusted EBITDA	12.8	14.3	-10.4 %	61.2	52.6
Adjusted EBITDA margin, %	25.0 %	27.9 %		25.3 %	27.7 %
EBITA	9.8	11.2	-12.6 %	46.0	41.5
EBITA margin, %	19.1 %	21.9 %		19.0 %	21.8 %
Adjusted EBITA	9.8	11.5	-14.4 %	46.6	41.5
Adjusted EBITA margin, %	19.1 %	22.4 %		19.2 %	21.9 %
Nr of loyal customers, thousands	648	647	0.1 %	648	646
Number of stores at end of period	137	137	0.0 %	137	136
of which directly operated	137	137	0.0 %	137	136
Own & Exclusive share, %	53.2 %	54.9 %		53.8 %	55.9 %
Sweden					
Net sales	47.1	46.0	2.4 %	224.2	170.9
Net sales growth, %	2.4 %	2.5 %		31.2 %	3.6 %
LFL sales growth, %	-0.2 %	4.5 %		1.0 %	8.6 %
EBITDA	8.8	10.2	-13.1 %	43.8	36.3
EBITDA margin, %	18.8 %	22.1 %		19.5 %	21.2 %
Adjusted EBITDA	8.8	10.3	-14.4 %	44.0	36.5
Adjusted EBITDA margin, %	18.8 %	22.4 %		19.6 %	21.4 %
EBITA	5.8	7.4	-20.9 %	28.9	25.5
EBITA margin, %	12.4 %	16.0 %		12.9 %	14.9 %
Adjusted EBITA	5.8	7.5	-22.5 %	29.1	25.7
Adjusted EBITA margin, %	12.4 %	16.3 %		13.0 %	15.0 %
Nr of loyal customers, thousands	844	827	2.0 %	844	823
Number of stores at end of period	133	134	-0.7 %	133	131
of which directly operated	129	124	4.0 %	129	119
Own & Exclusive share, %	46.7 %	47.9 %		46.2 %	46.4 %
Norway					
Net sales	20.6	18.5	11.7 %	91.1	64.9
Net sales growth, %	11.7 %	2.5 %		40.3 %	14.9 %
LFL sales growth, %	8.9 %	10.3 %		9.0 %	11.3 %
EBITDA	5.0	4.7	6.1 %	20.6	15.1
EBITDA margin, %	24.3 %	25.5 %		22.6 %	23.2 %
Adjusted EBITDA	5.0	4.8	4.6 %	20.6	15.1
Adjusted EBITDA margin, %	24.3 %	25.9 %		22.6 %	23.2 %
EBITA	3.4	3.3	4.7 %	12.9	9.4
EBITA margin, %	16.6 %	17.7 %		14.1 %	14.5 %
Adjusted EBITA	3.4	3.3	2.6 %	13.0	9.4
Adjusted EBITA margin, %	16.6 %	18.0 %		14.2 %	14.5 %
Nr of loyal customers, thousands	374	343	8.8 %	374	337
Number of stores at end of period	83	77	7.8 %	83	75
of which directly operated	83	77	7.8 %	83	75
Own & Exclusive share, %	60.0 %	60.4 %		58.9 %	57.9 %
New Markets					
Net sales	3.2			3.2	
Net sales growth, %					

LFL sales growth, %	0.0 %		0.0 %
EBITDA	0.2		0.2
EBITDA margin, %	5.8 %		5.8 %
Adjusted EBITDA	0.2		0.2
Adjusted EBITDA margin, %	5.8 %		5.8 %
EBITA	-0.2		-0.2
EBITA margin, %	-6.1 %		-6.1 %
Adjusted EBITA	-0.2		-0.2
Adjusted EBITA margin, %	-6.1 %		-6.1 %
Nr of loyal customers, thousands	0		0
Number of stores at end of period	62		62
of which directly operated	62		62
Own & Exclusive share, %	0.0 %		0.0 %

## Calculation formulas of key performance indicators

Key Performance Indicator	Definition
Gross profit	Net sales - Material and services
Earnings before interest, taxes, depreciation and amortization (EBITDA)	Operating profit + Depreciation, amortization and impairment
Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)	Operating profit + Depreciation, amortization and impairment + adjustments
Earnings before interest, taxes and amortization (EBITA)	Operating profit + amortization and impairment of intangible assets
Adjusted earnings before interest, taxes and amortization (Adjusted EBITA)	Operating profit + amortization and impairment of intangible assets + Adjustments
Earnings per share, basic	$\frac{\text{Profit/loss for the period} - \text{Non-controlling interests}}{\text{Average number of shares}}$
Earnings per share, diluted	$\frac{\text{Profit/loss for the period} - \text{Non-controlling interests}}{\text{Average diluted number of shares}}$
Net Debt	Interest bearing liabilities - Loan receivables +/- Derivative financial instruments - Cash and cash equivalents
Gearing (%)	$\frac{\text{Net debt}}{\text{Equity}}$
Net debt/LTM (last twelve months) Adjusted EBITDA	$\frac{\text{Net debt}}{\text{LTM adjusted EBITDA}}$
Equity ratio (%)	$\frac{\text{Total equity}}{\text{Total assets} - \text{Advances received}}$
LFL (Like-for-like) sales growth (%)	$\frac{\text{Sales of online channels and stores that have been open more than 13 months}}{\text{Sales from corresponding online channels and stores in the same time period}}$
Own & Exclusive share (%)	$\frac{\text{Sales of own and exclusive product sales}}{\text{Product sales in own channels}}$
Online share (%)	$\frac{\text{Online sales}}{\text{Net sales}}$

## Reconciliation of key performance indicators

EUR millions or as indicated	1 Oct 2024 - 31 Dec 2024	1 Oct 2023 - 31 Dec 2023	1 Oct 2023 - 31 Dec 2024	1 Oct 2022 - 30 Sep 2023
Gross profit				
Net sales	122.2	115.7	560.6	425.7
Material and services	-68.4	-62.6	-313.4	-231.3
Gross profit	53.8	53.1	247.2	194.5
Gross margin (%)	44.0 %	45.9 %	44.1 %	45.7 %
Earnings before interest, taxes, depreciation and amortization (EBITDA)				
Operating profit	4.5	9.4	16.2	37.8
Depreciation, Amortization and Impairment	11.4	9.4	51.0	36.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	15.9	18.8	67.2	74.6
EBITDA margin (%)	13.0 %	16.3 %	12.0 %	17.5 %
Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)				
Operating profit	4.5	9.4	16.2	37.8
Depreciation, amortization and Impairment	11.4	9.4	51.0	36.8
Adjustments	1.3	1.6	14.4	-0.9
Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)	17.2	20.5	81.6	73.6
Adjusted EBITDA margin (%)	14.1 %	17.7 %	14.6 %	17.3 %
Adjustments (EBITDA)				
Restructuring related expenses	0.0	0.0	0.4	0.5
Acquisition & IPO related expenses	0.1	0.0	0.7	0.4
Non-recurring costs (Public Tender Offer & product recall)	0.1	1.6	12.1	0.0
Digital transformation projects	1.2	0.0	1.2	0.0
Other items affecting comparability	0.0	0.0	0.0	-1.9
Adjustments (EBITDA)	1.3	1.6	14.4	-0.9
Earnings before interest, taxes and amortization (EBITA)				
Operating profit	4.5	9.4	16.2	37.8
Amortization and impairment of intangible assets	1.5	1.4	7.3	5.8
Earnings before interest, taxes and amortization (EBITA)	6.0	10.8	23.6	43.6
EBITA margin (%)	4.9 %	9.3 %	4.2 %	10.2 %
Adjusted earnings before interest, taxes and depreciation (Adjusted EBITA)				
Operating profit	4.5	9.4	16.2	37.8
Amortization and impairment of intangible assets	1.5	1.4	7.3	5.8
Adjustments	1.3	1.6	14.4	-0.9
Adjusted earnings before interest, taxes and depreciation (Adjusted EBITA)	7.3	12.4	38.0	42.6
Adjusted EBITA margin (%)	6.0 %	10.7 %	6.8 %	10.0 %
Adjustments (Operating profit)				
Restructuring related expenses	0.0	0.0	0.4	0.5
Acquisition & IPO related expenses	0.1	0.0	0.7	0.4
Non-recurring costs (Public Tender Offer & product recall)	0.1	1.6	12.1	0.0
Digital transformation projects	1.2	0.0	1.2	0.0
Other items affecting comparability	0.0	0.0	0.0	-1.9
Adjustments (Operating profit)	1.3	1.6	14.4	-0.9
Earnings per share, basic				
Profit/loss for the period	2.8	5.8	6.7	26.5
Non-controlling interest	0.0	0.0	0.0	0.0
Average number of shares	33.4	33.4	33.4	33.4
Earnings per share, basic	0.08	0.17	0.20	0.79

Earnings per share, diluted				
Profit/loss for the period	2.8	5.8	6.7	26.5
Non-controlling interest	0.0	0.0	0.0	0.0
Average number of shares, diluted	33.5	33.6	33.5	33.6
Earnings per share, diluted	0.08	0.17	0.20	0.79
Net debt				
Interest-bearing liabilities	200.0	156.2	200.0	161.2
Derivative financial instruments	-0.6	-0.3	-0.6	-1.3
Cash and cash equivalents	11.8	18.9	11.8	22.0
Net debt	187.5	137.0	187.5	137.9
Gearing (%)				
Net Debt	187.5	137.0	187.5	137.9
Equity	166.9	171.4	166.9	164.4
Gearing (%)	112.3 %	80.0 %	112.3 %	83.9 %
Net debt/LTM Adjusted EBITDA				
Net debt	187.5	137.0	187.5	137.9
LTM adjusted EBITDA	61.2	75.0	61.2	73.6
Net debt/LTM adjusted EBITDA	3.1	1.8	3.1	1.9
Equity ratio (%)				
Total equity	166.9	171.4	166.9	164.4
Total assets	445.0	399.5	445.0	394.2
Advances received	0.6	0.5	0.6	0.3
Equity ratio (%)	37.6 %	43.0 %	37.6 %	41.7 %
LFL sales growth (%)				
Net sales	122.2	115.7	560.6	425.7
Net sales growth %	5.6 %	4.8 %	N/A	8.9 %
Other growth %	4.4 %	-0.1 %	N/A	-0.6 %
LFL sales growth (%)	1.2 %	4.8 %	1.1 %	9.5 %
LFL store sales growth (%)				
Store sales	90.4	86.4	413.2	322.3
Store sales total growth %	4.5 %	1.3 %	N/A	7.3 %
Other growth %	5.6 %	-1.2 %	N/A	0.6 %
LFL store sales growth (%)	-1.1 %	2.5 %	-1.6 %	6.7 %
Net sales				
Store sales	90.4	86.4	413.2	322.3
Online sales	29.2	26.9	136.4	97.8
Other sales	2.6	2.3	11.0	5.7
Net sales	122.2	115.7	560.6	425.7
Online share (%)				
Net sales	122.2	115.7	560.6	425.7
Online sales	29.2	26.9	136.4	97.8
Online share (%)	23.9 %	23.3 %	24.3 %	23.0 %