

Annual Report  
2023



Stronger  
together

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105,000  
customers

20+  
countries  
served in Europe

2,300  
employees

# OPTI GROUP

OptiGroup is a leading European distribution Group that provides customised supply solutions to B2B customers. We acquire and develop companies that specialise in providing customers with products and services that enhance efficiency and contribute to more successful businesses. Through active and long-term ownership, OptiGroup contributes strategic governance and synergies between its subsidiaries.

Stronger together  
[www.optigroup.com](http://www.optigroup.com)

# Long-term active owner of strong B2B distributors

OptiGroup is a leading European distribution Group that provides customised supply solutions to B2B customers. The companies in the Group's business areas offer reliable and sustainable supply solutions for operators in the cleaning & facility management, hotel & restaurant, health & medical care, the transport sector, manufacturing industry and the graphic sector.



## Customer in focus

OptiGroup specialises in providing customised supply solutions for a broad range of business essentials. With the customer in focus, we meet our customers' high demands for reliability, cost-effectiveness and sustainability.



## Growth through acquisitions

OptiGroup has a clear growth agenda, where an important element is acquisitions. Successful B2B distributors with good growth potential that enhance the customer offering of the business areas are identified, analysed and acquired.





## Value-creating ownership and management model

OptiGroup is a financially stable and long-term owner, with clear targets and processes to create successful and profitable distributors. Alongside Group-wide issues, OptiGroup works actively and close to its operations with strategic governance and financing, as well as evaluating development areas and best practices that can be used broadly within the Group.



## Stronger together

Most of OptiGroup's acquisitions are entrepreneurial family businesses. The aim is to retain, develop and enhance already strong brands, while the companies can benefit from belonging to the Group and its overall value creation. In this way, entrepreneur-driven companies can continue to develop, grow and be successful as part of OptiGroup.

The Group's well-proven business model in combination with a decentralised management approach, where the business areas' companies offer B2B customers a full product range and value-adding services, creates a platform for continued profitable growth for OptiGroup.



# A strong platform designed to meet customer needs

OptiGroup has a clear vision and mission which, together with the business areas' capacity to distinguish themselves in the market with sought-after brands, products and supply solutions, pave the way for value creation.

## PRODUCTS AND SERVICES WITH HIGH CUSTOMER VALUE

The Group's business areas offer efficient supply solutions from a wide product range to operators in the areas of cleaning & facility management, hotel & restaurant, health & medical care, manufacturing industry and the graphic sector. High accessibility to a wide product range, combined with reliable deliveries and a well-developed service offering, contributes to an attractive and value-adding customer offering.

## FOCUS ON CUSTOMERS

The Group is characterised by strong customer focus with the shared goal of working closely with customers to identify key market trends and constantly enhance the ability to offer solutions that meet the customers' challenges and requirements.

## LEADING MARKET POSITIONS

Through its company portfolio and its existing distribution network, OptiGroup commands a strong position in Europe. With an active acquisition agenda and attractive customer solutions, the ambition is to become established as number one or number two in selected markets and segments. Accordingly, the Group is successively consolidating its position, which maintains economies of scale and synergies in its internal business processes and between the portfolio companies.

## WELL-ESTABLISHED BRANDS

The Group's active acquisition strategy has resulted over time in a diversified company portfolio of well-established brands in B2B distribution.



### VISION

We strive to unleash the full potential of our companies and employees and create winners.



### MISSION

OptiGroup is a long-term owner that acquires and develops entrepreneurial companies. Together, we form profitable and sustainable customer offerings that create value for our stakeholders and society as a whole.

# Leading positions in B2B distribution

Efficient purchasing and delivery processes as well as a sustainable and attractive product and service offering enable OptiGroup's business areas\* to create value for our stakeholders and for society as a whole. The product offering is marketed and sold under strong and established company brands.



## FACILITY & SAFETY

The business area is leading in the Nordic region. The offering comprises customised product and logistics solutions for operators in cleaning & facility management, hotel & restaurant, and health & medical care that save time and costs. In addition, the business area offers a full range of work wear and personal protection equipment, combined with customised safety concepts for manufacturing industries and high-risk environments.

Read more on page 24



## PACKAGING

The business area is a leading supplier of industrial packaging in Sweden, Denmark, Finland, Belgium and the Netherlands. The offering comprises customised packaging solutions, primarily for the manufacturing industry, the transport sector and e-commerce companies, as well as a broad standard range of corrugated boxes, wrapping products and packing machines.

Read more on page 26



## MEDICAL

The business area operates in the Benelux region within three product categories – health & medical care, cleaning & hygiene and personal protection, with an attractive niche position in medical supplies, devices and equipment for hospitals, healthcare institutions and general practitioners in the Netherlands.

Read more on page 28



## PAPER & BUSINESS SUPPLIES

The business area is a leading full-service supplier of graphic special products and graphic paper to the European print industry and a major European distributor of office paper. In addition, the business area offers value-adding supply solutions related to a full range of cleaning, hygiene and packaging products for resellers and retail chains.

Read more on page 30



\* The BFG business area, which manufactures packaging for the food industry, is considered immaterial for the Group, and is thus reported as "other."

# The Year in Brief

During 2023, work continued to streamline the business portfolio and to strengthen the position in selected core areas through acquisitions.

## Financial highlights

- Net sales amounted to EUR 1,481 million (1,206).
- Adjusted EBITA amounted to EUR 92.8 million (91.1), corresponding to an adjusted EBITA margin of 6.3 percent (7.6).
- Operating profit amounted to EUR 6.3 million (28.6).
- Cash flow from operating activities amounted to EUR 111.3 million (19.6).

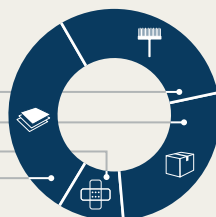
## Significant events

- The acquisitions of Facility Trade Holding BV and Van den IJssel Bedrijfskleding BV in the Netherlands, which add annual sales revenue of approximately EUR 40 million for the Group.
- OptiGroup secured EUR 100 million in additional financing for continued internationalisation and acquisitions in the European distribution market.
- Henrik Hjalmarsson was appointed President and CEO and assumed this position on 8 January 2024. Until that date, Thomas Eriksson held the role of interim CEO.

Net sales 2023 **1,481** EUR million

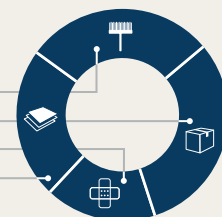
### NET SALES PER BUSINESS AREA, %

- Facility & Safety, 30%
- Packaging, 27%
- Medical, 10%
- Paper & Business Supplies, 33%



### ADJUSTED EBITA PER BUSINESS AREA, %

- Facility & Safety, 29%
- Packaging, 31%
- Medical, 17%
- Paper & Business Supplies, 23%



“Despite a turbulent business environment and a weaker economy, we continued to deliver value for our stakeholders.”

COMMENTS FROM THE INTERIM PRESIDENT AND CEO.  
READ THE FULL STORY ON PAGE 9.



## FINANCIAL OVERVIEW

In March 2022, OptiGroup gained a new principal owner in the form of FSN Capital. In conjunction with the transaction, the Dutch Hygos group of companies was incorporated into the newly formed Parent Company, OptiGroup Holding AB. The table below shows the performance measures for 2022 as if OptiGroup AB and the Hygos Group had been included in OptiGroup Holding AB at 1 January 2022. The remaining companies acquired during 2022 were consolidated in the financial statements in conjunction with the acquisition date. OptiGroup AB's historical performance measures are reported for the years 2019–2021.

EUR million	2023	2022	2021	2020	2019
Net sales	1,480.7	1,586.0	1,067.2	949.1	1,326.6
Organic growth, %	-8.7	11.4	3.7	-11.3	-2.5
EBITA	75.6	66.1	47.7	28.7	36.0
Adjusted EBITA	92.8	109.4	58.5	42.7	37.0
Adjusted EBITA margin, %	6.3	6.9	5.5	4.5	3.6
Cash flow from operating activities	111.3	19.6	42.4	54.9	40.6
Balance sheet total	1,767.9	1,803.2	779.2	605.0	657.4
Equity	524.5	568.6	342.6	324.4	305.7
Equity/asset ratio, %	30	32	44	54	47
Average number of employees	2,339	2,387	1,632	1,541	1,601

OptiGroup uses alternative performance measures that cannot be directly derived from the financial statements. Organic growth, adjusted EBITA, and adjusted EBITA margin are alternative performance measures. Definitions and reconciliations are provided on pages 131–132.



*“We have strong cash flow and access to capital, creating a solid platform to realise our strategy of continued growth.”*

# Well-positioned for international growth

Despite a turbulent business environment and a weaker economy, we continued to deliver value for our stakeholders. With a new CEO in place, we are well-positioned for the next phase in the company's development.

**Q** As interim CEO since last summer, what was your most important focus area in this role, which was new to you?

**A** My foremost focus was to ensure progress in our efficiency projects and to work with the rest of the management to address the weaker demand that we noted in the second half of the year. That said, we have had a clear strategy for the Group for many years and we have a well-tuned Management Team with extensive experience of conducting merchant operations of our size. In general, my focus, or my way of working, did not entail any major change on my part for the months that I shouldered the role of interim CEO. With our new CEO, Henrik Hjalmarsson, in place, I believe we will take the next step in the implementation of the Group's international growth strategy.

**Q** How would you summarise the past financial year?

**A** I find it positive that, in 2023, we were able to successfully maintain the pace of acquisitions in our key growth areas. During the year, we acquired two companies operating in the Netherlands in the cleaning & hygiene and personal protection product categories, as well as a small add-on acquisition in Sweden in the Packaging business area. Aside from this, we continued to work on our business area structure, which better positions us for future growth opportunities. As I now summarise the past financial year, it is therefore positive to be able to say that all business areas stand better equipped than ever to add real value for our customers and to be able to offer them reliable and sustainable supply solutions.

**Q** How would you comment on the financial result?

**A** In terms of sales, 2023 was a weaker year than 2022 and unfortunately, our earnings did not meet our expectations, but generally, we achieved a healthy result under the circumstances. The repercussions of the pandemic years are behind us, meaning that we had a return to generally more normal market conditions. However, the continued unsettled nature of the global situation and an uncertain macro environment forced us to address a weaker economy.

**Q** What were the greatest challenges in 2023?

**A** The core challenge for our business is that the traditional paper market in Europe is continuing to decline structurally and this trend is expected to persist. As I mentioned previously, this contributed to our focus on further operational strengthening of our business areas, diversifying our business into areas of growth and pursuing various efficiency projects within the Group to address a potentially more difficult economic situation.

**Q** In 2022, a new business area was added and OptiGroup became a new Group. What effects of this did you see in 2023?

**A** The addition of the Medical business area in 2022 was a natural step when the Dutch group of companies, Hygos, was incorporated into the Group. The business area works within three product categories – health & medical care, cleaning & hygiene and personal protection, and during the year all categories contributed to the Group's earnings. Through the formation of the Medical business area, we now also have a firm foothold in the Benelux region, which we continued to build on during the year. In particular, this was reflected in the two strategic acquisitions in cleaning & hygiene and personal protection in the Netherlands.

**Q** Can you comment briefly on the acquisitions of Facility Trade Holding BV, Van den IJssel Bedrijfskleding BV and Pacia AB and the plan for these?

**A** The acquisitions in the Netherlands are important complementary operations for strengthening OptiGroup's position in the Benelux region. Facility Trade Group, which was acquired in January 2023, develops our service offering and expertise for our customers in cleaning & hygiene and personal protection, and has delivered beyond expectations since it was acquired. The more recently acquired company Van den IJssel Bedrijfskleding is entirely in line with our strategy and will make a correspondingly positive contribution to our growth in 2024. The acquisition of Pacia was a minor acquisition, which was rapidly incorporated into PacsOn, but is a positive contribution to their existing operations in southern Sweden.

**Q How do you consider that you have delivered on your sustainability agenda and what is the agenda going forward?**

**A** Working with sustainability is in our DNA and our work to help our customers to reduce their climate footprint is a key part of our offering. To us, it is of central importance to build relationships with suppliers that are sustainability leaders, at the same time as we prioritise products with low emission intensity. The Group's goal is to be carbon neutral by 2030 in Scope 1 and 2 in accordance with the GHG protocol and in Scope 3, category 4 for downstream distribution. Within this framework, we will continue to focus on efficiency projects in our own operations and successively increase the proportion of tonne-kilometres using electric and biofuel-powered vehicles for our deliveries to customers. In conclusion, I would say that we now have a strong offering with a distinct sustainability profile that we are continuously developing. During the year, we also took the decision to join the Science Based Targets initiative (SBTi) during our business plan period.

**Q During the year, there was a weaker economy and increased geopolitical uncertainty. Did you take any action to address these issues?**

**A** To successfully conduct a distribution business, it is necessary to be constantly aware of changes in the operating environment and to adapt accordingly. Therefore, we are constantly conducting activities and initiatives within the Group to ensure that operating costs are continuously adapted and that we use our capital effectively. During the current year, we launched a Pricing Excellence programme aimed at improving the Group's operating margin by strengthening expertise in the area and by accelerating the implementation of structure and best practices within the Group.

**Q What opportunities do you see going forward and what will be the Group's focus during 2024?**

**A** OptiGroup has a clear business model and strategy that is fully supported by the company's Board of Directors and management and, in this context, I can say that the measures we have taken in recent years have significantly improved our business mix and underlying business. The Management Team is now ready, together with our new CEO, to move to the next stage of implementation of OptiGroup's growth strategy by pursuing internationalisation and continuing to develop the business portfolio. We have strong cash flow and access to capital, creating a solid platform to realise our strategy of continued growth, both organically and through acquisitions, in our core areas. This is why I am optimistic about the future.

**Q What do you consider to be the most important aspect of your own role in the next year?**

**A** After my assignment as interim CEO, I will return to focusing full-time on my role as CFO. In this position, I look forward to working with Henrik and the rest of the Management Team to continue developing OptiGroup in line with our strategy and working to further secure our market position and improve the Group's returns.

Thomas Eriksson  
CFO and interim CEO

# New CEO in place ahead of the 2024 financial year

*It feels great to be part of OptiGroup and to be entrusted with leading this Group, where I am inspired by the employees and the ambition that the Group endeavours to achieve through internationalisation, development of the business portfolio and add-on acquisitions.*

*I look forward to developing the company together with the other members of the Management Team and to realise our ambitious growth goals.*

HENRIK HJALMARSSON  
President and CEO since 8 January 2024



# Structural tailwind in the Group's core areas

OptiGroup is affected by various drivers and megatrends that impact the business areas' operations. Active intelligence gathering and efficient adaptation and handling create the potential for future business opportunities.



## Digitisation

The rapid development and dissemination of new technology, such as artificial intelligence, IoT, blockchain and cloud services, is contributing to the increased digitisation of society. The impact of digitisation is widespread, as it not only influences how we work, but also processes and the demand for products and services.



### IMPACT ON OPTIGROUP

Growth in the use of IT solutions and connected devices is creating opportunities for new, cost-efficient on-demand services and delivery models. For OptiGroup, digitisation of its own operations entails opportunities to strengthen the customer experience through innovative solutions.

Consumers are becoming increasingly comfortable about shopping online, which is leading to growing demand for tailored and customer-specific packaging, which is positive for the Packaging business area. For the Paper & Business Supplies business area, increased digitisation has led to a structural decline in the demand for printed media.

### MANAGEMENT

OptiGroup's business areas work continuously to digitise their respective activities. This includes the constant development of the companies' ERP and e-commerce platforms, as well as further digitisation of external and internal business processes. The Group companies' digitisation work enables new ways of creating values, increasing efficiency and improving the customer experience.

## Climate change and sustainability

Sustainability has become a strategic necessity for companies and a source of competitive advantages and innovation. Companies will need to adapt their operations, their products and their services to environmental and social goals.



### IMPACT ON OPTIGROUP

For OptiGroup, more distinct climate and sustainability demands entail greater focus on the customer offering and business development. Companies that position themselves at the forefront of sustainability are more competitive, while more stringent market requirements generally create new business opportunities. For OptiGroup, climate change and global challenges entail an increased focus on the customer offering and how the Group can contribute positively to the climate transition.

### MANAGEMENT

OptiGroup's policy framework, together with the Group's sustainability agenda, provides guidance in efforts to reduce the Group's climate footprint.

Active work is conducted daily to guide and inspire customers in making climate-smart choices from a range that is constantly upgraded to include products with lower emission intensity. In addition to this, the Group companies apply stringent assessment processes for the selection of suppliers, where environmental performance and social responsibility are key assessment criteria. To minimise OptiGroup's own climate impact, long-term work is in progress at the Group companies to optimise energy use and gradually transition to renewable and fossil-free energy sources.

## Demographic changes

Most societies are feeling the effects of an ageing population and increased urbanisation. Migration can contribute to mitigating the effects of an ageing population in that the supply of labour increases. However, migration also gives rise to challenges concerning integration into society and into the labour market.



### IMPACT ON OPTIGROUP

A general rise in prosperity, with health improvements and a higher level of education, has a positive impact on the growth rate in a broad spectrum of sectors. A rising number of people in the education sector and a growing and ageing population increase the demand for cleaning & facility management products in institutional and high-traffic environments. Health and safety legislation is driving growth for safety products and personal protection equipment. A growing population that is living longer and more people suffering from chronic diseases is leading to an increased need for medical supplies and devices. In addition, urbanisation contributes to increased demand for food deliveries from restaurants, which in turn, leads to higher demand for sustainable items in the HoReCa sector.

### MANAGEMENT

OptiGroup's business areas are continuously striving to adapt their operations to trends and changes in the market. This involves changes to business processes, continuous development of the product range and greater customisation of the offerings.

## Globalisation

Globalisation involves the greater movement of goods and services, which places demands on efficient logistics and supply chains around the world. Intensifying competition, price pressure and shorter product life cycles are also contributing to the trend of outsourcing non-core activities among companies and organisations.



### IMPACT ON OPTIGROUP

For OptiGroup, the trends in globalisation offer new business opportunities. Rising demand for efficient supply solutions and outsourcing services pave the way for full-service distributors that continue to streamline their business processes and offerings.

### MANAGEMENT

OptiGroup's business areas strive continuously to improve and optimise existing purchasing and distribution processes and to develop customised customer offerings. In addition, companies are acquired to broaden the geographic coverage and to achieve proximity to customers and economies of scale.

# Value-creating business model

OptiGroup's ability to steer and develop the Group towards leading positions in attractive markets and segments creates a platform for continued growth, healthy returns and a strong long-term financial position.

The business model is based on OptiGroup acquiring, owning and developing distributors in B2B with strong brands and good growth potential in selected product and market segments. With a long-term approach and focus on sustainable profitable growth, OptiGroup will, as a committed owner, generate a strong financial position and attractive value development. Through growth and synergies, the Group is creating a position of strength in relation to other players in the value chain and maintaining cost effectiveness in internal business processes.

## Stronger together

The Group's business areas offer efficient supply solutions from a wide product range to players in the areas of cleaning & facility management, hotel & restaurant, health & medical care, manufacturing industry and the graphic sector. Alongside Group-wide issues, the Parent Company works close to the business areas and to operations with strategic governance, acquisitions, monitoring and evaluating development areas, and best practices that can be used broadly within the Group. By capitalising on the Group's strength and full potential, Group companies can continue to develop and grow.

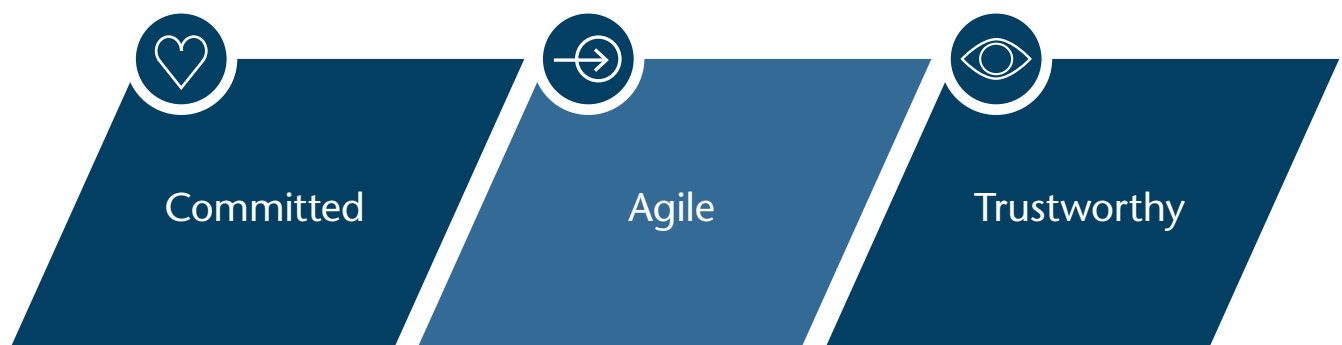
## Clear core values

OptiGroup is characterised by a down-to-earth corporate culture, entrepreneurial spirit and responsible employeeship. OptiGroup's general core values are: *Committed*, *Agile* and *Trustworthy*. Together with the Group's policies, these value words provide guidance in all processes, during acquisitions and in continuously developing the Group companies. The core values are Parent Company-specific, but define an overarching approach for all Group employees in day-to-day activities.

## Decentralisation and management by objectives

Responsibility for business development, growth and financial profitability is decentralised to the business areas. Each business area has a large amount of freedom with own responsibility down to subsidiary level, which ensures that key decisions are made close to the customer and the market. This type of organisation places high demands on leadership and effective corporate governance. This is ensured through the Parent Company's continuous monitoring of business development and that the subsidiaries comply with the Group's codes of conduct and policies.

## OptiGroup's core values



### Acquisition of companies

Acquisitions are a key part of the growth strategy with the objective of establishing the Group as number one or two in selected segments and markets. OptiGroup has a long-term perspective on its investments and offers stable financing to provide security and an opportunity for the acquired companies to continue to grow and develop. There can be many reasons why a company is for sale. It could be due to a generational shift, shortage of capital for major investments or limited opportunities for continued growth. Regardless of the situation, OptiGroup has extensive experience of acquiring and integrating new operations.

OptiGroup’s process for acquisition and integration is divided into three phases:

- Identification and analysis of acquisition candidates
- Closer contact and negotiations
- Onboarding

#### Identification and analysis of acquisition candidates

OptiGroup’s internal M&A team works systematically to identify a pipeline of well-managed entrepreneur-driven companies with well-functioning business models and the potential to grow as part of OptiGroup. Interesting acquisition targets are analysed

using a large number of criteria, such as profitability, market position, competitiveness, sustainability and scalability to decide if the company is a match for OptiGroup. At the right time, contact may be made to begin initial talks with the owners of potential acquisition targets. OptiGroup is often contacted directly by the owners who want to give their company a new platform for continued development and growth.

#### Closer contact and negotiations

If an acquisition candidate passes the analysis phase, closer contact is made with the company’s owners. This contact usually leads to negotiations, to discuss price and the forms of the acquisition. It is important to ensure a well-functioning process for the take-over at an early stage, as the former management often remains with the company with operational responsibility after the acquisition.

#### Onboarding

OptiGroup has a well-established and structured process to integrate acquired companies into the Group. The Parent Company supports the specific business area in integration work and provides guidance in strategic decisions, business development and financing. Continuous dialogue is conducted with the company management and working groups to capture the synergies within the Group.



### ACQUISITIONS 2023

At year-end, OptiGroup had 41 well-established brands in 16 countries. In 2023, two new companies were acquired with combined sales of just over EUR 40 million. Acquisitions completed since 2016 have added sales of more than EUR 915 million to the merged Group.

#### Medical

The acquisition of the Dutch company Facility Trade Holding with its two strong brands, Facility Trade Group and Dirksen, was in line with the growth ambitions in the cleaning & hygiene and personal protection equipment segments. The market position in the protective products area was further strengthened at the end of the year by the acquisition of Van den IJssel Bedrijfskleding, a leading distributor specialised in work wear and personal protection equipment in the Netherlands.

#### Packaging

Through the acquisition of Pacia’s packaging operations in southern Sweden, the PacsOn subsidiary further strengthened its position as the leading supplier of sustainable packaging solutions in Sweden.

#### Facility & Safety

In December 2023, the acquisition was announced of Top Service, which marked an entry into the German market for catering and serving products for the hotel & restaurant sector.



# Strengthened positions in the Netherlands in cleaning & facility management and personal protection

With more than 30 years experience of supplying cleaning & hygiene products and personal protection equipment, Facility Trade Holding guarantees its customers advanced expertise in each product category and reliable supply solutions from a broad product range. The company, with its two well-established brands, Facility Trade Group and Dirksen, is a leading player in the Dutch market in cleaning & facility management products and personal protection equipment. In 2023, OptiGroup acquired Facility Trade Holding and became one of the leading B2B distributors of business essentials.

When Cire Invest, owner of Facility Trade Holding, began looking for a new investor, there were several interested parties. OptiGroup was identified at an early stage of the process as a desirable buyer, with a documented history of being an engaged, long-term owner with an attractive corporate culture. In his role as CEO of Facility Trade Holding, Bas Haagen had a leading role in the selling process. "We knew that, with OptiGroup, we would enter a well-managed ecosystem of companies

with a solid knowledge of our industry and a corporate culture to match, so for me, the choice was easy," says Bas Haagen, who is currently CEO of Facility Trade Group and a member of the Medical business area's management team.

From OptiGroup's perspective, the company, with its two strong brands and a product portfolio in line with the Group's prioritised core areas, was a perfect fit for the Group's growth agenda. At the same time, Facility Trade Group and Dirksen represented important complements to the existing operations in the Benelux region.

"With OptiGroup, we now have access to a network of experienced experts in the Group, which opens up for new, exciting cooperation and business opportunities. Thanks to OptiGroup's decentralised management model, we have a large amount of freedom to develop our business based on our own conditions," concludes Bas.



## Facts: Facility Trade Holding

Net sales: EUR 34 million  
 Number of employees: 60+  
 Head office: Appeldoorn, Netherlands  
 Acquired by OptiGroup: 2023  
 CEO on the date of acquisition: Bas Haagen





# Active work towards Group's established goals

OptiGroup works continuously to actively follow up the Group's financial and non-financial targets, which creates a platform for faster decisions, management and target fulfilment.

## OUR TARGETS

	Definition	
<b>Organic sales growth</b>	Net sales adjusted for acquired/divested companies, trading days and currency effects	>3%
<b>EBITA margin</b>	Adjusted EBITA/sales	>9%
<b>Cash conversion</b>	Cash conversion/adjusted EBITA	>90%
<b>Market position</b>	Leading position in the sub-segments in which OptiGroup operates (numbers 1 or 2).	100%
<b>E-commerce</b>	Share of e-orders	>50%
<b>Climate impact</b>	Carbon neutral in Scope 1 and 2, and in Scope 3 for downstream distribution	by year 2030
<b>Circular economy</b>	Product sales of items manufactured using bio-based or recycled material	>70%
<b>Responsible purchasing</b>	Compliance with OptiGroup's Supplier Code of Conduct	100%



# Scalable platform with focus on profitable growth

OptiGroup’s basic strategy is built on growth and on developing its business portfolio towards attractive business segments with stable margins and high growth.

The Group’s strategy is to identify growth segments, where the business areas can distinguish themselves with established brands and sought-after supply solutions with high customer value. OptiGroup’s intention is for each business area to be leader in selected markets and segments, with healthy growth and profitability as a result. OptiGroup has identified five strategic focus areas with the goal that the Group should continue to grow and develop in its business areas, partly geographically and partly by making its offering broader and more sustainable. OptiGroup’s overall strategy and the five focus areas, together with the Group’s sustainability agenda, are important elements of the governance that the Parent Company pursues within the Group and that provide guidance to the business areas in their day-to-day activities.



## 1. ORGANIC GROWTH AND LEADING CUSTOMER OFFERINGS

OptiGroup will adapt operations to increase sales in growth areas and in own product brands, while the business areas are to be leaders in offering value-adding customer solutions.



## 2. ACQUISITIONS AND SYNERGIES

OptiGroup will acquire companies that complement and strengthen the business areas’ offering. The Group will also work to increase synergies between business areas and their companies.



## 3. CASH CONVERSION

OptiGroup will work for strong cash flow, enabling it to pursue an active and expansive acquisition agenda.



## 4. DIGITISATION OF OFFERINGS AND PROCESSES

OptiGroup will promote increased digitisation of the Group’s operations through continuous development of the companies’ e-commerce platforms and further digitisation of external and internal business processes.



## 5. SUSTAINABILITY

OptiGroup will continuously integrate sustainability into its respective companies’ business models and work to broaden its range of sustainable products and sustainable purchasing and distribution chains.

## OptiGroup's sustainability agenda

For OptiGroup, it is crucial that operations are pursued and developed in a sustainable manner. The Group therefore balances its actions on the basis of financial, social and environmental responsibility, to deliver results that create long-term and sustainable value growth for the company's stakeholders. Read more about OptiGroup's sustainability work on pages 110–129.

### Climate impact and emissions

OptiGroup promotes a supply chain with low carbon emissions and, to manage the environmental challenges, the Group companies have adopted a preventive approach and apply the precautionary principle in their operations. Using a dual energy strategy, OptiGroup focuses on efficient energy use and the transition to renewable and fossil-free energy sources.



### Sustainable products and supply solutions

OptiGroup strives to be first with innovative sustainable products and the Group companies' supply solutions are aimed at helping the customer to minimise the climate impact of their daily operations. Together with our suppliers and customers, OptiGroup influences society in a positive direction.



### Responsible purchasing

OptiGroup builds relationships with suppliers who are leaders in sustainability. By promoting responsibility and transparency in the supply chain, the Group contributes to a more sustainable future.



### Diversity, equality and inclusion

OptiGroup strives to be an attractive employer, where people enjoy working together in enriching work environments to create success for the company. OptiGroup promotes diversity and equality because the Group shares the view that an inclusive culture in which everyone has the same opportunities is decisive for the company's success.



### Business ethics and legal compliance

OptiGroup has zero tolerance of corruption and maintains high awareness and commitment to ethical business practices. Through a high level of ethical norms in all business contacts, we are a reliable cooperative partner.



# Our business areas



## FACILITY & SAFETY

SHARE OF GROUP SALES

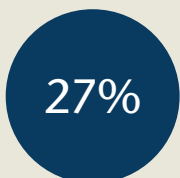


SHARE OF GROUP ADJUSTED EBITA

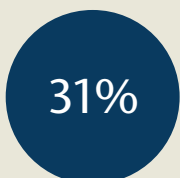


## PACKAGING

SHARE OF GROUP SALES



SHARE OF GROUP ADJUSTED EBITA

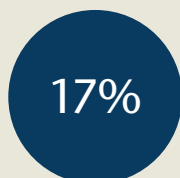


## MEDICAL

SHARE OF GROUP SALES

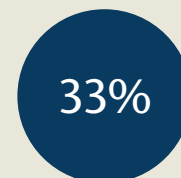


SHARE OF GROUP ADJUSTED EBITA

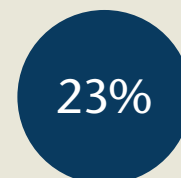


## PAPER & BUSINESS SUPPLIES

SHARE OF GROUP SALES



SHARE OF GROUP ADJUSTED EBITA



Note: The BFG business area, which manufactures packaging for the food industry, is considered immaterial for the Group, and is thus reported as "other."



# Facility & Safety

*Leading position in the Nordic region and a stronger customer offering creates growth*

All companies in Facility & Safety displayed a positive trend during the year, which resulted in a distinct earnings improvement for the business area. New e-commerce platforms combined with the launch of new own brands made a positive contribution to profitability. Leading market position in the Nordic countries, a strong customer offering and a successful focus on Nordic key customers create a solid platform for continued profitable growth.

## Market

The market for cleaning and hygiene products, personal protection and HoReCa items demonstrates stable demand and underlying growth over a business cycle.

A higher cleaning intensity, combined with increased hygiene standards, is leading to growing demand in the private and public sector for cleaning and facility management products. Stricter global legislative trends in the health and safety area are drivers for growth in safety products and personal protection equipment. Market growth for catering and foodservice items for hotel and restaurant businesses is mainly driven by the number of people in employment, changed food consumption habits and stricter demands for sustainable disposable items.

A general trend in all segments is an increased demand for environmentally friendly products and sustainable supply solutions. The business area is also affected by a number of general external factors, such as the business environment, currency effects and raw materials prices.

## Operations

Facility & Safety holds a leading position in the Nordic region. The main offering comprises customised product and

logistics solutions for operators in cleaning & facility management, hotels & restaurant, as well as health & medical care that saves time and costs. The business area also offers a full range of personal protection equipment and customised safety concepts for medical care, manufacturing industries and high-risk environments.

The business area's customer base is diversified, with customers in a large number of industries in the private and public sectors. The competitive advantages comprise a wide, sustainable product range for collective purchases, reliable supply concepts, customised e-commerce solutions, a cohesive Nordic offering and the capacity for rapid mobilisation when starting large contracts.

During the year, the own brands Glenta®, WeCare® and DeliQ® were launched in cleaning & hygiene and foodservice, respectively. Procurator, VeliMark and WalkiMedical successfully introduced the next generation of web platforms. In addition, work continued to further develop the business area's supply solutions, which included increasing the share of fossil-free deliveries. The year ended with the acquisition of the company Top Service, marking an entry into the German market in catering and foodservice products.

## Business area going forward

Facility & Safety has a clear strategy to help its customers make climate-smart purchases and to increase internationalisation through continued acquisitions. With its goal of profitable growth, the business area will strengthen its offering of sustainable customer solutions, broaden its range of own brands, enhance purchasing efficiency, and continue the digitisation of business processes.

### SALES PER REGION, %

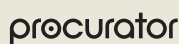
Sweden, 48%  
 Nordic excl. Sweden, 52%



### KEY FIGURES

EUR million	2023	PF 2022*
Net sales	433.6	449.6
Adjusted EBITA	30.7	24.6
Adjusted EBITA margin, %	7.1	5.5

\* Pro forma data on a like-for-like basis.





## PRODUCTS

### FACILITY

- Cleaning & hygiene supplies
- Equipment and cleaning robots for facilities maintenance
- Towels, tissues, wipes and dispensers
- Skin care products
- Bags and sacks
- Disinfectants
- Healthcare products

### SAFETY

- Work gloves and safety footwear
- Head, hearing and eye protection
- Respiratory protection
- Work wear
- Fall protection

### FOODSERVICE

- Catering and foodservice items
- Take-away products
- Plates and dishes
- Bar items
- Cups
- Napkins

## SIGNIFICANT EVENTS 2023

- Launch of own brands Glenta®, DeliQ® and WeCare®
- Launch of new e-commerce platforms for VeliMark and Procurator
- Stronger offering to Nordic key customers

## FOCUS 2024

- Further development of the offering of sustainable products and own brands
- Optimisation of purchasing processes
- Digitisation and system-integrated e-commerce solutions
- Organic growth and growth through acquisitions

# Packaging

*Strong demand for the business area's customer solutions*

The year was characterised by declining demand for packaging products and a normalisation of raw materials prices, which resulted in a decrease in sales and reduced profitability for the business area. Advanced market positions, solid margins and strong demand for the business area's customer solutions are creating favourable conditions for growth and a positive profitability trend going forward.

### Market

The market for secondary packaging is linked to the trend in industrial production and the development of sustainable packaging solutions for the e-commerce sector. Demand is also affected by a number of general external factors, such as the business environment, currency effects and raw materials prices.

The market is characterised by reduced demand for non-recyclable packaging materials and growth is driven by a steady transition to packaging solutions that lead to a lower climate impact and packaging that can be reused in a return system.

The European distribution market for packaging products is fragmented, with many local and regional players, which creates opportunities for distributors who have the strength to consolidate the market through acquisitions to achieve proximity to customers and economies of scale.

### Operations

The business area is a leading supplier of packaging products for companies and large international groups. Its main geographical coverage includes Sweden, Denmark, Finland, Belgium and the Netherlands. In addition to a broad standard

range of corrugated boxes, wrapping products and packing machines, the offering comprises customised packaging solutions and logistics structures, mainly for manufacturing industries, the transport sector and e-commerce companies.

The business area's competitive advantage comprises strong value-adding supply concepts with a clear sustainability focus that include an overview of the packaging requirement and packing process, design, stock-keeping of customer-specific items, and a customer-oriented service organisation.

During the year, the Swedish packaging company Pacia was acquired, which strengthened the position, primarily in southern Sweden. In a step to contribute to reduced CO<sub>2</sub> emissions, PacsOn, Moonen Packaging and Mercamer launched a tool to help customers assess, measure and follow up on the climate impact caused by the wrapping solution. Furthermore, a series of improvement projects were conducted that resulted in, for example, more efficient logistics structures in the Netherlands and economies of scale through better coordination of the business area's purchasing volumes.

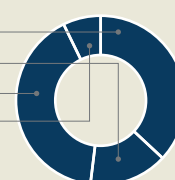
### Business area going forward

Packaging is the leader in both the Nordic and Dutch markets with its strategy of continued growth – organically and through acquisitions. In addition, the business area, with its goal of profitable growth, will continue to develop sustainable, value-generating customer solutions and provide complete solutions for the customers' packaging process. Digitisation of business processes, attractive e-commerce solutions, increased purchasing coordination and key account marketing activities are further focus areas going forward.



### SALES PER REGION, %

- Sweden, 37%
- Nordic excl. Sweden, 15%
- Netherlands, 41%
- Rest of Europe, 7%



### KEY FIGURES

EUR million	2023	PF 2022*
Net sales	397.0	462.4
Adjusted EBITA	33.8	41.7
Adjusted EBITA margin, %	8.5	9.0

\* Pro forma data on a like-for-like basis.





**PRODUCTS**

- Customised and standardised corrugated boxes and wrapping packaging
- Stretch films and strapping supplies
- Tape and sealing
- Cushioning
- Wooden pallets
- Bags and sacks
- E-commerce packaging
- Food packaging
- Packaging equipment and machines
- Complete "end-of-line" machine solutions and service
- Personal protection equipment
- Cleaning & facility management products

**SIGNIFICANT EVENTS 2023**

- Acquisition of Pacia (SE)
- Optimisation and improvement of the logistics structure in the Netherlands
- Launch of CO<sub>2</sub> tool for the measurement of climate impact of products
- Increased share of environmentally adapted products in the offering

**FOCUS 2024**

- Consolidation of ERP platforms
- Improved efficiency in internal business processes and coordinated purchasing activities in the business area
- Organic growth and growth through acquisitions

# Medical

*Optimised business processes and acquisitions strengthen the operations*

The Medical business area demonstrated continued growth and a positive profitability trend in 2023. Optimisation of business processes, purchasing synergies and new logistics structures had a positive impact on profitability. The acquisition of Facility Trade Group, Dirksen and Van den IJssel Bedrijfskleding in the Netherlands creates a robust platform for continued profitable growth in the business area.

### Market

A number of key demographic and socio-economic factors are putting pressure on healthcare systems throughout Europe. Due to a growing and ageing population and an increasing number of people who are living longer with chronic diseases, the market for medical supplies, devices and equipment is displaying underlying growth and stable demand. The market for cleaning and hygiene products and personal protection is also demonstrating stable demand and underlying growth over a business cycle.

The market in which the business area operates is highly fragmented, with many operators. Particularly within products for health & medical care, this fragmentation creates opportunities for OptiGroup to consolidate and achieve economies of scale to better meet the efficiency gains required by the healthcare sector.

### Operations

The business area has a leading position in the Benelux region in the product categories of healthcare, cleaning & hygiene and personal protection equipment, with an attractive niche

position in medical equipment and consumables for hospitals and healthcare facilities in the Netherlands. In addition, the business area offers leasing of advanced equipment for respiratory protection.

The customer base is diversified and the core offering comprises reliable supply solutions for a broad product range that meets the customers' complete needs for consumables and equipment.

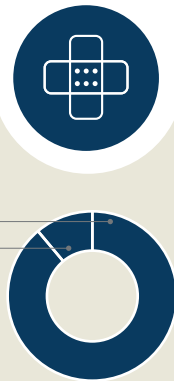
In line with the Group's European growth ambitions in the cleaning & hygiene and personal protection equipment segments, the Dutch company Facility Trade Holding with its two strong brands, Facility Trade Group and Dirksen, was acquired in 2023. The market position in the protective products area was further strengthened at the end of the year by the acquisition of Van den IJssel Bedrijfskleding.

### Business area going forward

With its goal of profitable growth, Medical will continue the development of reliable and sustainable supply solutions, as well as working for an effective and more sustainable purchasing and distribution chain. In addition, the business area will continue to grow through acquisitions, with extra focus on distributors that supply medical technical products to the healthcare sector. Further focus areas ahead are optimisation of organisational structures and internal business processes.

### SALES PER REGION, %

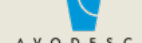
Netherlands, 89%  
Rest of Europe, 11%



### KEY FIGURES

EUR million	2023	PF 2022*
Net sales	139.5	131.3
Adjusted EBITA	18.3	16.5
Adjusted EBITA margin, %	13.1	12.6

\* Pro forma data on a like-for-like basis.





**PRODUCTS**

**MEDICAL**

- Examination products – medical gloves, facemasks and protective clothing
- Wound care products
- Incontinence products
- Products for diabetes care
- Surface and hand disinfectants
- Hygiene paper and cleaning
- Diagnostics and laboratory products
- Medical consumables
- Dental consumables
- Medical devices

**FACILITY & HYGIENE**

- Cleaning & hygiene supplies
- Facilities maintenance equipment and machines
- Towels, tissues, wipes and dispensers
- Skin care products
- Bags and sacks
- Catering and foodservice items

**SAFETY**

- Work gloves and safety footwear
- Head, hearing and eye protection
- Respiratory protection
- Work wear
- Fall protection

**SIGNIFICANT EVENTS 2023**

- Acquisition of Facility Trade Holding and its two strong brands, Facility Trade Group and Dirksen
- Acquisition of Van den IJssel Bedrijfskleding in personal protection equipment

**FOCUS 2024**

- Optimisation of organisational structure and internal business processes
- Growth through company acquisitions, with a focus on distributors in medical technical products

# Paper & Business Supplies

*Focus on high-margin products and attractive services with high customer value*

Paper & Business Supplies saw a sharp decline in European demand for graphic paper in 2023, which had a negative impact on profitability. The business area’s strategy is to continue to develop profitable business by constantly seeking new ways of growing the value of the customer offering, while the operation is continuously adapted to the prevailing market trend. Strong customer relationships, a better balance in the offering and demand, and a successful focus on high-margin products create the conditions for healthy profitability going forward in a structurally declining graphic market.

## Market

Digitisation is the most important driver in the graphic industry. This has affected the use of graphic printing paper negatively for several years. In pace with changed media consumption patterns, demand for coated and uncoated fine paper is expected to continue to decrease structurally. However, the market for graphic special products is displaying underlying growth and was positively impacted by the overall trend to replace plastic in favour of recyclable and sustainable paper-based products. It was also impacted by the growing need for special products for store signs, outdoor advertising and other types of applications in visual communications.

## Operations

Paper & Business Supplies holds a leading market position and is number one or two in most of its 16 markets. The core offering comprises efficient supply solutions for fine paper, office paper, graphic board and graphic special products mainly for printers

and convertors under the Papyrus brand. Cleaning and hygiene products, office paper, personal protection equipment and packaging products for resellers and retail chains are marketed under the Scaldia brand. In addition to this, a wide range of services is offered that facilitate the customers’ everyday operations.

A central challenge for the business area during 2023 was to address the sharp downturn in the fine paper market, which displayed a volume decrease of nearly 30 percent. With proximity to customers, a focus on high-margin products, further developed e-commerce solutions and effective cost control, the business area achieved a satisfactory level of profitability in a challenging market, at the same time as the market position was strengthened.

## Business area going forward

Paper & Business Supplies, with its goals of increased profitability and positive cash flows, will diversify its operations towards segments with higher growth to thus reduce dependency on standardised volume products. This involves the further development of the offering related to graphic special products, such as cardboard, technical special products, coloured paper and products for visual communications. At the same time, the business area will focus on the development of value-adding digital customer tools with strong digital platforms as the base.

By promoting products and applications based on recycled fibre and wood fibre from sustainable sources, the business area will contribute to the environmentally sound and responsible use of natural resources.

## SALES PER REGION, %

Sweden, 8%  
 Nordic excl. Sweden, 11%  
 Switzerland, 20%  
 Netherlands, 18%  
 Rest of Europe, 43%



## KEY FIGURES

EUR million	2023	PF 2022*
Net sales	495.0	618.3
Adjusted EBITA	24.8	48.9
Adjusted EBITA margin, %	5.0	7.9

\* Pro forma data on a like-for-like basis.





**PRODUCTS**

- Coated woodfree paper (CWF)
- Uncoated woodfree paper (UWF)
- Coated wood-containing paper (CME)
- Recycled paper
- Coloured paper
- Creative specialities and Text & Cover
- Self-adhesive vinyl films, wrapping films and synthetic substrates for digital print
- Carbonless
- Envelopes
- Graphical and packaging boards
- Industrial packaging products
- Packaging equipment
- Personal protection equipment
- Cleaning & facility management products
- Catering items

**SIGNIFICANT EVENTS 2023**

- Advanced positions in a sharply declining fine paper market
- Successful launch of new webshop
- Optimisation of organisational structure

**FOCUS 2024**

- Value-generating digital customer tools
- Standardisation and digitisation of internal business processes
- Cash flow and optimisation of working capital

Packaging business area

CASE: PACSON

## Calculation of climate impact of wrapping

PacsOn works closely with its customers to meet their needs for packaging and wrapping solutions and consumables. This work has included creating a unique tool for the calculation of climate impact.

Through this work, PacsOn has developed a unique tool to help the customer and PacsOn to measure, evaluate and follow up on the climate impact generated by the products. The focus has been on corrugated products, plastic, wood, metal as well as wipes and hygiene paper. Today, CO<sub>2</sub> data can be presented to customers on more than 80 percent of the sales value, giving the company the opportunity to be able to present improvement solutions to customers that also reduce their climate impact. PacsOn's tool is part of creating transparency and enabling customers to make fact-based decisions that promote business and reduce emissions.



Facility & Safety business area

CASE: OWN BRAND GLENTA®

## Save choices with own product brands

With its own GLENTA® brand, the Facility & Safety business area wants to offer smart and sustainable products to large and small companies that want to clean professionally and sustainably.

With more than 550 items comprising high-quality products and a clear focus on sustainability, the business area's own GLENTA® product brand helps customers to make simpler and safer choices. The common denominator is that the products are carefully selected and combined with extensive consideration given to social and environmental sustainability. Examples of this are that chemical cleaning products comprise exclusively plant-based surfactants, all plastic packaging comprises recycled plastic and all GLENTA products meet the requirements of one of the world's most stringent environmental labels – the Nordic Swan. GLENTA® is intended for everyone involved in professional cleaning who wants to make a sustainable choice for their company and our planet.

The business area's product segment for own brands is expanding and includes the well-established brands WORKSAFE®, WECARE®, GLENTA®, DELIQ® and AVALON®.



# Proactive work on risk and risk management

OptiGroup is exposed to a series of risks, which could have a significant impact on the Group's operations and earnings. A good understanding of these risks and continuous monitoring create a solid foundation for effective risk management.

## Risk management

OptiGroup takes a proactive approach to risk and therefore works actively in accordance with the company's policy to prevent and reduce the effects of factors that may have a negative impact on the Group's opportunities to achieve the established strategic objectives.

OptiGroup's Management Team conducts an annual systematic identification and analysis of the Group's risks and reviews the strategy for managing these. The work is constantly monitored during the year.

The risk work is monitored by the Board and the Audit Committee, and managed at operational level by the CFO. The work to manage risks is conducted on the basis of OptiGroup's decentralised structure, where each business area owns the risk in its respective areas.

The risks are divided into three areas that encompass strategic, operational and financial risks. The risks deemed most relevant by the Group are addressed on the following pages.

## STRATEGIC RISKS

Risk area	Probability	Impact	Management
<b>Sustainability in the value chain</b> Use of suppliers who fail to respect the Group's Code of Conduct and who have a poor sustainability performance.	●	●	OptiGroup has a Supplier Code of Conduct that all suppliers must comply with. The Group has strict intake and purchasing processes where sustainability is an integrated part of the assessment.
<b>Energy use and climate compensation</b> Pertains to limitations in the availability of energy with low emission intensity as well as transition costs.	●	●	OptiGroup focuses on efficient energy use and the transition to renewable and fossil-free energy sources.
<b>New business models</b> Competitors' offering of new business models.	●	●	OptiGroup has a major focus on developing sustainable and value-generating customer solutions, incorporating increased digitisation as a key component.
<b>Compliance with laws and directives</b> Violation of legislation concerning, for example, trade restrictions, anti-trust law, anti-corruption and data protection regulations.	●	●	OptiGroup has zero tolerance of violations of laws and directives, which is outlined in OptiGroup's policy framework. Necessary measures are taken in the event of violations and Code of Conduct training is conducted annually.
<b>Acquisition process</b> Failure to detect substantial problems prior to an acquisition, such as financial earnings capacity, irregularities or important sustainability aspects.	●	●	OptiGroup has implemented acquisition and integration processes and acquisitions are carried out by people with substantial expertise and experience of acquisitions.
<b>Employee commitment</b> Pertains to the ability to be an attractive employer, where people enjoy working together to create success.	●	●	OptiGroup conducts continuous activities to increase employee commitment and acts on the basis of the results of satisfaction surveys, and works proactively to identify and retain key competencies.
<b>Supplier dependence</b> The delivery capacity to customers may be impacted by the absence of alternative suppliers.	●	●	OptiGroup has close cooperation with key suppliers and work actively with securing alternative suppliers when it is deemed relevant.

● Low ● Medium ● High

## OPERATIONAL RISKS

Risk area	Probability	Impact	Management
<b>Price pressure and fluctuations in product prices</b> Inability to pass on sharp and unexpected price hikes to customers.	●	●	OptiGroup is constantly striving to uphold relevant pricing models for its customers.
<b>Health and safety</b> Accidents and other factors that may affect workplace health and may adversely impact the well-being of employees or others.	●	●	OptiGroup's policy framework comprises the way safety, health and well-being are to be managed in the workplace. Registered accidents and incidents are reported and followed up to minimise risks in the workplace.
<b>IT and data security</b> A major IT breakdown or IT attack could lead to disruption in the operations and result in the loss of data or violation of the data protection regulations.	●	●	OptiGroup implements continuous measures to strengthen the Group's IT and data security.
<b>Operational disruption</b> Major and lengthy disruption of our delivery capacity to customers.	●	●	OptiGroup companies constantly strive to improve their processes and planning to uphold a high level of operational reliability.
<b>ESG competence and resources</b> Risk of not having resources and competence to meet the future ESG agenda.	●	●	OptiGroup continuously analyses resources and competencies to meet ESG requirements from various interest groups, as well as working with external partners to enhance the Group's capacity within ESG as required.
<b>Credit risk</b> Risk in trade receivables (risk of not receiving payment of a receivable from a customer).	●	●	Paper & Business Supplies has a complete business area credit insurance and in common for all business areas, strict processes are applied for credit checks and customer monitoring, with the cooperation of the departments for sales and credit checks.

## FINANCIAL RISKS

Risk area	Probability	Impact	Management
<b>Macro-economic trend</b> Economic trends in markets where OptiGroup operates may impact the company's earnings.	●	●	OptiGroup's companies operate in many different industries, market segments and geographic areas, which mitigates the effects of this risk. The decentralised management model offers the Group a high level of adaptability as decisions are made quickly and at operational level.
<b>Financial risks</b> Pertains primarily to currency risk, interest-rate risk, financing risk and credit risk.	●	●	Risk management is regulated by the finance policy established by the Board of Directors. Regarding credit risk, all business areas apply strict processes for credit checks and customer monitoring, with the cooperation of the departments for sales and credit checks. To reduce exposure to financial risks, derivatives are used for currencies and interest. Risk management is handled by Group Treasury, which is part of the central finance function.

● Low    ● Medium    ● High

# Corporate governance

OptiGroup’s corporate governance pertains to how the Group is controlled and managed. Effective corporate governance is a key feature of ensuring that the company is managed sustainably and responsibly in accordance with applicable legislation and regulations, and that the company achieves its established goals and strategies.

**Corporate governance framework**

Corporate governance is based on the external governance instruments of the Swedish Companies Act, the Swedish Annual Accounts Act, and on internal governance instruments, for example, the Articles of Association, instructions, policies and guidelines.

**Shareholders**

At year-end, OptiGroup was owned by FSN Capital (33 percent), Sabaneta Holding B.V. (19 percent), Exodus B.V. (9 percent), BFG Behrer B.V. (9 percent), Altor II Fund OG Holdco Limited (7 percent), Ply Acquisition AB (7 percent) and others (15 percent).

**General Meeting of Shareholders**

The General Meeting of Shareholders is the highest decision-making body and the Annual General Meeting is held once a year in accordance with Article 9 of the Articles of Association. At the Annual General Meeting, the income statement and balance sheet are adopted and the company’s earnings appropriated. Resolutions are also made regarding discharging the members of the Board and the CEO from liability, the election of Board members and auditors, as well as fees to the Board and auditors.

**Board of Directors**

The Board monitors the operation and management of OptiGroup and approves key decisions that affect business strategy, investments, acquisitions, organisation and financing. The Board has long and extensive experience of distribution operations, finance, marketing, capital markets and large international companies.

At year-end, the Board comprised eight ordinary members. The work of the Board is supported by two committees, the Remuneration Committee and the Audit Committee.

**Remuneration Committee**

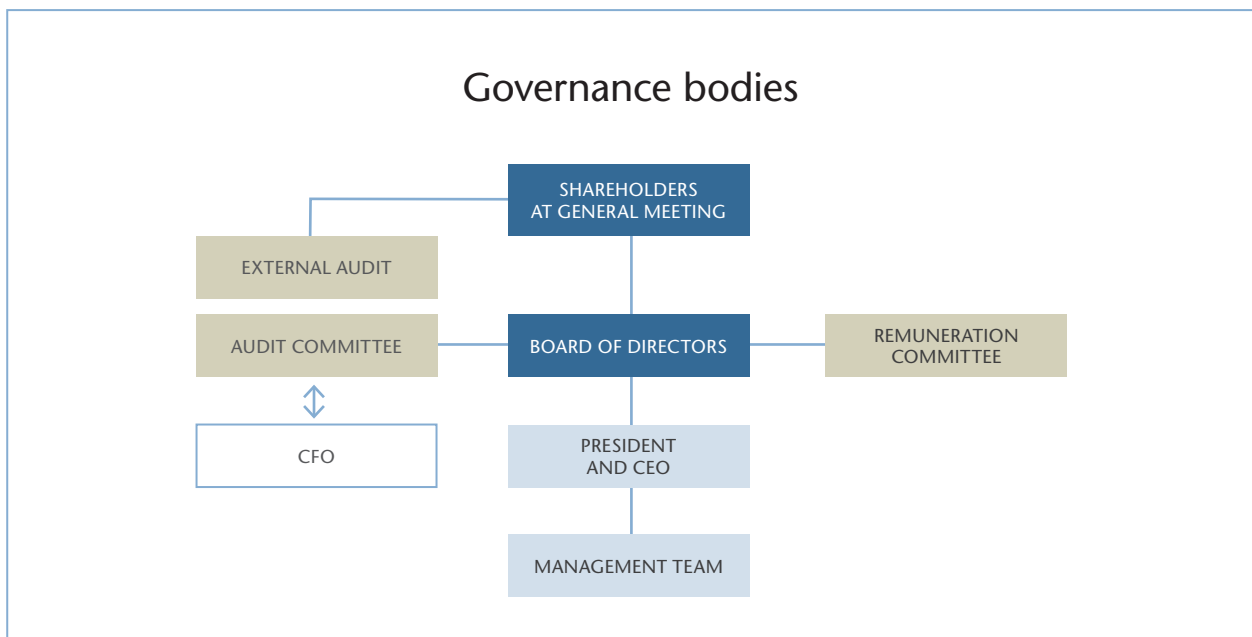
The Board has a Remuneration Committee that is responsible for providing recommendations to the Board regarding remuneration to senior executives and general remuneration issues.

At year-end, the Remuneration Committee consisted of Bo Rygaard (Chairman) and Marcus Egelstig.

**Audit Committee**

The Board has an Audit Committee to ensure that requirements relating to such factors as risk assessment, internal control, accounting, financial reporting and auditing are met. It also provides recommendations on the appointment of external auditors.

At year-end, the Audit Committee comprised Gunilla Spongh (Chairman), Jeanette Fangel Løgstrup and Niclas Thiel.



### The Board's work during the year

Prior to each Board meeting, an agenda is sent to the Board members with detailed information on the business to be addressed. At scheduled meetings, the Board addresses the company's financial performance and receives an update on the development of the company in relation to its business strategy from the CEO and CFO. Each scheduled Board meeting also addresses acquisition-related issues and important ongoing strategic projects.

The Board held eight meetings in 2023. A statutory Board meeting was held on 21 June 2023 for OptiGroup Holding AB, at which the Board of Directors for the Group was established. In June, a meeting was also held, together with the Management Team, to discuss and adopt the strategic approach for the coming years. The business plan for 2024 was adopted at the Board meeting in December.

### Chief Executive Officer (CEO)

The CEO participates in all Board meetings and is responsible for the ongoing administration of the company according to the CEO directives issued by the Board. It is the duty of the CEO to ensure that the company's accounting methods meet all legal requirements and that financial issues are managed in a reliable manner. In addition, the CEO monitors decisions regarding key individuals in Group companies and other important operating issues.

### Management Team

The CEO and OptiGroup's Management Team comprise the decision-making body with responsibility for leading the company. OptiGroup's Management Team provides the company with a forum for the most senior management to plan the operations, share information and adjust business targets, as well as fulfilling OptiGroup's corporate governance demands. The meetings are led by the CEO and the Management Team comprises the CFO, SVP M&A, SVP Corporate Development & Communication and the Business Area Heads, who all report directly to the CEO. The Management Team holds regular meetings to address market performance, profitability, earnings follow-up, acquisitions, investments, business strategy and significant decisions relating to operating activities. Rules established by the Board apply to decision-making rights.

Each business area has a leadership team overseen by the Business Area Head. Within the business areas, there is continuous

exchange of experiences and best practice to achieve synergies within sales, sourcing, logistics, administration and sustainability. The ongoing operative responsibility lies with the subsidiaries' management.

### Auditors

The auditors are elected by the General Meeting for a period of one year. OptiGroup has selected PwC as auditing firm with Fredrik Göransson as auditor in charge. The auditor in charge participated in two meetings of the Audit Committee during 2023.

The audit comprises a statutory annual audit of OptiGroup Holding AB's annual report and consolidated financial statements, a statutory audit of the Parent Company and significant subsidiaries, audit of internal report packages and of the annual accounts.

### Control environment

OptiGroup's control environment comprises, for example, the organisational structure and clearly documented authorisations and responsibilities.

OptiGroup has a policy framework in the form of policies, directives, guidelines and manuals that are kept up-to-date and communicated to the Group's employees. Senior executives are obliged to conduct an annual certification process to confirm the implementation of and compliance with the company's steering documents. In addition, training is conducted in material parts of the policy framework annually. Any deviations are recorded in a deficiency report, where each deviation has an action plan that ensures that the deficiency is corrected.

Internal control ensures that the financial reporting is correct. OptiGroup has a control framework that comprises the most significant risks identified regarding financial reporting. The control activities are conducted continuously and a self-assessment is conducted annually to assess the structure of the controls and the extent to which the controls are conducted correctly. The result of the self-assessment is reported to the Audit Committee and the Board of Directors.

Detailed analyses and follow-up of the budget and forecasts are part of the control environment. Finance functions with responsibility for accounting, reporting and analysis of financial performance, are located in the Parent Company and the business areas. All companies report using the Group's consolidation system and financial reports are prepared monthly.

### Composition of the Board at year-end

Name	Elected	Independent	Audit Committee	Remuneration Committee	Attendance		
					Board meetings	Audit Committee	Remuneration Committee
Bo Rygaard	2022	yes	no	yes	8/8	—	4/4
Marcus Egelstig	2022	no	no	yes	8/8	—	4/4
Jeanette Fangel Løgstrup	2023	yes	yes	no	7/8	4/7	—
Uka Maassen	2022	no	no	no	6/8	—	—
Patrik Nolåker	2022	yes	no	no	8/8	—	—
Christoph Sander	2022	yes	no	no	8/8	—	—
Gunilla Spongh	2022	yes	yes	no	8/8	7/7	—
Niclas Thiel	2022	no	yes	no	8/8	7/7	—

## Important Board events 2023

### DECEMBER

Financial performance, acquisition-related issues, ESG and updates to strategic projects in progress. Risk assessment and approval of the business plan for 2024.

### OCTOBER

Financial performance, acquisition-related issues, ESG and updates to strategic projects in progress. Approval of the acquisitions of Van den IJssel Bedrijfskleding BV and Top Service GmbH.

### SEPTEMBER

Thomas Eriksson appointed interim CEO of OptiGroup.

### JANUARY

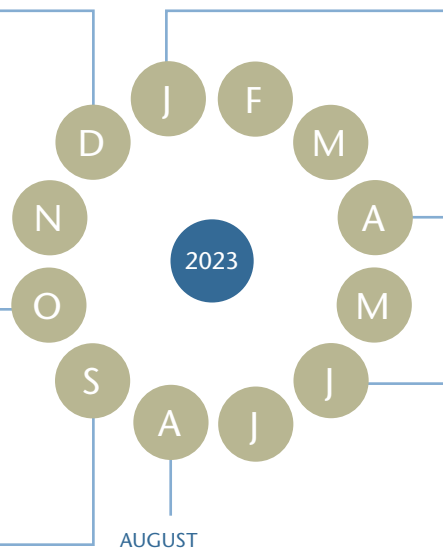
Financial performance, acquisition-related issues, ESG and updates to strategic projects in progress.

### APRIL

Financial performance, acquisition-related issues, ESG and updates to strategic projects in progress. Jeanette Fangel Løgstrup was elected as a Board member.

### JUNE

Financial performance and strategic approach 2024–2026. Approval of the Group's policies. 2022 Annual Report adopted and appropriation of profit for the year. Statutory Board meeting after the Annual General Meeting.



### AUGUST

Financial performance, acquisition-related issues, ESG and updates to strategic projects in progress.

## Resolutions 2023 Annual General Meeting

- Adoption of the income statement and balance sheet.
- Discharge of the members of the Board and the CEO from liability for the 2022 financial year granted.
- Election of Chairman and Board members.
- Resolution on PwC as new auditing firm.
- Adoption of Board fees.

## Statutory Board meeting 2023

- Elected Board members held their first meeting.
- Rules of procedure for Board and instruction for CEO adopted.
- Election of members to Audit Committee and Remuneration Committee.

# Board of Directors

## BO RYGAARD

Chairman since 2022

**Education:** M. Sc. in Economics from Copenhagen Business School.

**Other current assignments:**

Advisor to FSN Capital.

Chairman: OptiGroup, Netcompany Group, Sovino Brands, KFI Erhvervsdrivende fond, KV fonden, Richter fonden, Statens ejendomsselskab.

**Background:** Chairman of Huscompagniet, SVP Rockwool, Fazer and Nordisk Film.

## MARCUS EGELSTIG

Board member since 2022

**Education:** M.Sc. in Economics from the Gothenburg School of Economics and Commercial Law.

**Other current assignments:**

Partner FSN Capital.

Board member: OptiGroup, Fellowmind, Sneakersstuff, Holmbergs, Ilionx.

**Background:** KPMG.

## JEANETTE FANGEL LØGSTRUP\*

Board member since 2023

**Education:** M.Sc. in Economics and Business Administration from Copenhagen Business School.

**Other current assignments:**

Director Expon and advisor to FSN Capital. Board member: OptiGroup, JP Politiken Media Group, Cowi Holding, Anel Energy, Danske Invest, Combineering and Sovino Brands, the Danish Foundation for Entrepreneurship.

**Background:** Senior positions in major listed companies, including RSA Insurance Group and Danske Bank Group.

## UKA MAASSEN

Board member since 2022

**Education:** M.Sc. in Economics from Maastricht University, LLM from Maastricht University, Business Valuation from Rotterdam School of Management.

**Other current assignments:**

Founder and CEO of Trigentis.

Board member: OptiGroup.

**Background:** Deloitte Corporate Finance.

## PATRIK NOLÅKER

Board member since 2022

**Education:** B.Sc. in Business Administration, MBA from Maastricht School of Management.

**Other current assignments:**

Advisor to FSN Capital.

Chairman: ViaCon Group, Saferoad Group, Fibo Group. Board member: OptiGroup, iMPREG Group, Systemair.

**Background:** CEO Dywidag Systems International S.a.r.l. and Alimak Hek Group. Senior positions at Atlas Copco and ABB.

## CHRISTOPH SANDER

Board member since 2022

**Education:** MA in Economics from University of Cambridge, MBA from Harvard Business School.

**Other current assignments:**

Chairman: United Authors Publishing Ltd. Board member: OptiGroup.

**Background:** Board member of OptiGroup/Papyrus AB (2011–2019), ISS A/S and Bunzl Plc. Boston Consulting Group London.

## GUNILLA SPONGH

Board member since 2022

**Education:** M.Sc. Industrial Engineering and Management, Linköping University.

**Other current assignments:**

Chairman: Bluefish Pharmaceuticals.

Board member: OptiGroup, AQ group, Byggmax Group, Lernia, Meds Apotek, Momentum group, Systemair, ViaCon, Consivo Group.

**Background:** CFO Preem, CFO and International Business Director Mekonomen, CFO Enea.

## NICLAS THIEL

Board member since 2022

**Education:** M.Sc. in Economics and Business Administration from the Stockholm School of Economics.

**Other current assignments:**

Principal FSN Capital.

Board member: OptiGroup, ViaCon Group, Saferoad Group, Holmberg Second Holding.

**Background:** Bain Capital, Investor AB, Carnegie.

\* At the extra Meeting on 26 April 2023, Jeanette Fangel Løgstrup was elected as a member of the Board of Directors, thereby replacing Britta Korre Stenholt.

# Management Team

## HENRIK HJALMARSSON\*

President and CEO

**Education:** M.Sc. in Mechanical Engineering and Technology Management from University of Lund.

**Employed:** Since 2024.

**Background:** President & CEO Inwido AB (publ.), Managing Director Nordics Nomad Foods, CEO Findus Sweden & Denmark, senior positions within Findus Group and Nynas AB.



## THOMAS ERIKSSON

Senior Vice President Finance and CFO

**Education:** M.Sc. in Economics from School of Business, Economics and Law at the University of Gothenburg.

**Employed:** Since 2021.

**Background:** CFO at Latour Industries, CFO at Stena Techno-world, senior positions within finance at Forbo Flooring Systems and Volvo Cars.



## JENS JAKOB ZAHLE

Senior Vice President M&A

**Education:** M.Sc. in Economics from Copenhagen University and Master Degree in Business Administration and Auditing from Copenhagen Business School.

**Employed:** Since 2019.

**Background:** Head of M&A and Strategy ISS, Falck and EET Group. CFO Falck, management consultant Quartz and auditor KPMG.



## ALEX DE GRAAF

Senior Vice President Medical

**Education:** B.Sc. in Economics from Business HEAO Utrecht and MBA in Economics from IBO Business School Zeist.

**Employed:** Since 2022.

**Background:** CEO Hygos, senior positions at Cemex Trescon, COO Sligro Food Group, CEO of Vaco (Geest PLC).

\* On 8 January 2024, Henrik Hjalmarsson assumed the position of President and CEO of OptiGroup. Until that date, Thomas Eriksson held the role as interim CEO.

JENS THUROE

Senior Vice President Paper & Business Supplies

**Education:** Media Graphic Designer.

**Employed:** Since 2012.

**Background:** Managing Director at Papyrus Nordics & Baltics, Sales Director Papyrus Denmark, Sales Manager Arjowiggins Nordic & Baltics.



JESPER HALL

Senior Vice President Packaging

**Education:** Bachelor Degree in Finance and Business from IHM Business School and Leadership Stockholm University.

**Employed:** Since 2018.

**Background:** Managing Director Brammer Nordics, Business Unit Director Papyrus Supplies, various Senior Management and MD positions.



NIKLAS JÄRBUR

Senior Vice President Facility & Safety

**Education:** Degree in Industrial Marketing from IHM Business School.

**Employed:** Since 2011.

**Background:** SVP Paper & Business Supplies OptiGroup, Managing Director Papyrus Nordics & Baltics, Sales Director at Stora Enso.



TORBJÖRN STOCKMAN

Senior Vice President Corporate Development & Communication

**Education:** M.Sc. in Industrial Management & Economics from Chalmers University of Technology.

**Employed:** Since 2010.

**Background:** Accenture, SIAR-Bossard.

# Financial statements

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“In 2023, OptiGroup delivered strong cash flow, while the pace of acquisitions was maintained in key growth areas.”

THOMAS ERIKSSON, CFO

# Board of Directors' Report

The Board of Directors of OptiGroup Holding AB, Corporate Identity Number 559350-9390, hereby present the annual report and consolidated financial statements for the 2023 financial year.

## The Group

OptiGroup is a leading distribution group in Europe that offers customised supply solutions to B2B customers. The companies in the Group's business areas – Facility & Safety, Packaging, Medical and Paper & Business Supplies – offer reliable and sustainable supply solutions for operators in the cleaning & facility management, hotel & restaurant, health & medical care, the transport sector, manufacturing industry and the graphic sector. The Group is currently represented in 17 European countries and supports more than 105,000 customers. In addition, the Group has a company that manufactures food packaging that is reported as part of the Other segment, together with shared costs for the Group.

The Facility & Safety business area is the leader in the Nordic region and offers customised product and logistics solutions to operators in professional contract cleaning, hotel and restaurant, and health and medical care. In addition, the business area offers a full range of work wear and personal protection equipment, combined with customised safety concepts for safer workplaces.

The Packaging business area is a leading supplier of industrial packaging in Sweden, Denmark, Finland, Belgium and the Netherlands. The offering comprises customised packaging solutions, primarily for the manufacturing industry, the transport sector and e-commerce companies, as well as a broad standard range of corrugated board, wrapping products and packing machines.

The Medical business area operates within the Benelux region in three product categories – health and medical care, cleaning and hygiene, and personal protection equipment, with an attractive niche position in medical consumables, devices and equipment for hospitals, healthcare facilities and general practitioners in the Netherlands.

The Paper & Business Supplies business area is a leading full-service supplier of graphical special products and graphical paper to the European print industry and a major European distributor of office paper. In addition, the business area offers value-generating supply solutions related to a full range of cleaning, hygiene and packaging products for resellers and retail chains.

Group-wide operations are conducted by the Parent Company.

## Market

Over a business cycle, it is the Group's ambition to grow by at least 10 percent annually through a combination of organic growth and acquisitions. The underlying growth for products in cleaning and hygiene, personal protection, HoReCa products and packaging solutions remains stable. Demand for graphic special products also continues to grow, driven by the need to replace plastic with more sustainable and biologically degradable products based on paper, among other materials. However, the trend towards a reduced need for coated and uncoated paper continues due to changed media consumption patterns and increased digitisation.

## Corporate acquisitions and divestments

Ahead of 2023, the Group implemented changes in its operational structure. A number of packaging companies were transferred from the Medical business area to the Packaging business area, while the BFG production company was transferred from the Medical business area and is now reported under Other together with Group-wide costs. Comparative figures have been restated to achieve comparability between the years. Two acquisitions were completed during the year, Facility Trade Holding BV was acquired in January by the Medical business area and Van den IJssel Bedrijfskleding BV in November by the Medical business area, which further strengthened the presence in the stated markets. In addition to the two business acquisition, an asset acquisition was also made during September. Due to the opinions received from the Finnish competition authority, it was unfortunately not possible to complete the acquisition of Pamark Business Oy in the Facility & Safety business area that was announced earlier.

## Earnings and financial position

Consolidated net sales for the 2023 financial year amounted to EUR 1,480.7 million (1,205.7). Operating profit amounted to EUR 6.3 million (28.6). Adjusted EBITA for 2023 amounted to EUR 92.8 million (91.1) and the adjusted EBITA margin was 6.3 percent (7.6). EBITA included items affecting comparability for 2023 in an amount of EUR –17.2 million (–32.7). The costs affecting comparability pertained mainly to restructuring, acquisition, integration and transaction costs.

Net financial items amounted to EUR –63.5 million (–42.0) in 2023, including exchange-rate differences totalling EUR 3.4 million (–8.3).

The Group's cash at hand and liquid investments amounted to EUR 192.5 million (66.9). Interest-bearing liabilities, excluding pension and lease liabilities, amounted to EUR 674.0 million (622.5). Consolidated net debt amounted to EUR 573.7 million (649.8). Net debt, excluding lease liabilities, amounted to EUR 472.9 million (543.6). The equity/asset ratio was 30 percent (32).

Cash flow from operating activities before investments amounted to EUR 111.3 million (19.6). Cash flow from changes in working capital was EUR 76.5 million (–8.2). Net cash flow from investing activities amounted to EUR –26.0 million (–622.9), including investments of EUR 15.7 million (616.2) for acquired operations. The acquisitions were financed by a new share issue and by debt financing. Accordingly, cash flow for the year amounted to EUR 125.2 million (64.2). For further information, see the Consolidated statement of cash flows on page 50.

## Facility & Safety

Net sales for Facility & Safety in 2023 amounted to EUR 433.6 million (315.3). Operating profit amounted to EUR 13.6 million (0.8). Adjusted EBITA amounted to EUR 30.7 million (14.3), with an adjusted EBITA margin of 7.1 percent (9.7).

**Packaging**

Net sales for Packaging in 2023 amounted to EUR 397.0 million (270.6). Operating profit amounted to EUR 20.0 million (16.7). Adjusted EBITA amounted to EUR 33.8 million (23.2), with an adjusted EBITA margin of 8.5 percent (8.6).

**Medical**

Net sales for Medical in 2023 amounted to EUR 139.5 million (148.4). Operating profit amounted to EUR 9.7 million (16.4). Adjusted EBITA amounted to EUR 18.3 million (15.3), with an adjusted EBITA margin of 13.1 percent (10.3).

**Paper & Business Supplies**

Net sales for Paper & Business Supplies in 2023 amounted to EUR 495.0 million (458.0). Operating profit amounted to EUR 13.7 million (32.2). Adjusted EBITA amounted to EUR 24.8 million (41.7), with an adjusted EBITA margin of 5.0 percent (9.1).

**Other**

Net sales for other operations in 2023 amounted to EUR 15.7 million (13.3). Operating loss amounted to EUR –50.7 million (–21.2). Adjusted EBITA amounted to EUR –14.8 million (–1.1), with an adjusted EBITA margin of –94.9 percent (–8.3). In the BFG business area, which is included in the Other segment, all intangible assets of EUR 33.4 million were impaired to zero due to weak performance. For further information on the impairment of intangible assets, see Note 11. Furthermore, the earnout in 2023 was corrected due to incorrect recognition, see Note 3 for further information.

**Investments**

During the period, investments in tangible assets amounted to EUR 8.6 million (9.0).

**Parent Company**

OptiGroup Holding AB's (Parent Company) profit after financial items amounted to EUR 1.1 million (0.9). The Parent Company's equity/asset ratio was 99.9 percent (99.8).

**Employees**

In 2023, the average number of full-time employees in the Group was 2,339 (2,387), of whom 1,705 (1,725) worked abroad. The share of female employees in the Group was 39.0 percent (39.0). Information on salaries and remuneration is provided in Note 9 Employees and personnel costs.

**Currency exposure**

The subsidiaries' sales and purchases in foreign currency are balanced by the Group's shared Treasury function. On the balance-sheet date, outstanding currency forward contracts amounted to a net amount of EUR 12 million (12). For more information, see Note 4 Financial risk management and Note 18 Financial instruments, as well as under Risk Management on pages 33–37.

Key data, EUR millions	2023	2022 restated
Net sales	1,480.7	1,205.7
EBITA	75.6	58.1
Adjusted EBITA	92.8	91.1
Adjusted EBITA margin, %	6.3%	7.6%
Operating profit	6.3	28.6
Profit/loss for the year	–62.7	–18.6
Earnings per share before dilution, EUR	–0.10	–0.03
Earnings per share after dilution, EUR	–0.10	–0.03
Cash flow from operating activities	111.2	19.6
Net debt/cash	415.4	668.0
Balance sheet total	1,767.9	1,803.2
Equity	524.5	568.6
Equity/asset ratio, %	29.7%	31.5%
Average number of employees	2,339	2,387

**Risks**

Ownership of several companies in various market segments in B2B distribution leads to a favourable risk spread for the business. A description of financial instruments and risk management is contained in Note 4.

**Transactions with related parties**

There were no transactions with related parties that had a significant impact on the Group's earnings and position.

**Work of the Board of Directors**

The Board of Directors of OptiGroup comprises of eight ordinary members. There were no deputies. All members were elected for a period of one year. No member has operational assignments within the Group. The secretary to the Board of Directors is the Group's CFO. Bo Rygaard was re-elected Chairman at a 2023 General Meeting. The Board of Directors also appointed two committees: the Audit Committee and the Remuneration Committee.

The Board adopts rules of procedure annually that regulate the Board's meetings, committee work, business to be addressed at meetings, work distribution between the Board and the CEO, as well as some other issues. The terms of reference for the CEO regulate his work assignments and obligation to report to the Board of Directors. During the financial year, the Board of Directors held seven ordinary meetings in addition to the statutory meeting, as well as two extra Board meetings. The Board of Directors was in complete attendance at most of the Board meetings. The Corporate Governance Report is presented on pages 36–38.

### Guidelines for senior executives

At the 2023 Annual General Meeting, the following guidelines were adopted: Remuneration to the CEO and other senior executives comprises basic salary, variable remuneration and post-employment pension. Other senior executives pertains to other senior executives included in the Parent Company Management Team and other key positions. The variable remuneration is based on targets met and may amount to 0–112 percent of basic salary. The Board is entitled to deviate from the guidelines adopted by the Annual General Meeting if there are particular reasons in individual cases. The Board is also entitled to approve remuneration to senior executives to be supplemented by share-based incentive programmes, provided these are issued on market terms.

### Sustainability

It is crucial that OptiGroup's operations are conducted and developed sustainably. The Group therefore balances its actions on the basis of financial, environmental, social and governance aspects, to deliver results that create long-term and sustainable value growth for the company's stakeholders. Accordingly, the Group's Code of Conduct and policies are applied to all subsidiaries. As active owner, with overall responsibility for the sustainability agenda, the Group's functions develop the framework for sustainability, including clear goals for the governance of the business areas. OptiGroup regularly evaluates its sustainability performance to ensure that the requirements and expectations of main stakeholders are met. The most recent focused materiality assessment was conducted in 2023 together with an external partner to ensure that future requirements related to the Corporate Social Responsibility Directive and the Corporate Sustainability Due Diligence Directive are met. In accordance with Chapter 6, section 11 of the Swedish Annual Accounts Act, OptiGroup prepared a statutory sustainability report as a separate report as part of the annual report presented to the auditor. Further information on this can be found in the Group's Sustainability Report on pages 110–129.

### Impact of external disruption

The ongoing conflicts in the world, such as in Ukraine and the Middle East, had a limited impact during the financial year as OptiGroup has no operations in these regions. Moreover, the Group works actively on a multi-supplier strategy to minimise disruption by such events. However, the conflicts had a certain indirect impact on the Group due to the uncertainty in the financial market.

### Outlook

Following a strong 2023 with a robust ending, combined with the strategic acquisitions made, the Group strengthened its position in relevant markets. The conditions ahead of 2024 are favourable, but no forecast will be presented for 2024.

### Events after the end of the financial year

Henrik Hjalmarsson became President and CEO in January 2024, which was officially communicated in autumn 2023.

Two acquisitions were made in the first quarter of 2024: Top Service GmbH, which was announced in December 2023, in the Facility & Safety business area and marked OptiGroup's arrival in the German market and further strengthened OptiGroup's position as a leading European B2B distributor. Within the Packaging business area, the acquisition was completed of Ubro SystemPac A/S, a Danish packaging specialist that offers packaging products and a complete range of packaging equipment, thereby improving OptiGroup's Nordic market position in the segment. For further information on events after the end of the financial year, see Note 27 Significant events after the balance-sheet date.

### Proposed appropriation of disposable profits

At the disposal of the Annual General Meeting are the following unappropriated earnings in OptiGroup Holding AB:

	EUR
Retained earnings	14,881,674
Share premium reserve	616,341,017
Profit for the year	1,505,359
<b>Available earnings</b>	<b>632,728,050</b>

The Board of Directors proposes that the unappropriated earnings be appropriated as follows:

	EUR
To be carried forward	632,728,050

# Consolidated statement of income

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
Net sales	6, 7	1,480.7	1,205.7
Other operating income	8	2.8	11.0
<b>Total income</b>		<b>1,483.4</b>	<b>1,216.7</b>
Materials and services		–1,056.2	–872.1
Freight and selling expenses		–68.3	–55.5
Other external expenses*	10	–86.0	–87.3
Personnel expenses*	9	–158.6	–117.7
Other operating expenses		–2.6	—
Depreciation, amortisation and impairment	14, 15, 16, 17	–105.3	–55.5
<b>Operating profit</b>		<b>6.3</b>	<b>28.6</b>
Profit from financial items	11		
Interest income and similar profit/loss items		47.1	36.1
Interest expenses and similar profit/loss items		–109.2	–78.1
Other financial income and expenses	5	–1.4	0
<b>Profit/loss before tax</b>		<b>–57.2</b>	<b>–13.4</b>
Income taxes	12	–5.5	–5.2
<b>Profit/loss for the year</b>		<b>–62.7</b>	<b>–18.6</b>
<b>Profit/loss for the year was attributable to:</b>			
Parent Company shareholders		–62.7	–18.6
Earnings per share before dilution	20.1	–0.10	–0.03
Earnings per share after dilution	20.1	–0.10	–0.03

\* The Other operating expenses item in 2022 included items that were wrongly classified and these have been adjusted in this report to the Other external expenses item totalling EUR 87.3 million.

\*\* The Personnel expenses item in 2022 did not include expenses for salaries to the Board, these were included in other operating expenses. These have been adjusted in this report from Other operating expenses to Personnel expenses totalling EUR 0.2 million.

# Consolidated statement of comprehensive income

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
<b>Profit/loss for the year</b>		<b>-62.7</b>	<b>-18.6</b>
<b>Other comprehensive income:</b>	21		
<i>Items that will not be reclassified to profit or loss (net of tax):</i>			
Remeasurements of defined-benefit pension plans	22	-2.1	8.4
<i>Items that may be reclassified to profit or loss (net of tax):</i>			
Translation differences concerning foreign operations		-4.8	-0.1
<b>Other comprehensive income for the year, net of tax</b>		<b>-6.9</b>	<b>8.3</b>
<b>Comprehensive income for the year attributable to:</b>		<b>-69.6</b>	<b>-10.3</b>
Parent Company shareholders		-69.6	-10.3

# Consolidated statement of financial position

EUR million	Note	31 Dec 2023	31 Dec 2022 Restated*
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	13, 15	485.2	500.9
Other intangible assets	14, 15	531.1	567.7
Right-of-use assets	17	99.0	108.0
Property, plant and equipment	16	38.1	43.9
Convertible loan**	18	5.7	8.3
Other financial assets	18	1.2	0.2
Deferred tax assets	12	17.4	11.6
<b>Total non-current assets</b>		<b>1,177.7</b>	<b>1,240.6</b>
<b>Current assets</b>			
Inventory	19	176.4	236.7
Trade receivables	18, 18.3	165.6	192.3
Current tax receivables		6.1	5.1
Convertible loan**	18	2.9	3.6
Derivatives***	18	0.0	1.0
Other receivables	18	46.7	57.0
Cash and cash equivalents	18, 18.2	192.5	66.9
<b>Total current assets</b>		<b>590.2</b>	<b>562.5</b>
<b>TOTAL ASSETS</b>		<b>1,767.9</b>	<b>1,803.2</b>

\* See Note 3 for the correction of error.

\*\* The convertible loan was referred to as Financial assets measured at fair value through profit or loss in 2022.

\*\*\* Derivatives and contingent considerations were included in the Other receivables and Other liabilities items in 2022.

EUR million	Note	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	20		
Share capital		0.1	0.1
Other contributed capital		663.7	638.2
Reserves	21	-4.9	-0.1
Retained earnings including profit/loss for the year	3	-134.4	-69.6
<b>Total equity attributable to owners of the Parent Company</b>		<b>524.5</b>	<b>568.6</b>
<b>Non-current liabilities</b>			
Post-employment benefit provisions	22	12.7	11.0
Liabilities to credit institutions	18, 18.1	653.0	598.3
Other non-current liabilities	18, 18.6	0.5	3.1
Lease liabilities	18, 18.1	72.6	78.9
Other provisions	23	1.2	0.4
Contingent consideration	18	45.4	43.6
Non-current put/call options concerning non-controlling interests***	18	12.1	14.2
Deferred tax liabilities	12	130.6	137.3
<b>Total non-current liabilities</b>		<b>927.9</b>	<b>886.9</b>
<b>Current liabilities</b>			
Post-employment benefit provisions	22	0.0	0.0
Interest-bearing liabilities	18, 18.1	4.7	24.1
Borrowings	18.2	16.3	1.9
Trade payables	18	157.5	172.8
Lease liabilities	18, 18.1	28.2	27.3
Contingent consideration***	3, 18	0.6	0.7
Derivatives***	18	1.5	2.3
Tax liabilities		32.0	30.3
Other current liabilities	18, 18.7	74.3	88.1
<b>Total current liabilities</b>		<b>315.5</b>	<b>347.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,767.9</b>	<b>1,803.2</b>

\* See Note 3 for the correction of error.

\*\* The convertible loan was referred to as Financial assets measured at fair value through profit or loss in 2022.

\*\*\* Derivatives and contingent considerations were included in the Other receivables and Other liabilities items in 2022.

# Consolidated statement of cash flows

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
<b>Operating activities</b>			
Profit/loss before tax		–57.2	–13.4
Non-cash flow items included in profit/loss before tax	26	105.6	44.7
Income taxes paid		–13.6	–3.5
<b>Cash flow from operating activities before changes in working capital</b>		<b>34.8</b>	<b>27.8</b>
<i>Changes in working capital</i>			
Change in trade receivables and other current receivables		42.6	16.7
Change in inventories		68.6	–23.2
Change in trade payables and other current liabilities		–34.7	–1.7
<b>Cash flow from changes in working capital</b>		<b>76.5</b>	<b>–8.2</b>
<b>Cash flow from operating activities</b>		<b>111.3</b>	<b>19.6</b>
<b>Cash flow from investing activities</b>			
Acquisition of subsidiary shares, net of cash acquired	5	–15.7	–616.2
Acquisition of property, plant and equipment	16	–8.7	–9.4
Acquisition of intangible assets	14	–2.1	–0.3
Proceeds from sale of property, plant and equipment		0.5	3.0
<b>Cash flow from investing activities</b>		<b>–26.0</b>	<b>–622.9</b>
<b>Cash flow from financing activities</b>			
Change in financial receivables		3.9	4.9
Loans raised		91.6	585.1
Amortisation of loans		–54.6	–140.0
Amortisation of lease liabilities		–26.3	–15.0
New share issue and shareholder contributions		25.3	232.5
<b>Cash flow from financing activities</b>	18	<b>39.9</b>	<b>667.5</b>
<b>Cash flow for the year</b>		<b>125.2</b>	<b>64.2</b>
Cash and cash equivalents at the beginning of the year		66.9	—
Currency difference on cash and cash equivalents		0.4	2.7
<b>Cash and cash equivalents at end of year</b>		<b>192.5</b>	<b>66.9</b>

# Consolidated statement of changes in equity

EUR million	Note	Share capital	Other contributed capital	Reserves	Retained earnings including profit/loss for the year	Total equity attributable to owners of the Parent Company
<b>Opening equity 6 Dec 2021</b>		—	—	—	—	—
Profit/loss for the year		—	—	—	-18.6	-18.6
<i>Other comprehensive income for the year</i>		—	—	—	—	—
Translation differences concerning foreign operations		—	—	-0.1	—	-0.1
Remeasurements of defined-benefit pension plans		—	—	—	8.4	8.4
Other comprehensive income		0.0	0.0	-0.1	8.4	8.3
<b>Comprehensive income for the period</b>		<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>-10.2</b>	<b>-10.3</b>
<i>Transactions with shareholders</i>		—	—	—	—	—
New share issue	20	0.1	623.2	—	—	623.3
Shareholder contributions	20	—	15.0	—	—	—
Total		0.1	638.2	0.0	0.0	638.3
<b>Opening equity 31 Dec 2022</b>		<b>0.1</b>	<b>638.2</b>	<b>-0.1</b>	<b>-10.2</b>	<b>628.0</b>

EUR million	Note	Share capital	Other contributed capital	Reserves	Retained earnings including profit/loss for the year	Total equity attributable to owners of the Parent Company
<b>Opening equity 1 Jan 2023</b>		<b>0.1</b>	<b>638.2</b>	<b>-0.1</b>	<b>-10.2</b>	<b>628.0</b>
Correction of error	3	—	—	—	-59.4	-59.4
<b>Adjusted opening balance on 1 Jan 2023</b>		<b>0.1</b>	<b>638.2</b>	<b>-0.1</b>	<b>-69.6</b>	<b>568.6</b>
Profit/loss for the year		—	—	—	-62.7	-62.7
<i>Other comprehensive income for the year</i>		—	—	—	—	—
Translation differences concerning foreign operations	21	—	—	-4.8	—	-4.8
Remeasurements of defined-benefit pension plans	21, 22	—	—	—	-2.1	-2.1
Other comprehensive income		0.0	0.0	-4.8	-2.1	-6.9
<b>Comprehensive income for the period</b>		<b>0.0</b>	<b>0.0</b>	<b>-4.8</b>	<b>-64.8</b>	<b>-69.6</b>
<i>Transactions with shareholders</i>		—	—	—	—	—
New share issue	20	0.0	25.5	—	—	25.5
Total		0.0	25.5	0.0	0.0	25.5
<b>Closing equity 31 Dec 2023</b>		<b>0.1</b>	<b>663.7</b>	<b>-4.9</b>	<b>-134.4</b>	<b>524.5</b>

## NOTE 1

### CORPORATE INFORMATION

OptiGroup is a leading B2B distributor of business essentials. OptiGroup companies support more than 105,000 customers in more than 20 countries across Europe.

OptiGroup consists of the Parent Company, OptiGroup Holding AB, corporate identity number 559350-9390, and its subsidiaries. The Parent Company is a public limited company with its registered office in Stockholm, Sweden. The address of the head office is Flöjelbergsgatan 1C, 431 35 Mölndal, Sweden.

These financial statements refer to OptiGroup Holding AB and were approved by the Board of Directors at the Board meeting held on 23 April 2024 and will be submitted to the 2024 Annual General Meeting for approval.

## NOTE 2

### ACCOUNTING POLICIES

#### NOTE 2.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for OptiGroup and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union. The Group has also applied the Swedish Annual Accounts Act (1995:1554) and RFR 1 Supplementary Rules for Groups, which is issued by the Swedish Corporate Reporting Board.

The consolidated accounts have been prepared with the assumption of the going concern. Assets and liabilities are measured at their historical cost with the exception of certain financial instruments measured at fair value.

#### Consolidation of subsidiaries

Subsidiaries are recognised using the acquisition method and include all companies over which OptiGroup has a controlling influence. Subsidiaries covered by the consolidated financial statements are specified in the Parent Company's Note 5 Participations in Group companies.

#### Functional currency and reporting currency

The various units in the Group have the local currency as their functional currencies, since the local currency has been defined as the currency that is used in the primarily economic environments where the respective units mainly operate. At the start of the 2023 financial year, the Parent Company changed the reporting currency from SEK to EUR. EUR is also the reporting currency for the Group. Unless otherwise stated, the Group's figures are stated in millions of EUR. Figures in parentheses refer to the previous year.

The exchange rate for translating the Parent Company's functional currency and restating comparatives was set by the Swedish Companies Registration Office at 11.1218.

#### Transactions in foreign currency

Exchange-rate differences that arise when translating transactions in foreign currency to the functional currency are recognised in the consolidated statement of income. Exchange gains and losses from receivables and liabilities relating to investing activities or financing activities are recognised as financial items where the exchange gains on receivables are recognised as financial income and exchange losses as financial expense.

Other types of exchange gains and losses are recognised in operating profit where exchange gains are recognised as operating income and exchange losses as other operating expenses.

#### Translation of foreign subsidiaries

Monetary assets and liabilities in foreign operations are translated from the functional currency of the foreign operation to the presentation currency of the Group, EUR. The exchange-rate is decided by Group Treasury using the European Central Bank's (ECB) exchange rate on the balance-sheet date. Income and expenses in a foreign operation are translated to EUR at the average rate that is an estimate of the exchange rates that existed at each transaction date. Translation gains or losses arising from translation of foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve, see Group table of changes in equity on page 51.

#### NOTE 2.2 CHANGES IN ACCOUNTING POLICIES

New and amended standards that came into force in the 2023 financial year. The Group has not adopted early any other standard, interpretation or amendment issued but not yet effective.

- *IAS 1, Presentation of Financial Statements (Disclosure of accounting policies)* – The Group has analysed the accounting policies focusing on removing parts regarded as standardised in order to achieve a more effective and relevant communication in the financial statements. This resulted in a shorter section on accounting policies and company-specific information linked to the Group's accounting policies has been highlighted. The changes had no effect on the valuation, reporting or presentation of any items in the consolidated financial statements.
- *IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (definition of estimates)* – The amendments introduce a definition of accounting estimates. The purpose is to clarify the difference between changes in accounting estimates, accounting policies, and errors. The changes are not expected to have a material impact on accounting practices, but are expected to facilitate estimates of whether changes are to be treated as changes in accounting estimates, principles or correction of errors.

The changes had no effect on the Group's consolidated financial statements.

- *IFRS 17, Insurance Contracts* – IFRS 17 contains rules on classification, valuation, reporting and disclosures in respect of insurance contracts. It replaces IFRS 4 Insurance Contracts that simultaneously ceases to apply.

The changes had no effect on the Group's consolidated financial statements.

- *IAS 12 Income taxes* – Under IAS 12, companies must essentially recognise deferred tax on all temporary differences. However, an exception is made, for example, for temporary differences that arise upon initial recognition of an asset or liability given that certain conditions are met. The amendments clarify that this exception is not applicable when recognising transactions that give rise to both an asset and a liability, for example, such as right-of-use assets and lease liabilities as well as the cost of property, plant and equipment attributable to provisions for estimated future expenditure for decommissioning, removal and restoration.

For the Group, this means deferred tax on leases is disclosed gross in the note for deferred tax but net in the balance sheet.

- *IAS 12 Income Taxes* – Adoption of the International Tax Reform, Pillar two Model Rules.

Note 2 cont.

New or amended accounting standards that become effective in 2024.

- *IAS 1, Presentation of Financial Statements* – The amendments are intended to clarify when a liability is to be classified as current. Other clarifications include using the circumstances on the balance-sheet date as the basis for determining how a liability is to be classified and that management expectations regarding whether the terms of borrowing will or will not be broken in future are irrelevant to the classification. In parallel, new disclosure requirements for borrowings associated with covenants will be introduced during the next 12 months. The Group will need to review principles applied for the classification of liabilities as current or non-current and which information that should be presented in the financial statements on, for example, covenants pertaining to borrowings.

In addition to the above, other amendments to standards that have been published and come into effect for the financial year starting on 1 January 2024 or later have not been early adopted when preparing these financial statements. These new amendments are not expected to have a substantial impact on the Group's financial statements in current or future periods, nor on future transactions.

### NOTE 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Intangible assets

OptiGroup's intangible assets comprise the brand, customer relationships and software. Since the Group intends to pursue operations under these brands indefinitely, the remaining useful life (RUL) is indeterminate and therefore is not amortised. Brands include exemptions for seven minor brands that will be phased out and have a amortisation period of two years. These will be written off in full in 2024. Customer relationships have useful lives of 2–16 years. The Group's software consists of proprietary assets and licenses. These have useful lives of 5–10 years, except for the proprietary Web shop with a useful life of 3 years. For more information, see Note 14 Other intangible assets.

#### Goodwill

Goodwill is recognised at cost less any accumulated impairment losses. Since it is not possible to test goodwill for impairment on an individual basis, goodwill is allocated to each of the Group's cash-generating units, which for OptiGroup are five business areas: Facility & Safety, Packaging, Medical, and Paper & Business Supplies and Other. Goodwill within the five business areas mainly consists of synergies, personnel and know-how. Goodwill is considered to have an indefinite useful life and is therefore tested for impairment at least once a year. OptiGroup performs impairment testing in October and this is calculated based on the five business areas. For more detailed information about the Group's impairment testing see Note 15 Impairment testing of goodwill and other intangible assets.

#### Property, plant and equipment

Property, plant and equipment is recognised in the Group at cost less accumulated depreciation and any accumulated impairment.

An item of property, plant and equipment is derecognised on divestment or when no future economic benefits are expected from its use or divestment. Capital gains or losses are calculated as the difference between the sales amount and the carrying amount of the asset. Gains or losses are recognised in profit or loss as other operating income/expense in the year the asset is derecognised from the balance sheet.

The depreciation of property, plant and equipment is performed on a straight-line basis over the asset's estimated useful life. The useful lives applied are shown in the table below:

Depreciation is calculated as follows:

Buildings	20–50 years
Plant and machinery	3–10 years
Equipment	3–11 years

For more information on the Group's property, plant and equipment, see Note 16 Property, plant and equipment.

The Group conducts an impairment test if there is any indication of an impairment of property, plant and equipment, which was not the case during the financial year. For more information about the Group's impairment testing see Note 15 Impairment testing of goodwill and other intangible assets.

#### Financial instruments

The Group's financial assets are recognised at amortised cost as well as fair value through profit or loss. See Note 18 Financial instruments.

#### Financial liabilities

Contingent considerations are recognised as non-current liabilities in the balance sheet as long as these do not fall due for payment within twelve months. Subsequent revaluation is recognised in profit or loss. Contingent considerations to be settled in cash meet the definition of a financial liability and are re-measured to fair value at each balance-sheet date, and any changes are recognised in the consolidated statement of income in net financial items. Other financial liabilities measured at fair value through profit or loss include derivatives and put/call options pertaining to non-controlling interests. The Group's derivatives consist of interest rate swaps that are used to balance the multi-currency cash pool as well as currency forward contracts, which the Group uses in accordance with the Finance Policy to hedge future cash flows. The forward contracts are recognised at fair value based on market data of official currency rates.

#### Put/call options concerning non-controlling interests.

All shareholder agreements signed by the company with non-controlling interests in acquisitions include an agreement for put/call options whereby the holder of the non-controlling interests has the opportunity to sell their shares to OptiGroup according to a calculated formula determined in the agreements. In the same way, OptiGroup has the right to acquire the shares according to this calculated formula. IFRS 3 Business Combinations does not regulate how the existence of this type of option should be addressed in the financial statements. An assessment of how to recognise the impact of the options must take into account IFRS 10, IAS 32 and IFRS 9.

The requirements of IFRS 10 and IAS 32 are inconsistent, which is why OptiGroup has chosen to use the requirements of IAS 32. This means 100 percent of the participations are consolidated on the date of first consolidation and no non-controlling interests are reported. At each accounting year end, the amount to be recognised is determined as a financial liability to minority owners. The liability is measured at fair value and the revaluation of the liability is recognised in profit or loss within net financial items.

Companies with a non-controlling interest are thereby recognised as wholly-owned as a result of the put/call options issued for the acquisition of the remaining participations in the foreseeable future. See Note 18 Financial instruments.

Purchases and sales of financial instruments are recognised on the trade date, which is the date on which the Group commits to purchasing or selling the financial instrument.

Note 2 cont.

### Impairment for expected credit losses

The Group's financial assets are subject to impairment for expected credit losses. Receivables consist mainly of trade receivables for which the Group is using the simplified method for accounting of expected credit losses. This means that expected credit losses are recognised for the remaining life time, which is expected to be less than a year. The Group makes a provision for expected credit losses based on historical credit losses and forward looking information. The customers are assessed on an individual basis. OptiGroup derecognises a receivable when no expectation of future payment exists and when active measurements to collect payment have been stopped. Expenses relating to expected credit losses are recognised in profit or loss under other operating expenses and separately disclosed in the notes. Expected credit losses relating to cash and cash equivalents are recognised using the general approach. See Note 18.3 Financial instruments.

### Inventory

OptiGroup's inventory mainly comprises finished goods. Goods in the inventory are measured at the lower of cost and net realisable value. The cost is determined using the first-in, first-out method. The cost of finished goods comprises materials stated at their purchase price, freight and customs duties, less any supplier bonuses and cash discounts. Interest expenses are not included. Net realisable value is the estimated selling price in the ordinary course of business less any costs necessary to complete the sale. The Group makes provisions for goods with low turnover rates and obsolete goods. See Note 19 Inventory.

### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that payments will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects a provision to be recoverable, for example, under an insurance contract, the recovered amount is recognised as a separate asset but only when the recovered amount is virtually certain. If the time value is significant, the future payment is calculated at its present value. The calculations are made by applying a discount rate that reflects short-term market expectations, taking into account specific risks associated with the commitment. Where discounting is used, the increase in the provision due to the time value is recognised as an interest expense.

A restructuring provision is recognised in the period in which the Group becomes legally or constructively committed to the plan. A provision may only be made for the expenses incurred as a direct result of the restructuring and are an effect of a continuing contractual obligation with no ongoing economic benefit or represent a penalty incurred to cancel the obligation. See Note 23.

### Employee benefits

The Group has both defined-benefit and defined-contribution pension plans. The provisions for defined-benefit plans are calculated using the projected unit credit method, which means the costs are spread over the employee's period of service. The calculation is performed annually by independent actuaries that use actuary assumptions, such as employee turnover, life expectancy, future salary increases and health-care costs. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

The Group has a multi-employer plan in Alecta that is a defined-benefit plan. For most of the defined-benefit plans,

information is unavailable for Alecta on the allocation of the vesting between employers. Full vesting is instead registered on the last employer. Therefore, Alecta is unable to make a precise breakdown of assets and provisions for the respective employer. In addition, an established regulatory framework on the recognition of any surpluses or deficits essentially does not exist. For the 2023 financial year, OptiGroup had no access to information from Alecta that allowed the presentation of this plan as a defined-benefit plan. The plan has thus been recognised as a defined-contribution plan. OptiGroup expects to pay premiums for 2024 to Alecta of approximately EUR 1.1 million (0.9).

The collective consolidation level measures allocation only assets in relation to the insurance undertaking. According to Alecta's consolidation policy for defined-benefit insurance, the collective consolidation level is normally permitted to vary between 125 and 175 percent. Alecta's collective funding ratio amounts to 175 percent (172). If the collective consolidation level is under or above the normal range, a measure that can be taken is to raise the contract price for the new benefits in the plan and expand existing benefits or introduce premium reductions.

OptiGroup's percentage of total premiums for ITP2 in Alecta amounted to 0.06315 percent (0.05234) on 31 December 2023 and the proportion of the total number of active insured persons amounted to 0.06212 percent (0.06453).

Group contributions to the defined-contribution pension plans are charged to profit or loss in the year to which they relate. See also Note 22 Post-employment benefit provisions.

### Leases

At the beginning of a lease, the Group recognises a lease liability corresponding to the present value of the fixed lease payments to be paid during the lease term. The lease term is determined as the non-cancellable period together with the periods when the Group can extend or terminate the agreement, if the Group is reasonably certain that these options will be utilised. Costs for possible variable lease payments are recognised in the Other external expenses item.

Right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment, as well as adjustments for revaluation of the lease liability. The cost of right-of-use assets include the initial value recognised for the related lease liability, initial direct expenses and any advance payments made at or before the commencement date for the lease less any incentives received.

The Group's lease portfolio includes leases for:

- Warehouse premises
- Office buildings
- Warehouse equipment
- Vehicles

The Group evaluates each lease in the different contract categories as to whether it is reasonably certain that it will utilise any options for extension/termination of the contract before the contract's lease term can be determined.

### Application of practical exceptions

The Group applies the practical exceptions pertaining to short-term leases and leases of low-value assets. Short-term leases are defined as leases with an initial lease term of no more than 12 months after taking into account possible options. The Group's leases of low-value assets are for IT and office equipment. Short-term leases and leases of low-value assets are expensed on a straight-line basis in the income statement in the other external expenses item.

*Note 2 cont.*

The Group has chosen not to apply the exemption for non-lease components for the underlying agreements in all contract categories, which means non-lease components are separated from lease components in the agreements. Non-lease components include maintenance and cleaning. See Note 17 Leases.

#### **Revenue from contracts with customers**

Revenue from contracts with customers is recognised when OptiGroup has fulfilled the performance obligations in accordance with the contracts with customers and when the control of the goods or services has been transferred to the customer. This means that revenue from sales of goods is normally recognised at the point of delivery in accordance with shipment terms. Revenue from services are recognised when the services have been performed. The revenue is the amount which the company expects to receive for the transferred goods or services. The contract terms and business practice is used to measure the transaction price. The transaction price is determined at the consideration the Group is expecting to receive in exchange for the contracted goods or services to the customer. The transaction price includes both fixed and variable considerations. The variable consideration to be included in the transactions price depends on the Group's assessment of future potential reductions of the consideration in a subsequent periods.

The Group mainly applies 30 days' payment terms, but regional deviations occur due to adaptations to local markets.

#### **Sale of goods**

Sale of goods is taking place in all business areas. The sale is mainly related to standard products, but to some extent also sale of customer-specific articles. In the case of customised products, the adaptation is not regarded as a separate performance obligation. In general, a framework agreement exists, where the customer contract is established once the customer places an order based on the framework agreement. The rights and obligations for the Group and the customer arise at the time of this order. The time from order to delivery is normally short. Every separate product in the order is seen as a separate performance obligation.

The transaction price in each contract with customer is normally fixed. To the extent the transaction price includes variable amounts, the Group estimates the amount which it will have the right to obtain and includes this in the transaction price, taking any uncertain amounts into consideration. The revenue is recognised at a point in time as the criteria for performance obligations satisfied over time is not met. The Group assess that control is transferred at delivery and in accordance with shipment terms, which is at the point in time where the rights and obligations are transferred to the customer.

#### **Bonus scales/volume discounts**

In some contracts with customers, there are bonus scales and volume discounts. During the year, estimates are made continuously of the expected size of these discounts based on forecasts and prior history of the conditions contained in the contracts. In the transaction price, OptiGroup only includes the portion of the variable remuneration for which it is highly probable that a material revenue provision will not be made. The excess portion is recognised as a repayment.

#### *Sale of services*

Services are sold to a limited extent by the Group, and are mainly in connection with the sale of goods. The services are mainly different logistical or planning related solutions in connection with sale of goods. The assignments are seen to be combined performance obligations, as each product is not distinct within the framework of the agreements. Transaction

prices are normally only fixed amounts. The control of the performance obligations are transferred to the customer at a point in time, when the services have been finalised. Cost to obtain a contract which fulfill the recognition criteria is capitalised and amortised during the contract period.

#### *Contract balances*

The Group's contract balances comprise trade receivables (invoiced and not invoiced) that are an unconditional right to remuneration for goods and services supplied.

#### *Refund liabilities*

The Group's refund liabilities comprise provisions for refunds to customers for volume discounts and bonus scales achieved. Where appropriate, advances from customers are included in refund liabilities.

#### *Other income*

Other operating income comprises exchange-rate gains on trade receivables and payables, capital gains on divested property, plant and equipment, and on secondary activities within the framework of the Group's regular business.

#### **Income taxes**

##### *Deferred income tax*

Deferred tax is calculated according to the balance-sheet method with the starting point in temporary differences between the tax base and carrying amounts of assets and liabilities. Temporary differences are not considered in consolidated goodwill nor the difference arising on initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable earnings.

Deferred tax assets pertaining to deductible temporary differences and loss carry-forwards, are only recognised to the extent that it is probable that these will be utilised. Deferred tax assets and tax liabilities are offset where there is a legally enforceable right to offset current tax receivables and liabilities and where the taxes are charged by the same taxation authority and when the Group intends to settle the current tax receivables and liabilities on a net basis. For additional information about deferred tax assets/liabilities and their carrying amounts at the end of the reporting period, see Note 12 Taxes.

## **NOTE 2.4 SIGNIFICANT ESTIMATES AND JUDGEMENTS**

When the Board of Directors and the CEO prepare financial statements in accordance with generally accepted accounting policies, certain estimates and assumptions must be made that affect the carrying amounts of assets, liabilities, revenue and expenses. The areas where estimates and assumptions are of considerable importance to the Group and that may affect profit or loss and the balance sheet are described below:

#### **Goodwill**

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least once annually. This requires that management estimate the expected future cash flows from the defined cash-generating unit, and choose a suitable discount rate with which to discount the cash flow. See Note 15.

The Group has evaluated estimates made, which, if changed, could have a material effect on the fair value of the assets and could thus lead to an impairment. These estimates pertain to, for example, expected sales prices of products, expected infla-

Note 2 cont.

tion rates and the discount rate. The key assumptions used in the impairment testing, including sensitivity analysis, are explained in detail in Note 15.

**Acquisition analyses**

When acquiring a subsidiary, an acquisition analysis is performed whereby the fair value on the date of acquisition of acquired identifiable assets and liabilities and contingent liabilities are presented. The measurement of identifiable assets and liabilities in acquired operations includes items in the company’s statement of financial position and various items not presented in the company’s statement of financial position, such as intangible assets. Initially, intangible assets are identified that may have a value, such as brands, customer relationships, Web shop, etc. These assets normally have no market prices and therefore other valuation techniques are used. These methods are based on various assumptions on future cash flows, sales growth, EBIT margins and tax rates and discount rates in different countries. Such calculations require a high degree of estimation that in turn must be carefully evaluated, measured and analysed. Preliminary values linked to acquisitions may receive an adjusted fair value up to one year after completion of the acquisition if new information is obtained about the facts and circumstances that existed on the date of acquisition.

**Deferred tax assets**

Deferred taxes are recognised on temporary differences, arising between the taxable value and carrying amount of assets and liabilities, and unutilised loss carry-forwards. Deferred tax assets are recognised only to the extent that it is probable that they can be utilised against future profits. Management determines the amount that can be recognised based on likely timing and the level on future taxable profits. The value of deferred tax assets could be changed in the event that the outcome differs from these estimates or if management adjusts the estimates in the future. See Note 12 Taxes for detailed information.

**Provision for expected credit losses**

Trade receivables are initially measured at their anticipated realisable value. An estimate of expected credit losses is based on historical data and on an objective review of all outstanding amounts at the year-end, and if necessary. Losses relating to doubtful receivables are recognised in profit or loss under other operating expenses. See Note 18.3.

**Determining the net realisable value of inventories**

Inventory impairment is recognised when the estimated net realisable value is lower than the cost. The net realisable value is dependent on management’s assessment of old articles, inventory excess, damaged goods and other sales expenses.

**Pensions and other post-employment benefits**

Pensions and other post-employment benefits primarily refer to defined-benefit plans. The value of these plans is dependent on assumptions used by actuaries in calculating such amounts. The assumptions and actuarial calculations are made separately for each pension plan in the respective countries of the Group’s operations. The assumptions concern discount rates, health-care cost trend rates, inflation, salary growth, retirement rates, mortality rates and other factors. Discount rate assumptions are based on long-term high-quality corporate-bond and government-bond yields available at year-end.

Health-care cost trend assumptions are based on historical cost data, the future outlook, and assessment of long-term trends. Inflation assumptions are based on an evaluation of external market indicators. The salary growth assumptions reflect the long-term actual experience, the future outlook and assumed inflation. Retirement and mortality rates are based primarily on official statistics. Where actual results differ from the initial estimates, together with the effect of any change in assumptions or other factors, these differences are recognised in other comprehensive income. See also Note 22 Post-employment benefit provisions.

**Contingent consideration**

In conjunction with certain acquisitions, OptiGroup has included a contingent consideration in the purchase price. The contingent consideration is measured at fair value on the date of acquisition. When a contingent consideration is classified as a financial liability, it is revalued at the end of each reporting period and the change is recognised in the consolidated statement of income in net financial items. The assumptions used to determine fair values for contingent considerations classified as financial liabilities are described in Note 18 Financial instruments. Estimates that deviate from management’s assessment may lead to other results for operations and another financial position. According to the company’s management, the present evaluation provides a relevant assessment of the company’s financial position for the applicable periods.

**NOTE 3**

**CORRECTION OF ERROR**

The purchase price for the acquisition of BFG in 2022 was largely paid by issuing shares in OptiGroup Holding AB. Depending on the performance in 2023–2025, the seller may receive additional shares though this may also lead to already issued shares being withdrawn. Since the agreement does not specify a fixed number of shares that could be withdrawn from the seller, the entire purchase price paid with shares is considered variable and the transaction does not meet the definition of equity in accordance with IAS 32 (paragraph. 11b). Instead, the amount must be recognised as a financial liability until the end of the earnout period and the final number of shares have been determined. This was incorrectly recognised in the 2022 Annual Report as equity as well as a receivable and liability earnout when it should have been recognised as liability earnout until it has been finally determined.

	31 Dec 2022	Correc-tion	31 Dec 2022 after the correction
Receivable Earnout	32.5	-32.5	0
Liability Earnout	-16.7	-26.9	-43.6
Net assets	15.8	-59.4	-43.6
Equity	-59.4	59.4	0

## NOTE 4

### FINANCIAL RISK MANAGEMENT

#### Financial risk management in OptiGroup

OptiGroup is exposed to various financial risks that the Group is responsible for managing under the finance policy approved by the Board of Directors. The Group's overall goal is to minimise the impact on the Group's financial performance and, to reduce exposure to financial risks, derivatives are used for currencies and interest. The largest risk exposures for the Group are financing risk, interest-rate risk and currency risk. The primary risk that arises when trading in financial instruments is market risk, which includes interest-rate risk, currency risk, price risk, credit risk and liquidity risk. As a basic principle, non-current assets are financed through long-term borrowing and subsidiaries' assets are financed in local currencies. Currency risk arises through translation to EUR of earnings and balance-sheet items in another currency and when translating cash flow in another currency. These currency risks are reduced firstly by matching inward and outward flows and then through hedging with forward contracts. Risk management is handled by Group Treasury, which is part of the central finance function.

#### Currency risk

OptiGroup is a EUR denominated Group and its share capital is in EUR, which means borrowing is primarily conducted in the same currency in order to mitigate exchange rate effects. The Group has international operations and is impacted by changes in exchange rates with the largest impact from translation exposure as it has operations in Sweden, Norway, Switzerland and the rest of Europe, which is outside the eurozone. This share is approximately 50 percent of the Group's sales while the remaining companies are domiciled in the eurozone. Transaction exposure is limited and primarily arises when Group companies purchase products locally but pay in EUR.

The following tables show the currency split in the different financial liabilities. For financial assets, see Note 18 Financial instruments.

	31 Dec 2023	31 Dec 2022
<b>Currency break-down of trade payables</b>		
EUR	70.7	83.5
CHF	11.2	11.3
CZK	0.7	1.1
DKK	7.3	8.5
HUF	0.4	0.6
NOK	10.9	11.0
PLN	1.7	2.4
RON	1.6	1.0
SEK	51.7	49.2
USD	1.3	3.9
Other currencies	0.0	0.3
<b>Total</b>	<b>157.5</b>	<b>172.8</b>

	31 Dec 2023	31 Dec 2022
<b>Currency break-down of other current liabilities</b>		
EUR	37.2	66.3
CHF	4.5	2.0
CZK	1.0	1.1
DKK	4.6	2.0
HUF	1.1	0.8
NOK	8.5	5.0
PLN	0.8	1.1
RON	0.8	0.3
SEK	14.8	9.5
Other currencies	1.0	0.0
<b>Total</b>	<b>74.3</b>	<b>88.1</b>

#### Sensitivity analysis for currency risk

OptiGroup has operations in several European countries that are largely run at local level. Currency exposure arises in most instances when purchases are carried out in EUR and the local currency is another. From a currency perspective, this means exposure is limited. Countries exposed to currency risk cover this exposure through continuous hedging via forward contracts. The table below shows sensitivity to a change in the SEK and NOK exchange rates, the impact on earnings before tax and where all other parameters are equal. The Group's exposure to foreign currency fluctuations in other currencies is not material.

2023	Change SEK rate	Earnings impact before tax	Impact Equity
	5%	1.3	14.1
	-5%	-1.2	-12.8

2023	Change NOK rate	Earnings impact before tax	Impact Equity
	5%	0	2.7
	-5%	0	-2.4

#### Transaction exposure

OptiGroup is exposed to currency risk in the form of transaction exposure in connection with the purchase and sale of goods and services in currencies other than each Group company's local currency. OptiGroup's policy for minimising transaction exposure is to primarily match inward and outward flows and by selecting an invoicing currency. Secondly, financial instruments are to be used to reduce currency risk. The Finance Policy states that 65–85 percent of the forecast transaction exposure for the coming 12 months shall be hedged.

Note 4 cont.

#### Translation exposure

OptiGroup's assets in foreign subsidiaries are partly financed by loans and partly by equity. If foreign assets are financed with equity, what is known as translation currency exposure arises in connection with consolidation of the balance sheet. Translation exposure causes a risk that changes in foreign-exchange rates will have a negative impact on the value of OptiGroup's net assets in foreign currency. The translation risk is an accounting risk that arises when OptiGroup's accounts are consolidated, as an effect on consolidated equity.

OptiGroup's policy for translation exposure is to minimise the impact of short-term changes in foreign-exchange rates in the income statement by matching assets denominated in foreign currency with external loans denominated in the same currency, as far as practically possible.

#### Interest rate risk

Fluctuations in interest rates affect the Group's interest expense. OptiGroup's interest-rate risk policy is designed to reduce the impact of interest-rate changes in the income statement. In accordance with the policy, there must be a balance between variable and fixed interest rates, which are to be balanced based on the quarterly forecast quotient of net debt and EBITDA, OptiGroup's risk assessment for managing negative scenarios, as well as the Board of Directors' risk assessment.

As per 31 December 2023, a one-percentage-point parallel change up or down in interest rates would impact annual net interest expense by EUR 5.7 million, assuming that the duration and the funding structure of the Group stays constant during the year.

The interest-bearing net debt/net cash position with floating rate for the Group as a whole, including cash and bank balances, amounted to EUR 192.5 million, where the average fixed interest-rate period was 0 years. The average fixed interest-rate period for the Group's interest-bearing net liabilities, excluding cash and bank balances, amounted to 0.7 years.

#### Customer credit risk

Credit insurance is used for approx. 80 percent of the customers in Paper & Business Supplies. In other market areas, measures to reduce credit risks include letters of credit, advance payments and bank guarantees. New customers are credit checked and assessed according to the customer's financial stability, and the scope of the credit assessment depends on the size of the credit sought. Credit granted is evaluated at least annually. Management considers that no significant concentration of credit risk

with any individual customer, counterpart or geographical region exists for OptiGroup. The Group recognises a provision for expected credit losses based on historical data and an individual assessment. Age analyses of trade receivables and the provision are presented in Note 18.3.

#### Capital risk management

The capital structure of the Group is to be maintained at a level that safeguards the ability to continue as a going concern in order to provide returns for shareholders, and benefits for other stakeholders. At the same time, an optimal capital structure will be maintained to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may, subject to shareholder approval as appropriate, vary the dividend paid to shareholders, reduce share capital for return to shareholders, issue new shares or sell assets to reduce the debt/equity ratio. The Group continuously monitors its capital on the basis of a target debt-to-equity ratio. The agreement with the lenders includes a covenant (net debt to EBITDA). OptiGroup fulfilled the requirement for the 2023 financial year.

#### Liquidity and refinancing risk

Financing risk arises from the difficulty of obtaining finance for operations at a given point in time. OptiGroup's financing policy states that the Group's external loan portfolio is to have a maturity structure ensuring that OptiGroup is not exposed to refinancing risks. These risks, entailing that maturing debt could not be refinanced in the market, are mitigated by OptiGroup's target of maintaining an even maturity profile of outstanding debt. According to the finance policy, OptiGroup shall have a liquidity reserve of at least EUR 25 million consisting of cash and/or unutilised committed credit facilities. The liquidity is monitored by Group Treasury through weekly forecasts from all Group companies. In addition, OptiGroup has signed an agreement to sell trade receivables through factoring. This agreement is without recourse and the sold trade receivables amounted to EUR 16 million on the balance-sheet date 2023. To manage the risk of a possible change in credit rating and in that case the need for other financing, OptiGroup has signed a credit insurance that covers the agreement.

The table below analyses the Group's financial liabilities broken down into relevant maturity groupings based on the remaining period at the balance-sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Note 4 cont.

**Liquidity and refinancing risk as per 31 December 2023**

	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	4.2	12.5	—	—	665.0	<b>681.7</b>
Lease liability	7.0	21.2	24.4	45.3	2.9	<b>100.8</b>
Trade and other payables	248.4	—	0.5	—	—	<b>248.8</b>
Derivatives	1.5	—	—	—	—	<b>1.5</b>
<b>Total</b>	<b>261.0</b>	<b>33.7</b>	<b>24.9</b>	<b>45.3</b>	<b>667.9</b>	<b>1,032.8</b>

<b>Liquidity and refinancing risk as per 31 December 2022</b>	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	0.0	0.0	0.0	12.3	604.3	<b>616.6</b>
Lease liability	9.3	18.0	19.4	40.7	18.8	<b>106.2</b>
Trade and other payables	173.6	59.1	33.5	0.1	0.1	<b>266.4</b>
Derivatives	0.3	2.0	—	—	—	<b>2.3</b>
<b>Total</b>	<b>183.2</b>	<b>79.1</b>	<b>52.9</b>	<b>53.1</b>	<b>623.2</b>	<b>991.5</b>

The following table shows the different interest-bearing loans and borrowings of the Group.

Note	31 Dec 2023	31 Dec 2022	Note	31 Dec 2023	31 Dec 2022
<b>Non-current:</b>			Change for the year in interest-bearing loans and borrowings		
Bank loans (floating interest rate)	653.0	598.3	Opening balance	730.6	0
Lease liability	72.6	78.9	New bank loans (floating interest rate)	91.6	598.3
<b>Total non-current liabilities</b>	<b>725.5</b>	<b>677.2</b>	Repayment of bank loans (floating interest rate)	-80.9	0
<b>Current:</b>			New leasing loans	21.4	106.2
Lease liability	28.2	27.3	Acquisitions of other current interest-bearing liabilities	0	24.1
Borrowings	16.3	1.9	Exchange-rate differences	-0.5	0
Other current interest-bearing liabilities	4.7	24.2	Borrowings	12.6	1.9
<b>Total current liabilities</b>	<b>49.3</b>	<b>53.4</b>	<b>Total changes</b>	<b>774.8</b>	<b>730.6</b>
<b>Amount of borrowings</b>	<b>774.8</b>	<b>730.6</b>			

The Group's exposure, regarding borrowings, to changes in interest rate and contractual dates regarding interest renegotiations are as follows:

	6 months or less	6-12 months	1-5 years	More than 5 years	Total
Amount of borrowings	36.5	0.0	0.0	978.3	1,014.8

	31 Dec 2023	31 Dec 2022		31 Dec 2023	31 Dec 2022
<b>Financing of the Group</b>			<b>Reconciliation of interest-bearing net debt</b>		
Interest-bearing net debt	573.7	651.7	Interest-bearing loans and borrowings	774.8	730.6
Total equity*	524.5	568.6	Cash and cash equivalents and other interest-bearing assets	-201.1	-78.9
Debt/equity ratio (multiples)	1.1	1.1	Interest-bearing net debt	573.7	651.7

\* Equity is restated, see Note 3 Correction of error and change in consolidated equity

## NOTE 5

### BUSINESS COMBINATIONS AND DIVESTMENTS

During the financial year, the Group completed two acquisitions: Facility Trade Holding B.V. and Van den IJssel Bedrijfskleding B.V.

#### Facility Trade Holding B.V.

On 12 January 2023, OptiGroup acquired 100 percent of shares in Facility Trade Holding B.V. in the Netherlands. Facility Trade Holding B.V., with sales of approximately EUR 29 million in 2022, is a Dutch distributor specialised in hygiene & cleaning products, foodservice items and personal protection equipment. The acquisition will further strengthen OptiGroup's position in the area of facility supplies to B2B customers on the Dutch market and is in line with OptiGroup's strategy to develop the business portfolio towards leading positions in attractive market segments in Europe. Facility Trade Holding B.V. becomes part of OptiGroup's facility, safety & medical operations in the Benelux region, and will continue to operate under its current brands – Facility Trade Group and Dirksen.

In the acquisition of Facility Trade Holding B.V., an agreement was signed that the purchase price would be settled in cash. In addition, there are two additional earnouts. The first earnout is calculated as a) EBITDA for the 2022 and 2023 financial years less b) EUR 4.0 million, c) the total is then multiplied by a factor of 2.0 plus d) EUR 2.0 million. The minimum compensation under the agreement for the first earnout is EUR 0 and the highest is agreed to be EUR 5 million. The second earnout is calculated as a) EBITDA for the 2023 financial year less b) EUR 2.0 million, c) the total is then multiplied by a factor of 5.0. The minimum compensation under the agreement for the second earnout is EUR 0 and the highest is agreed to be EUR 2.5 million.

On the acquisition date, the total earnout was expected to amount to EUR 6.8 million.

#### Van den IJssel Bedrijfskleding B.V.

On 30 November 2023, OptiGroup acquired 100 percent of shares in Van den IJssel Bedrijfskleding B.V. (Van den IJssel) in the Netherlands. Van den IJssel, with sales of approximately EUR 8.5 million, is a leading distributor specialised in work wear and personal protection equipment (PPE) in the Netherlands. Through the acquisition, OptiGroup will further strengthen its market position in the area of safety supplies to B2B customers in the region. The acquisition is in line with OptiGroup's strategy to develop the business portfolio towards leading positions in attractive market segments in Europe. The acquired company becomes part of the Safety cluster in Benelux together with All Safety, which operate in the Medical business area.

In the acquisition of Van den IJssel, an agreement was signed that the purchase price would be settled in cash, with the addition of two earnouts that are calculated based on EBITDA for the 2024 and 2025 financial years, respectively. The first purchase consideration is calculated as the difference between the outcome for EBITDA in the 2024 financial year and EUR 0.96 million, multiplied by a factor of 3.125. The second purchase consideration is calculated as the difference between the outcome for EBITDA in the 2025 financial year and EUR 1.08 million, multiplied by a factor of 2.778. The minimum compensation under the agreement for the earnouts is EUR 0 and the highest is agreed to be EUR 1.5 million. On the acquisition date, the total earnout was expected to amount to EUR 1.5 million.

Acquisitions	Business segment	Country	Acquisition date 2023	Annualised net sales, EUR millions	Ownership, %	Number of employees	Total assets, EUR millions (end of year)
Facility Trade Holding BV	Medical	Netherlands	12 Jan 2023	33.7	100%	37	22.0
Van den IJssel Bedrijfskleding BV	Medical	Netherlands	30 Nov 2023	9.4	100%	37	3.3

#### Analysis of acquisitions 2023

	Facility Trade Holding BV	Van den IJssel Bedrijfskleding BV	Total
Purchase price	18.4	7.6	26.0
<b>Fair value of net assets</b>	<b>3.6</b>	<b>2.4</b>	<b>6.0</b>
Goodwill	9.3	5.2	14.5
Customer relationships	6.3	—	6.3
Brands	1.2	—	1.2
Deferred tax	-1.9	—	-1.9
<b>Recognised surplus values</b>	<b>14.9</b>	<b>5.2</b>	<b>20.0</b>

Note 5 cont.

Fair value recognised at acquisition	Facility Trade Holding BV	Van den IJssel Bedrijfskleding BV	Total
Non-current assets and other non-current items	0.4	0.1	0.5
Inventory	2.5	1.3	3.8
Trade receivables	3.3	1.2	4.5
Other current receivables	1.6	0.2	1.8
Right-of-use assets	0.0	—	0.0
Cash and cash equivalents	1.1	0.4	1.5
Trade payables	-2.9	-0.6	-3.5
Other current liabilities	-2.3	-0.2	-2.5
Provisions	-0.1	—	-0.1
Other non-current liabilities	-0.0	—	-0.0
<b>Net assets</b>	<b>3.6</b>	<b>2.4</b>	<b>6.0</b>

The acquisition analyses are preliminary.

Cash flow from acquisitions 2023	Facility Trade Holding BV	Van den IJssel Bedrijfskleding BV	Total
Purchase price	-18.4	-7.6	-26.0
Reinvestments in shares	0.3	0.3	0.5
Earnout	6.8	1.5	8.3
Acquired cash	1.1	0.4	1.5
<b>Net impact of cash and bank</b>	<b>-10.3</b>	<b>-5.5</b>	<b>-15.7</b>

Acquired business contribution 2023 and other disclosures

	Facility Trade Holding BV	Van den IJssel Bedrijfskleding BV	Total
Net sales, after acquisition date	33.7	0.8	34.5
Profit for the year, after acquisition date	4.9	0.1	5.0
Net sales for full year 2023	33.7	9.4	43.1
Profit for the full year	4.9	0.9	5.8
Transaction costs, recognised in other operating expenses	-0.6	-0.1	-0.7
Gross values on acquired trade receivables	3.5	1.2	4.7
Provision for doubtful acquired trade receivables	-0.1	—	-0.1

The Group's total sales would have amounted to EUR 1,489.3 million if the companies acquired had been owned for the full year.

Note 5 cont.

### Divestments 2023

A number of small, dormant companies were divested in 2023: VeliMark Ou, PacsOn Import och Agentur AB, PacsOn Lager nr 2 AB and PacsOn ÖresundsPapper AB. The divestments had no material impact on the Group's earnings and cash flow.

In November 2023, Hygos Medical B.V. sold its participations in Emdaplast B.V. In conjunction with the divestment, Hygos B.V. acquired the remaining 25 percent of minority shares in Hygos Medical B.V. The transaction had a negative impact on the Group's earnings before tax of EUR -1.4 million, cash flow was not significantly affected.

### Business combinations 2022

#### *Business combinations, 6 December 2021 – 31 December 2022*

No operational activities were carried out in the Group before March 16, 2022, when FSN Capital VI entered as the new principal owner. Due to this, the income statement only covers nine months for 2022.

The newly acquired groups, OptiGroup and Hygos, received a new overarching Parent Company, OptiGroup Holding AB. The Parent Company's financial year covers approximately 13 months, from 6 December 2021 to 31 December 2022.

#### *Acquisition of OptiGroup*

FSN Capital VI stepped in as the new primary owner of OptiGroup on 16 March 2022. OptiGroup comprises some 60 companies with annual sales of around EUR 1,067.2 million. OptiGroup is a leading European distribution Group of consumables to B2B customers. The companies in the Group operate in three business areas: Facility & Safety, Packaging, and Paper & Business Supplies. The Group offers customised supply solutions to operators primarily in the areas of cleaning & facility management, hotel & restaurant, health and medical care, the manufacturing industry and the graphic sector.

#### *Acquisition of Hygos*

In conjunction with the OptiGroup transaction on 16 March 2022, FSN Capital VI simultaneously acquired the Dutch Hygos Group, and the merged groups now operate under the name OptiGroup. The Hygos Group comprises some 40 companies with annual sales of around EUR 218 million. Hygos is a leading Benelux supplier of hygiene products, single-use medical articles, protective equipment, and services as well as packaging material for a broad spectrum of industries. Hygos is part of OptiGroup as a separate business area.

The agreement includes an earnout, which is dependent on the result achieved by the company BFG Packaging Srl.

#### *Acquisition of Scholte Medical*

On 13 May 2022, OptiGroup acquired 100 percent of the shares in Scholte Medical B.V. in the Netherlands. Scholte Medical, with annual sales of around EUR 16.5 million, is a Dutch full-service distributor of high-quality medical equipment and supplies. The acquired company, together with the two operating subsidiaries, became part of OptiGroup's Medical business area and will continue to operate under its current brands, Daxtrio and Mediost. With this acquisition, OptiGroup will further strengthen its Benelux position in medical supplies for the professional health care sector.

The purchase price for the shares was settled both through a cash payment and through a loan from the sellers, which is payable with interest.

#### *Acquisition of MaskeGruppen*

On 1 July, OptiGroup acquired 100 percent of the shares in MaskeGruppen AS in Norway. MaskeGruppen comprises a parent company and four operating subsidiaries. The Group, with annual sales of around EUR 120 million (NOK 1.2 billion), is a leading full-service distributor of facility supplies, healthcare products, and industrial packaging for the private and public sectors in Norway. MaskeGruppen has become part of OptiGroup's Facility & Safety business area and will continue to operate under its current brand, Maske. The acquisition of MaskeGruppen will supplement and further strengthen OptiGroup's service offering for B2B customers active in cleaning and facility management, hotel & restaurant, the healthcare sector and the manufacturing industry in the Nordic region.

#### *Acquisition of SG Verpakkingen*

On 1 September 2022, OptiGroup acquired 100 percent of the shares in SG Verpakkingen in the Netherlands. With this acquisition, the Packaging business area further strengthens its position in the Benelux region. SG Verpakkingen provides a wide range of packaging materials and tailor-made packaging solutions to customers primarily within the professional relocation moving industry. The goal is to continue to develop SG Verpakkingen as a wholly owned business and strengthen the customer offering.

The agreement includes an earnout, which is dependent on the result achieved by the company.

#### *Assessment of earnout for 2022 acquisitions*

The acquisition of Hygos includes an earnout based on the annual results achieved in the company BFG Packaging Srl in FY 2022, 2023 and 2024. The earnout is calculated as a) EBITDA in each year minus b) EUR 5.5 million, c) the sum is multiplied accordingly by a factor of 8.0. Finally, deductions are made for bonus/incentive costs received for three key personnel. For FY 2023 and FY 2024, deductions will be made for any earnouts from previous years.

In the acquisition of Scholte, an agreement was signed that a certain portion of the purchase price would be settled in cash, to which a loan to the sellers of EUR 10 million for a maximum of 3 years has been added. This loan should be seen as "reverse earn-out". The future settlement of the loan depends on the difference between the EBITDA outcome for the 2022 financial year (multiplied by 5) and an EBITDA threshold of EUR 6.0 million.

In the acquisition of SG Verpakkingen, an agreement was signed regarding a performance-based earnout. The condition for the earnout is that the EBITA outcome for the 2022, 2023 and 2024 financial years total more than EUR 500,000. The sellers will then have the right to an amount corresponding to 50 percent of the amount that exceeds the EBITA target for that financial year. The maximum earnout that can be paid out totals EUR 1 million.

#### *Put/call options*

The Hygos Group includes companies in which there are holdings with non-controlling interests and where agreements on put/call options were signed in connection with the acquisitions. This means that the holder with the non-controlling interest has the opportunity to sell their shares to Hygos according to a calculated formula determined in the agreements. In the same way, Hygos has the right to acquire the shares according to this calculated formula.

Note 5 cont.

Acquisitions 2022	Business segment	Country	Acquisition date 2022	Annualised net sales, EUR millions	Ownership, %	Number of employees	Total assets, EUR millions (end of year)
OptiGroup	Facility & Safety/ Packaging/ Paper & Business Supplies	Sweden, etc.	16 March	1,067.2	100	1,632	779.2
Hygos	Medical/Facility & Safety/Packaging	Netherlands, etc.	16 March	218.0	97.8	400	283.4
Scholte Medical	Medical	Netherlands	13 May	16.5	100	21	5.5
MaskeGruppen	Facility & Safety	Norway	1 July	121.9	100	192	44.9
SG Verpakkingen	Packaging	Netherlands	1 September	5.9	100	3	2.2
<b>Completed acquisitions</b>				<b>1,429.5</b>		<b>2,248</b>	<b>1,115.2</b>

### Analysis of acquisitions 2022

	OptiGroup	Hygos	Scholte Medical	MaskeGruppen	SG Verpakkingen	Total
Purchase price	616.0	329.7	46.8	86.6	4.1	1,083.2
<b>Fair value of net assets</b>	<b>-100.1</b>	<b>10.1</b>	<b>-3.8</b>	<b>-22.6</b>	<b>-1.6</b>	<b>-118.0</b>
Goodwill	244.4	182.6	24.8	46.6	2.5	500.9
Customer relationships	207.5	121.1	20.7	22.3	—	371.6
Brands	127.4	82.2	3.8	—	—	213.4
Web shop	8.0	—	—	—	—	8.0
Surplus value on building	—	6.8	—	—	—	6.8
Deferred tax	-71.4	-52.9	-6.3	-4.9	—	-135.5
<b>Recognised surplus values</b>	<b>515.9</b>	<b>339.8</b>	<b>43.0</b>	<b>64.0</b>	<b>2.5</b>	<b>965.2</b>

Recognised goodwill mainly refers to generally expected synergies and future customer contracts.

### Specification of net assets on acquisition date 2022

Fair value recognised at acquisition	OptiGroup	Hygos	Scholte Medical	MaskeGruppen	SG Verpakkingen	Total
Non-current assets and other non-current items	51.5	22.9	0.4	2.0	0.0	76.8
Inventory	160.0	40.1	0.8	11.8	0.8	213.5
Trade receivables	190.0	27.0	1.5	12.4	1.1	232.0
Other current receivables	29.6	5.8	0.1	3.5	0.1	39.1
Right-of-use assets	70.0	9.8	0.6	19.0	0.5	99.9
Cash and bank balances	20.4	8.8	2.1	14.4	0.2	45.9
Lease liabilities	-70.0	-9.8	-0.6	-19.0	-0.5	-99.9
Trade payables	-131.9	-14.2	-0.3	-9.6	-0.2	-156.2
Other current liabilities	-91.8	-50.2	-0.8	-11.0	-0.3	-161.2
Provisions	-0.1	-2.9	—	-0.1	—	-3.1
Other non-current liabilities	-119.9	-47.4	—	—	—	-167.3
Deferred tax	-7.7	—	0.0	-0.8	—	-8.5
<b>Net assets</b>	<b>100.1</b>	<b>-10.1</b>	<b>3.8</b>	<b>22.6</b>	<b>1.7</b>	<b>118.0</b>

Note 5 cont.

**Cash flow from acquisitions 2022**

	OptiGroup	Hygos	Scholte Medical	MaskeGruppen	SG Verpakkingen	Total
Purchase price	-616.0	-322.7	-46.8	-86.6	-4.1	-1,076.2
Put/call options	—	14.2	—	—	—	14.2
Earnout	—	-15.8	10.0	—	0.7	-5.1
Contingent consideration	—	—	—	—	-0.7	-0.7
Non-cash issue	113.2	292.5	—	—	—	405.7
Acquired cash	20.4	8.8	2.1	14.4	0.2	45.9
<b>Net impact of cash and bank</b>	<b>-482.4</b>	<b>-23.0</b>	<b>-34.7</b>	<b>-72.2</b>	<b>-3.9</b>	<b>-616.2</b>

**Acquired business contribution 2022 and other disclosures**

	OptiGroup	Hygos	Scholte Medical	MaskeGruppen	SG Verpakkingen	Total
Net sales, after acquisition date	981.0	154.2	7.5	61.0	2.0	1,205.7
Profit for the year, after acquisition date	34.2	-11.4	5.8	0.6	0.2	29.4
Net sales for full year 2022	1,308.1	209.4	12.8	117.8	7.1	1,655.2
Profit for the full year	36.2	-10.1	7.6	0.6	0.6	34.9
Transaction costs, recognised in other operating expenses	23.1	2.6	0.4	0.2	—	26.3
Gross values on acquired trade receivables	193.2	27.4	1.5	12.7	1.1	235.9
Provision for doubtful acquired trade receivables	-3.2	-0.4	0.0	-0.3	—	-3.9

The Group's total sales would have amounted to EUR 1,655.2 million if the companies acquired had been owned for the full year.

**Divestments 2022**

No divestments were made in 2022.

## NOTE 6

### SEGMENT INFORMATION

For accounting and follow-up purposes, the Group has divided its operations into five operating segments known as business areas. The division of operations is based on how the chief operating decision maker reviews the operations for allocating resources and assessing results. OptiGroup's Management Team has been identified as the chief operating decision maker.

- Facility & Safety provides time and cost-saving outsourcing solutions for the efficient supply of a wide range of professional cleaning items, hygiene products, catering items, disposable healthcare consumables and safety products to customers such as Facility Management companies, contract cleaners and the public sector.
- Packaging provides customised concepts tailored around packaging products in terms of product selection, SKU consolidation, e-service support, workflow and logistics. The segment delivers solutions that cut costs on a daily basis and reduce tied up capital, as well as optimise the need for warehouse space.
- Medical sells high-quality products in health and medical care, cleaning, and hygiene as well as protective products for hospitals, healthcare facilities and general practitioners in the Benelux region.
- Paper & Business Supplies' core offering consists of reliable and efficient supply solutions for printing paper and office paper to commercial printers and other paper-intensive businesses through the well-established brand Papyrus. In addition, the business area supports retail chains and resellers with a wide range of cleaning & hygiene supplies, industrial packaging, catering products, safety products and office paper through the Scaldia brand.
- In 2023, an operational redistribution took place between the operating segments Medical and Packaging, and BFG was separated from Medical to correspond to a separate operating segment. BFG is considered immaterial in the Group, which is why it is classified as Other. Group management continuously monitors the net sales and adjusted EBITA for the segments. Items affecting comparability, amortisation of intangible assets, net financial items, tax and assets and liabilities are not specified by segment and thus are not monitored by the Group's chief operating decision maker other than at Group level as a whole.

2023	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total operating segment	Adjustments and eliminations	Total Group
<b>Revenue from external customers</b>	<b>433.6</b>	<b>397.0</b>	<b>139.5</b>	<b>495.0</b>	<b>15.6</b>	<b>1,480.7</b>	<b>—</b>	<b>1,480.7</b>
Revenue from other operating segments	12.2	2.3	1.5	0.5	0.1	16.6	-16.6	—
<b>Total revenue</b>	<b>445.8</b>	<b>399.3</b>	<b>141.0</b>	<b>495.5</b>	<b>15.7</b>	<b>1,497.3</b>	<b>-16.6</b>	<b>1,480.7</b>
<b>Adjusted EBITA</b>	<b>30.7</b>	<b>33.8</b>	<b>18.3</b>	<b>24.8</b>	<b>-14.8</b>	<b>92.8</b>	<b>-0.0</b>	<b>92.8</b>
Amortisation and impairment of intangible assets	-12.5	-10.3	-6.8	-7.7	-32.0	-69.3	—	-69.3
Items affecting comparability	-4.6	-3.5	-1.8	-3.4	-3.9	-17.2	—	-17.2
<b>Operating profit/loss (EBIT)</b>	<b>13.6</b>	<b>20.0</b>	<b>9.7</b>	<b>13.7</b>	<b>-50.7</b>	<b>6.3</b>	<b>-0.0</b>	<b>6.3</b>
Net financial items	-24.3	-27.2	-13.0	-4.2	15.8	-52.9	-10.6	-63.5
<b>Profit/loss before tax</b>	<b>-10.7</b>	<b>-7.2</b>	<b>-3.3</b>	<b>9.5</b>	<b>-34.9</b>	<b>-46.6</b>	<b>-10.6</b>	<b>-57.2</b>
<b>Assets</b>	<b>548.7</b>	<b>308.4</b>	<b>248.1</b>	<b>285.3</b>	<b>1,257.2</b>	<b>2,647.7</b>	<b>-879.8</b>	<b>1,767.9</b>

Note 6 cont.

2022	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total operating segment	Adjust- ments and elimi- nations	Total Group
<b>Revenue from external customers</b>	315.3	270.6	148.4	458.0	13.3	1,205.7	—	1,205.7
Revenue from other operating segments	9.9	2.0	0.1	0.6	0.1	12.7	-12.7	—
<b>Total revenue</b>	<b>325.3</b>	<b>272.6</b>	<b>148.4</b>	<b>458.6</b>	<b>13.4</b>	<b>1,218.3</b>	<b>-12.7</b>	<b>1,205.7</b>
<b>Adjusted EBITA</b>	<b>14.3</b>	<b>23.2</b>	<b>15.3</b>	<b>41.7</b>	<b>-1.1</b>	<b>93.4</b>	<b>-2.4</b>	<b>91.0</b>
Amortisation and impairment of intangible assets	-7.9	-5.3	-4.7	-6.3	-1.4	-25.7	-3.8	-29.5
Items affecting comparability	-5.5	-1.2	-4.2	-3.2	-18.6	-32.7	—	-32.7
Operating profit/loss (EBIT)	0.8	16.7	6.4	32.2	-21.2	35.0	-6.1	28.9
Net financial items	-7.2	0.1	-5.1	0.2	-18.3	-30.3	-11.8	-42.1
<b>Profit/loss before tax</b>	<b>-6.4</b>	<b>16.7</b>	<b>1.3</b>	<b>32.5</b>	<b>-39.4</b>	<b>4.7</b>	<b>-17.7</b>	<b>-13.4</b>
<b>Assets</b>	<b>582.6</b>	<b>363.8</b>	<b>237.7</b>	<b>313.2</b>	<b>1,105.9</b>	<b>2,603.1</b>	<b>-800.0</b>	<b>1,803.1</b>

2023	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total Group
<b>Property, plant and equipment by geographic market</b>						
Sweden	19.0	17.3	—	1.1	1.0	38.5
Finland	4.5	1.6	—	0.1	—	6.1
Other Nordic countries	18.6	0.3	—	0.4	—	19.2
Switzerland	—	—	—	19.1	—	19.1
Netherlands	—	16.9	12.6	3.4	—	32.9
Rest of Europe	0.0	0.0	0.3	5.3	10.5	16.0
Rest of world	—	0.0	—	—	5.2	5.2
<b>Total</b>	<b>42.1</b>	<b>36.1</b>	<b>12.9</b>	<b>29.4</b>	<b>16.7</b>	<b>137.1</b>

2022	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total Group
<b>Property, plant and equipment by geographic market</b>						
Sweden	17.0	15.2	—	5.5	0.2	37.9
Finland	5.2	2.0	—	0.2	—	7.3
Other Nordic countries	3.2	0.4	—	0.5	—	4.1
Switzerland	—	—	—	20.1	—	20.1
Netherlands	—	16.9	18.3	3.6	—	38.7
Rest of Europe	0.5	0.0	0.2	6.5	11.4	18.7
Rest of world	18.9	2.4	—	—	3.7	25.0
<b>Total</b>	<b>44.8</b>	<b>36.9</b>	<b>18.5</b>	<b>36.3</b>	<b>15.4</b>	<b>151.9</b>

Revenue from Swedish customers accounts for 26.5 percent (27.7) of the Group's total sales. No customer accounts for 10 percent of more of sales.

## NOTE 7

### REVENUE FROM CONTRACTS WITH CUSTOMERS

The breakdown of the Group's revenue from contracts with customers is shown below

2023	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total
<b>Types of goods and services</b>						
Goods	433.6	397.0	139.5	495.0	15.6	1,480.7
<b>Total revenue from contracts with customers</b>	<b>433.6</b>	<b>397.0</b>	<b>139.5</b>	<b>495.0</b>	<b>15.6</b>	<b>1,480.7</b>
<b>Geographic market</b>						
Sweden	206.2	146.8	0.1	39.5	0.1	392.7
Finland	66.8	51.7	—	10.4	0.2	129.1
Other Nordic countries	157.1	9.3	0.0	45.9	0.1	212.4
Switzerland	—	0.2	0.1	98.2	0.1	98.6
Netherlands	0.1	161.3	124.5	87.5	0.2	373.6
Rest of Europe	3.3	27.6	11.9	213.5	14.8	271.1
Rest of world	0.1	0.1	2.9	0.0	0.1	3.2
<b>Total revenue from contracts with customers</b>	<b>433.6</b>	<b>397.0</b>	<b>139.5</b>	<b>495.0</b>	<b>15.6</b>	<b>1,480.7</b>
<b>Timing of revenue recognition</b>						
Goods and services recognised at a point in time	433.6	397.0	139.5	495.0	15.6	1,480.7
<b>Total revenue from contracts with customers</b>	<b>433.6</b>	<b>397.0</b>	<b>139.5</b>	<b>495.0</b>	<b>15.6</b>	<b>1,480.7</b>
<b>2022</b>						
<b>Types of goods and services</b>						
Goods	315.3	270.6	148.4	458.0	13.3	1,205.7
<b>Total revenue from contracts with customers</b>	<b>315.3</b>	<b>270.6</b>	<b>148.4</b>	<b>458.0</b>	<b>13.3</b>	<b>1,205.7</b>
<b>Geographic market</b>						
Sweden	163.5	122.7	0.0	35.8	—	322.0
Finland	54.3	43.2	0.3	12.7	—	110.6
Other Nordic countries	94.4	0.6	0.2	43.8	—	138.9
Switzerland	0.0	0.0	0.3	82.1	—	82.4
Netherlands	0.2	81.4	124.7	76.2	13.3	295.9
Rest of Europe	2.9	22.8	22.9	207.4	—	256.0
Rest of world	—	—	—	—	—	—
<b>Total revenue from contracts with customers</b>	<b>315.4</b>	<b>270.6</b>	<b>148.4</b>	<b>458.0</b>	<b>13.3</b>	<b>1,205.7</b>
<b>Timing of revenue recognition</b>						
Goods and services recognised at a point in time	315.3	270.6	148.4	458.0	13.3	1,205.7
<b>Total revenue from contracts with customers</b>	<b>315.3</b>	<b>270.6</b>	<b>148.4</b>	<b>458.0</b>	<b>13.3</b>	<b>1,205.7</b>

OptiGroup's sale of services is an immaterial part of the Group's total sales and is not followed up by the chief operating decision maker. Nor is it possible for the Group to obtain the breakdown reliably at the present time.

Note 7 cont.

The reconciliation of revenue from contracts with customers is set out below in the amounts referred to in the segment notes, see Note 6.

2023	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total
<b>External customers</b>	433.6	397.0	139.5	495.0	15.6	1,480.7
Revenue from other segments	12.2	2.3	1.5	0.5	0.1	16.6
	445.8	399.3	141.0	495.5	15.7	1,497.3
Adjustments for revenue with other segments	-12.2	-2.3	-1.5	-0.5	-0.1	-16.7
<b>Total revenue from contracts with customers</b>	<b>433.6</b>	<b>397.0</b>	<b>139.5</b>	<b>495.0</b>	<b>15.6</b>	<b>1,480.7</b>

2022	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total
<b>External customers</b>	315.3	270.6	148.4	458.0	13.3	1,205.7
Revenue from other segments	9.9	2.0	0.1	0.6	0.1	12.7
	325.3	272.6	148.4	458.6	13.4	1,218.3
Adjustments for revenue with other segments	-9.9	-2.0	-0.1	-0.6	-0.1	-12.7
<b>Total revenue from contracts with customers</b>	<b>315.3</b>	<b>270.6</b>	<b>148.4</b>	<b>458.0</b>	<b>13.3</b>	<b>1,205.7</b>

## NOTE 7.2 CONTRACT BALANCES

	2023	2022
<b>Trade receivables</b>	<b>165.6</b>	<b>192.3</b>

## NOTE 8

### OTHER OPERATING INCOME

	1 Jan 2023 –31 Dec 2023	6 Dec 2021– 31 Dec 2022
Rental income	0.1	0.8
Interest on overdue payment	0.3	0.3
Capital gains on divestment of non-current assets	0.2	8.1
Other	2.2	1.8
<b>Total</b>	<b>2.8</b>	<b>11.0</b>

Amounts recognised as other operating income are outside the normal core activities.

## NOTE 9

### EMPLOYEES AND PERSONNEL COSTS

Average number of employees	2023		2022	
	Average number of employees	Of whom women, %	Average number of employees	Of whom women, %
Belgium	51	31	54	32
Czech Republic	44	49	48	59
Denmark	104	33	118	26
Estonia	3	33	11	42
Finland	188	41	192	40
Germany	12	18	13	20
Hungary	92	65	85	59
Latvia	4	100	4	100
Lithuania	20	60	20	60
Netherlands	557	28	494	30
Norway	225	49	240	44
Poland	49	57	47	57
Romania	220	54	255	57
Sweden	633	36	662	37
Switzerland	137	26	144	24
<b>Total</b>	<b>2,339</b>	<b>39</b>	<b>2,387</b>	<b>39</b>

Gender distribution, Board and senior executives	2023 women, %	2022 women, %
Board OptiGroup AB	25	25
CEO and other senior executives	0	0

On 30 September 2023, Sören Gaardboe resigned from his role as OptiGroup's CEO and CFO Thomas Eriksson took over as interim CEO.

Salaries and other remuneration as well as payroll overheads, including pension costs	2023	2022
<b>The Group</b>		
<i>Board, CEO and equivalent senior executives</i>		
Salaries and other remuneration	4.7	4.1
Social security contributions	1.5	1.2
Pension costs	0.3	0.4
<b>Total</b>	<b>6.5</b>	<b>5.8</b>
<i>Other employees</i>		
Salaries and other remuneration	122.2	87.7
Social security contributions	18.2	14.5
Pension costs	10.2	8.5
<b>Total</b>	<b>150.6</b>	<b>110.7</b>
<b>Total Group</b>	<b>157.1</b>	<b>116.5</b>

Pension costs and personnel costs in the subsidiaries are in part attributable to defined-benefit plans, see Note 22 Post-employment benefit provisions for further information.

Note 9 cont.

31 Dec 2023	Basic salary	Variable remuneration	Pension costs	Other remuneration	Total
<b>Remuneration of Board members, CEO and equivalent executives</b>	<b>4.1</b>	<b>0.6</b>	<b>0.3</b>	<b>0.0</b>	<b>5.0</b>

31 Dec 2022	Basic salary	Variable remuneration	Pension costs	Other remuneration	Total
<b>Remuneration of Board members, CEO and equivalent executives</b>	<b>2.4</b>	<b>1.8</b>	<b>0.3</b>	<b>0.0</b>	<b>4.5</b>

Basic salary includes severance pay for the CEO. Variable remuneration refers to bonuses.

**Severance pay**

The previous CEO’s employment ends on 28 August 2024. The CEO is exempt from work but receives full remuneration until the finishing date. The Board decides on the agreed targets for 2023, and bonus will not be proportionate for this period since the CEO has been exempt from his employment commitments. No bonus will be paid for 2024.

**Provisions for personnel costs**

Provisions for personnel costs consist of bonuses.

**NOTE 10**

**FEES TO AUDITORS**

<b>Remuneration to auditors</b>		
<b>PwC</b>	2023	2022
Audit fees	-1.7	0.0
Audit-related fees	0.0	0.0
Tax advisory services	-0.1	0.0
	<b>-1.8</b>	<b>0.0</b>
<b>EY</b>	2023	2022
Audit fees	-0.1	-1.4
Audit-related fees	-0.1	0.0
Tax advisory services	0.0	-0.1
	<b>-0.2</b>	<b>-1.5</b>
<b>Other</b>	2023	2022
Audit fees	-0.2	-0.3
Audit-related fees	-0.1	0.0
Other fees	-0.1	0.0
	<b>-0.4</b>	<b>-0.3</b>
<b>Closing carrying amount</b>	<b>-2.3</b>	<b>-1.8</b>

The audit assignment relates to the examination of the Annual Report and accounts as well as the administration of the Board of Directors and the CEO, other work matters that the company’s auditor is to perform and advisory services or other assistance arising from findings during such examinations or executing such other work duties. Other services refers to advisory services within audit-related areas, such as accounting, tax, reviewing grant applications, etc.

## NOTE 11

### FINANCIAL INCOME AND EXPENSES

Financial income	2023	2022
<b>Assets and liabilities recognised at amortised cost</b>		
Interest income on loans and receivables	3.2	-0.1
Other financial income	0.0	0.9
Exchange-rate differences	35.6	35.1
<b>Total amount recognised in profit or loss</b>	<b>38.8</b>	<b>35.9</b>
<b>Assets and liabilities measured at fair value through profit or loss</b>		
Change fair value convertible	0.3	0.2
Exchange-rate differences on forward contracts	0.3	—
Change in fair value for call/put options concerning non-controlling interests	1.1	—
Revaluation of contingent earnout	6.6	0.0
<b>Total</b>	<b>8.3</b>	<b>0.2</b>
<b>Total financial income</b>	<b>47.1</b>	<b>36.1</b>
Financial expenses	2023	2022
<b>Assets and liabilities recognised at amortised cost</b>		
Interest expense, bank loans	-79.5	-30.3
Interest expense, leases	-3.6	-1.6
<i>Divestment of subsidiaries</i>	-1.4	0.0
Exchange-rate differences	-17.9	-41.9
Other financial expenses	-8.3	-2.8
<b>Total</b>	<b>-110.6</b>	<b>-76.6</b>
<b>Assets and liabilities measured at fair value through profit or loss</b>		
Exchange-rate differences on forward contracts	—	-1.5
<b>Total</b>	<b>—</b>	<b>-1.5</b>
<b>Total financial expenses</b>	<b>-110.6</b>	<b>-78.1</b>
<b>Net financial items</b>	<b>-63.5</b>	<b>-42.0</b>

## NOTE 12

### TAXES

<b>Current tax</b>	2023	2022
Current tax on profit for the year	-16.2	-16.2
Adjustment attributable to previous years	2.0	-0.7
<b>Total current tax</b>	<b>-14.2</b>	<b>-16.9</b>
<b>Deferred tax</b>	2023	2022
Deferred tax pertaining to temporary differences	10.1	11.7
Deferred tax on loss carry-forwards	-1.4	—
<b>Total deferred tax</b>	<b>8.7</b>	<b>11.7</b>
Tax recognised in the consolidated statement of income	-5.5	-5.2
<b>Reconciliation of effective tax rate</b>	2023	2022
<b>Profit/loss before tax</b>	<b>-57.2</b>	<b>-13.4</b>
Tax at applicable tax rate for the Parent Company, 20.6%	11.8	2.8
Non-taxable income	0.2	0.2
Non-deductible expenses	-6.7	-11.0
Tax attributable to previous year	2.0	1.5
Losses for which deferred tax is not recognised	-11.3	0.6
Difference between corporate tax rate in countries of operation	-1.5	0.6
<b>Tax recognised</b>	<b>-5.5</b>	<b>-5.3</b>
<b>Amount recognised directly in equity</b>	2023	2022
Tax effect pensions	-0.5	2.2
<b>Total</b>	<b>-0.5</b>	<b>2.2</b>

Income tax effects related to components in other comprehensive income, see Note 21 other comprehensive income.

Deferred taxes are attributable to the following:	31 Dec 2023		31 Dec 2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Non-current assets	—	119.7	—	128.3
Untaxed reserves	—	1.2	—	1.2
Pensions	1.4	0.6	1.4	0.5
Provisions	0.8	—	0.3	—
Capitalised loss carry-forwards	5.0	—	6.4	—
Other	10.2	9.1	3.5	7.3
<b>Total</b>	<b>17.4</b>	<b>130.6</b>	<b>11.6</b>	<b>137.3</b>

Note 12 cont.

#### Specification of change in deferred tax assets

Specification of change in deferred tax assets	Balance at 1 Jan 2023	Recognised in profit or loss	Acquisitions	Reclassification	Recognised in other comprehensive income	Translation differences	Balance at 31 Dec 2023
Tax losses	6.4	-1.4	—	—	—	0.0	5.0
Temporary differences IFRS 16	0.3	0.1	—	—	—	0.1	0.5
Pensions	1.4	0.0	—	—	—	—	1.4
Other temporary differences	3.2	5.6	—	—	—	0.9	9.7
Provisions	0.3	0.5	—	—	—	—	0.8
<b>Closing carrying amount deferred tax assets</b>	<b>11.6</b>	<b>4.8</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1.0</b>	<b>17.4</b>

#### Specification of change in deferred tax liability

Specification of change in deferred tax liability	Balance at 1 Jan 2023	Recognised in profit or loss	Acquisitions	Reclassification	Recognised in other comprehensive income	Translation differences	Balance at 31 Dec 2023
Temporary differences	7.3	6.1	—	-2.5	—	-1.8	9.1
Non-current assets	128.3	-10.6	1.9	—	—	0.1	119.7
Untaxed reserves	1.2	0.0	—	—	—	—	1.2
Pensions	0.5	0.6	—	—	-0.5	—	0.6
<b>Closing carrying amount deferred tax liabilities</b>	<b>137.3</b>	<b>-3.9</b>	<b>1.9</b>	<b>-2.5</b>	<b>-0.5</b>	<b>-1.7</b>	<b>130.6</b>

#### Deficit

In order to capitalise deferred tax deficits within the Group, an assessment is made of whether, with reasonable assurance, it is probable that the deficit will be recoverable. These estimations take into account management's forecasts, past and current earnings levels. At the end of the year, the Group had total carry-forwards for tax purposes of EUR 81.5 million (29.8). Deferred tax decreased by EUR -1.4 million (increase: 6.4) of the deficits, and resulted in a deferred tax asset of EUR 5.0 million (6.4).

The maturity dates for all loss carry-forwards are presented in the tables below.

Tax loss carry-forwards for which deferred tax assets are recognised in the balance sheet	31 Dec 2023	31 Dec 2022
0-1 year	—	1.8
1-2 years	—	—
2-3 years	—	—
3-4 years	—	—
4-5 years	1.4	—
No expiry	22.3	23.0
<b>Total</b>	<b>23.7</b>	<b>24.8</b>

#### Tax loss carry-forwards for which no deferred tax assets are recognised in the balance sheet

	31 Dec 2023	31 Dec 2022
0-1 year	—	—
1-2 years	—	—
2-3 years	—	—
3-4 years	—	—
4-5 years	—	5.0
No expiry	57.8	—
<b>Total</b>	<b>57.8</b>	<b>5.0</b>

#### OECD Pillar Two Model Rules

The Group is subject to the OECD's Pillar Two Model Rules. Legislation for Pillar Two has been adopted in Sweden, where OptiGroup has its registered office, and came into force on 1 January 2024. Since the legislation for Pillar Two had not come into force on the balance-sheet date, the Group has no related current tax exposure. The Group applies the exception to recognise and provide information on deferred tax assets and liabilities related to income taxes from Pillar Two, as set out in amendments to IAS 12 issued in May 2023.

According to the legislation, the Group is obliged to pay a top-up tax for the difference between the effective tax rate calculated under the GloBE rules for each country and the minimum level of tax of 15 percent. All jurisdictions within the Group have a effective tax rate that exceeds 15 percent.

The Group is currently evaluating its exposure to the legislation as regards Pillar Two when it comes into effect. Due to the complexity of applying the legislation, tax consequences may still exist under Pillar Two even for companies that recognise a tax rate exceeding 15 percent.

## NOTE 13

### GOODWILL

Goodwill	31 Dec 2023	31 Dec 2022
Opening balance, cost	500.9	—
Acquisitions during the year	14.5	502.7
Divestments during the year*	-3.2	—
Exchange-rate differences	-2.5	-1.8
<b>Closing balance, cost</b>	<b>509.7</b>	<b>500.9</b>
Opening balance, impairment	—	—
Impairment	-24.4	—
Exchange-rate differences	-0.1	—
<b>Closing balance, accumulated impairment</b>	<b>-24.5</b>	<b>—</b>
<b>Closing carrying amount</b>	<b>485.2</b>	<b>500.9</b>

\* Divestments during the year refer to the sale of Emdaplast, see Note 5 Business combinations and divestments.

For allocation of goodwill in cash-generating units and more information on impairment for the year, see Note 15 Impairment testing.

## NOTE 14

### OTHER INTANGIBLE ASSETS

Brands with indefinite useful lives	31 Dec 2023	31 Dec 2022
<b>Opening balance, cost</b>	<b>212.8</b>	—
Acquisitions through purchases of subsidiaries	1.2	212.8
Proceeds from sale of subsidiaries	-0.7	—
<b>Closing balance, cost</b>	<b>213.3</b>	<b>212.8</b>
<b>Opening balance, impairment</b>	—	—
Impairment	-5.8	—
Exchange-rate differences	0.1	—
<b>Closing balance, impairment</b>	<b>-5.7</b>	—
<b>Closing carrying amount</b>	<b>207.6</b>	<b>212.8</b>

Intangible assets with definite useful lives	2023			
	Brands*	Customer relationships	Software	Total
<b>Opening balance, cost</b>	<b>0.6</b>	<b>371.2</b>	<b>43</b>	<b>414.8</b>
Investments for the year	—	—	2.1	2.1
Acquisitions through purchases of subsidiaries	—	6.3	0.8	7.1
Divestment through sale of subsidiaries**	—	-1.3	-0.1	-1.4
Disposals/reclassifications	—	—	12.8	12.8
Exchange-rate differences	—	-0.1	0.2	-1.2
<b>Closing balance, cost</b>	<b>0.6</b>	<b>376.1</b>	<b>58.8</b>	<b>435.5</b>
<b>Opening balance, depreciation, amortisation and impairment</b>	<b>-0.2</b>	<b>-25.0</b>	<b>-34.7</b>	<b>-59.9</b>
Depreciation, amortisation and impairment	-0.3	-36.9	-4.1	-41.3
Acquisitions through purchases of subsidiaries	—	—	-1.0	-1.0
Disposals/reclassifications	—	—	-8.2	8.2
Exchange-rate differences	—	-1.4	-0.2	-1.6
<b>Closing balance, accumulated depreciation, amortization and impairment</b>	<b>-0.5</b>	<b>-63.3</b>	<b>-48.2</b>	<b>-112.0</b>
<b>Closing carrying amount</b>	<b>0.1</b>	<b>312.8</b>	<b>10.6</b>	<b>323.5</b>

\* Brands with a definite useful lives concern seven minor brands that will be written off in full in 2024.

\*\* Divestments during the year refer to the sale of Emdaplast, see Note 5 Business combinations and divestments.

Note 14 cont.

Intangible assets with definite useful lives	2022			Total
	Brands*	Customer relationships	Software	
<b>Opening balance, cost</b>	—	—	—	—
Investments for the year	—	—	0.4	0.4
Acquisitions through purchases of subsidiaries	0.6	371.6	43.0	415.2
Disposals/reclassifications	—	—	-0.1	-0.1
Exchange-rate differences	—	-0.4	-0.3	-0.7
<b>Closing balance, cost</b>	<b>0.6</b>	<b>371.2</b>	<b>43.0</b>	<b>414.8</b>
<b>Opening balance, depreciation/amortisation</b>	—	—	—	—
Depreciation/amortisation according to plan	-0.2	-25.2	-2.9	-28.3
Acquisitions during the year	—	—	-32.0	-32
Exchange-rate differences	0	0.2	0.2	0.4
<b>Closing balance, accumulated depreciation/amortisation</b>	<b>-0.2</b>	<b>-25</b>	<b>-34.7</b>	<b>-59.9</b>
<b>Closing carrying amount</b>	<b>0.4</b>	<b>346.2</b>	<b>8.3</b>	<b>354.9</b>

\* Brands with a definite useful lives concern seven minor brands that will be written off in full in 2024.

Total carrying amount Other intangible assets	31 Dec 2023	31 Dec 2022
Intangible assets with definite useful lives	323.5	354.9
Brands with indefinite useful lives	207.6	212.8
<b>Total</b>	<b>531.1</b>	<b>567.7</b>

## NOTE 15

### IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Goodwill acquired through business combinations and the company's brand name with an indefinite useful life has been allocated to the five operating segments that are also cash-generating units (CGUs):

- Facility & Safety
- Packaging
- Medical
- Paper & Business Supplies
- Other

In 2023, a further two acquisitions and one divestment were completed, which led to changes in goodwill, customer relationships and brand items with indefinite useful lives, see Note 5 Business combinations. In 2023, an operational redistribution took place between the operating segments Medical and Packaging. BFG was also separated from Medical. BFG is considered intangible in the Group and is therefore classified as Other.

#### Carrying amount of goodwill and corporate brands allocated to each of the cash-generating units:

2023	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total
Goodwill	185.4	149.5	129.6	20.7	—	485.2
Brands	49.6	63.7	52.6	41.8	—	207.7
Customer relationships	82.3	118.2	66.9	45.4	—	312.8
<b>Total intangible assets</b>	<b>317.3</b>	<b>331.4</b>	<b>249.1</b>	<b>107.9</b>	<b>—</b>	<b>1,005.7</b>

In 2023, intangible assets were impaired relating to BFG due to its poor performance. Goodwill was impaired by EUR 24.4 million, brands by EUR 5.8 million and customer relationships by EUR 3.2 million. Total impairment charged to earnings in 2023 amounted to EUR 33.4 million.

Note 15 cont.

2022	Facility & Safety	Packaging	Medical	Paper & Business Supplies	Other	Total
Goodwill	188,0	149.5	118.3	20.7	24.4	500.9
Brands	49.9	63.7	52,0	41.8	5.8	213.2
Customer relationships	95.3	127.9	68.7	50.3	3.8	346.0
<b>Total intangible assets</b>	<b>333.2</b>	<b>341.1</b>	<b>239,0</b>	<b>112.8</b>	<b>34,0</b>	<b>1,060.1</b>

### Key assumptions used in “value in use” calculations

The calculation of “value in use” for the cash-generating units is most sensitive to the following assumptions:

- Sales trend
- EBITDA margin
- Discount rate

Impairment testing was based on the budget for 2024 and the strategic plan for 2025–2026. The subsequent years were extrapolated using an established normal year, which is based on the final year of the forecast period.

**Sales trend** – is important when testing the value of the corporate brand name. Sales growth is based on the budget for 2024 and the strategic plan for 2025–2026 with the following average estimates per segment:

- 6.6 percent for Facility & Safety
- 6.1 percent for Packaging
- 5.9 percent for Medical
- –3.4 percent for Paper & Business Supplies
- 5.6 percent for Other

To extrapolate cash flows beyond the budget and the strategy plans, the long-term growth assumption of 2.0 percent was applied for Facility & Safety, Packaging, Medical and BFG and –2.0 percent for Paper & Business Supplies. The negative development used for Paper & Business Supplies is a consequence of increased digitisation and reduced demand for standardised paper products, though this is partly offset by rising demand for fibre-based alternatives within other segments.

**EBITDA margin** – is based on actual EBITDA margin and budget 2024, which includes activities to manage cost changes, enhance efficiency and restructure operations and staffing. Consideration is then made of the business plan and long-term development.

**Discount rates** – discount rates reflect the current market assessment of the risks specific to each cash-generating unit. The discount rate was estimated based on the average percentage of a weighted average cost of capital for OptiGroup. The discount rates used are as follows:

- Facility & Safety 8.8 percent (12.4)
- Packaging 8.8 percent (12.4)
- Medical 8.7 percent (9)
- Paper & Business Supplies 9.3 percent (15.3)
- Other 11.6 percent (9)

The change to the discount rate is mainly based on changes in calculating the financing costs concerning liabilities and equity, which for this year is based on a benchmark against comparable companies rather than internal expectations. The distribution between liabilities and equity is still based on the Group’s actual circumstances.

**Sensitivity to changes in assumptions** – With regard to the assessment of the goodwill in each cash-generating unit, a sensitivity analysis has been performed. The selected parameters found to be most important are the sales trend, discount rate (WACC) and EBITDA margin. A negative development of one percentage point was applied in the sensitivity analysis.

An increase in the discount rate of one percentage point could lead to a situation where the recoverable amount becomes lower than the carrying amount. The increase in the discount rate in the analysis only resulted in a risk for Medical (potential impairment requirement of EUR 10–15 million). With regard to the reduction in the growth parameter by one percentage point, again a risk only exists for Medical (potential impairment requirement of EUR 13–17 million). In relation to the EBITDA margin, the recoverable amount would continue to exceed the carrying amount for all business areas despite a reduction in the margin by one percentage point.

## NOTE 16

### PROPERTY, PLANT AND EQUIPMENT

	31 Dec 2023				
Accumulated cost	Buildings and land	Plant and machinery	Equipment	Construction in progress and advance payments	Total property, plant and equipment
<b>Opening balance on 1 Jan 2023</b>	<b>18.2</b>	<b>103.3</b>	<b>9.3</b>	<b>4.7</b>	<b>135.5</b>
Business combinations	—	0.9	1.3	0.0	2.2
Investments for the year	0.6	3.9	1.5	2.6	8.6
Sales/Disposals	0.0	-1.4	-0.7	-0.6	-2.7
Reclassification	2.0	-6.5	-0.6	-3.9	-9.0
Exchange-rate differences	-0.1	1.5	-0.1	-0.1	1.2
<b>Closing value on 31 Dec 2023</b>	<b>20.7</b>	<b>101.7</b>	<b>10.7</b>	<b>2.7</b>	<b>135.8</b>
<b>Accumulated depreciation</b>					
<b>Opening balance on 1 Jan 2023</b>	<b>-5.0</b>	<b>-82.2</b>	<b>-4.4</b>	<b>0.0</b>	<b>-91.6</b>
Business combinations	0.1	-0.6	-1.2	—	-1.7
Sales/Disposals	—	1.3	0.2	—	1.5
Reclassification	-2.2	5.6	0.0	—	3.4
Depreciation for the year	-0.8	-5.6	-1.3	—	-7.7
Exchange-rate differences	-0.1	-1.5	0.0	—	-1.6
<b>Closing value on 31 Dec 2023</b>	<b>-8.0</b>	<b>-83.0</b>	<b>-6.7</b>	<b>—</b>	<b>-97.7</b>
<b>Closing carrying amount 31 Dec 2023</b>	<b>12.7</b>	<b>18.7</b>	<b>4.0</b>	<b>2.7</b>	<b>38.1</b>
	31 Dec 2022				
Accumulated cost	Buildings and land	Plant and machinery	Equipment	Construction in progress and advance payments	Total property, plant and equipment
<b>Opening balance on 6 Dec 2021</b>					
Business combinations	18.2	101.8	7.2	3.4	130.6
Investments for the year	0.8	3.7	2.4	1.3	8.2
Sales/Disposals	-0.7	-1.4	-0.3	—	-2.4
Reclassification	—	-0.5	—	—	-0.5
Exchange-rate differences	-0.1	-0.3	—	0.0	-0.4
<b>Closing value on 31 Dec 2022</b>	<b>18.2</b>	<b>103.3</b>	<b>9.3</b>	<b>4.7</b>	<b>135.5</b>
<b>Accumulated depreciation</b>					
<b>Opening balance on 6 Jan 2021</b>					
Business combinations	-4.5	-78.6	-4.0	—	-87.1
Sales/Disposals	0.1	1.3	0.2	—	1.6
Reclassification	—	—	—	—	0.0
Depreciation for the year	-0.7	-4.9	-0.6	—	-6.2
Exchange-rate differences	0.1	0.0	0.0	—	0.1
<b>Closing value on 31 Dec 2022</b>	<b>-5.0</b>	<b>-82.2</b>	<b>-4.4</b>	<b>—</b>	<b>-91.6</b>
<b>Closing carrying amount 31 Dec 2022</b>	<b>13.2</b>	<b>21.1</b>	<b>4.9</b>	<b>4.7</b>	<b>43.9</b>

## NOTE 17

## LEASES

The Group holds leases for buildings (warehouses, office buildings and reseller premises), vehicles and other equipment used in business operations. In general buildings have lease terms between three and ten years, while vehicles and other equipment have lease terms between three and five years. The Group's obligation in accordance with its lease is determined by the tenants ownership of the leased assets. As a general rule, the Group is restricted from allocating and letting leased assets and certain contracts require the Group to retain certain financial conditions.

The lease term includes the non-cancellable period. If the Group is reasonably certain that it will exercise an opportunity to extend the lease or not use an alternative to terminate the agreement early, this is taken into consideration when determining the lease term. Several lease contracts include extension and cancellation alternatives, particularly in respect of buildings. Variable leases are uncommon and are only of low value. The Group also holds certain leases for machinery with lease terms less than 12 months and lease equipment of low value.

Right-of-use assets	31 Dec 2023			
	Buildings	Vehicles	Other equipment	Total
Right-of-use assets at 1 January 2023	107.1	9.0	3.1	119.2
Additional right-of-use assets	8.9	7.6	0.9	17.4
Deducted right-of-use assets	-8.2	-2.9	-0.3	-11.4
Additions through company acquisitions	2.7	0.6	—	3.3
Subsequent revaluation of right-of-use assets	10.3	0.2	0.0	10.5
Exchange rate differences	0.3	0.3	-0.1	0.5
<b>Closing balance, accumulated cost</b>	<b>121.1</b>	<b>14.8</b>	<b>3.6</b>	<b>139.5</b>
Accumulated cost at 1 January 2023	-9.9	-0.9	-0.4	-11.2
Depreciation for the current year	-23.6	-4.3	-0.8	-28.7
Deducted right-of-use assets	4.4	0.0	0.0	4.4
Subsequent revaluation of right-of-use assets	-4.5	—	—	-4.5
Exchange rate differences	-0.4	-0.1	0.0	-0.5
<b>Closing balance, accumulated depreciation</b>	<b>-34.0</b>	<b>-5.3</b>	<b>-1.2</b>	<b>-40.5</b>
<b>Closing carrying amount</b>	<b>87.1</b>	<b>9.5</b>	<b>2.4</b>	<b>99.0</b>

Right-of-use assets	31 Dec 2022			
	Buildings	Vehicles	Other equipment	Total
Right-of-use assets	—	—	—	—
Additional right-of-use assets	9.0	3.2	0.2	12.4
Deducted right-of-use assets	-9.4	-2.1	-0.1	-11.6
Additions through company acquisitions	93.0	8.1	3.1	104.2
Subsequent revaluation of right-of-use assets	17.6	-0.1	0.1	17.6
Exchange rate differences	-3.1	-0.1	-0.2	-3.4
<b>Closing balance, accumulated cost</b>	<b>107.1</b>	<b>9.0</b>	<b>3.1</b>	<b>119.2</b>
Accumulated depreciation at 6 December 2022	—	—	—	—
Depreciation for the current year	-16.7	-2.9	-0.6	-20.2
Deducted right-of-use assets	5.8	1.9	0.1	7.8
Exchange rate differences	1.0	0.1	0.1	1.2
<b>Closing balance, accumulated depreciation</b>	<b>-9.9</b>	<b>-0.9</b>	<b>-0.4</b>	<b>-11.2</b>
<b>Closing carrying amount</b>	<b>97.2</b>	<b>8.1</b>	<b>2.7</b>	<b>108.0</b>

Note 17 cont.

Amounts recognised in profit or loss	31 Dec 2023	31 Dec 2022
Depreciation of right-of-use assets	-28.7	-20.2
Interest expenses for lease liabilities	-3.6	-1.6
Costs attributable to short-term leases	-0.1	—
Costs attributable to low-value leases	-0.1	0.0
Costs attributable to variable lease payments not included in the lease liability	—	0.3
<b>Total</b>	<b>-32.5</b>	<b>-21.5</b>

Total cash outflow for leases amounted to EUR 26.4 million (15.1), EUR 0.1 million (0.1) of which from operating activities and EUR 26.3 million (15.0) from financing activities. A maturity analysis of the lease liabilities is presented in Note 4 Financial risk management.

## NOTE 18

### FINANCIAL INSTRUMENTS

#### Valuation of financial assets and liabilities

Financial assets	31 Dec 2023	31 Dec 2022
<i>Financial assets measured at amortised cost</i>		
Trade receivables	165.6	192.3
Other current receivables	46.7	57
Cash and cash equivalents	192.5	66.9
<i>Financial assets measured at fair value through profit or loss</i>		
Convertible loan	8.6	11.9
Derivatives	0.0	1.0
	<b>413.4</b>	<b>329.1</b>
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost</i>		
Other non-current liabilities	0.5	3.1
Liabilities to credit institutions	653.0	598.3
Lease liability	72.6	78.9
Current interest-bearing liabilities	4.7	24.1
Current lease liability	28.2	27.3
Trade payables	157.5	172.8
Borrowings	16.3	1.9
Other current liabilities	74.3	88.1
<i>Financial liabilities measured at fair value through profit or loss</i>		
Contingent earnout	45.4	43.6
Current portion of contingent earnout	0.6	0.7
Derivatives	1.5	2.3
Call/put options concerning non-controlling interests	12.1	14.2
	<b>1,066.6</b>	<b>1,055.3</b>

Note 18 cont.

### Current receivables and liabilities

For current receivables and liabilities, such as trade receivables, lease liabilities and trade payables for liabilities to credit institutions with floating interest rates, the carrying amount is considered to be a good estimate of fair value.

### Fair value measurements

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – Other techniques for which all inputs that have a significant effect on the recognised fair value are observable, either directly (i.e. as price quotes) or indirectly (i.e. derived from price quotes)

Level 3 – Techniques that use inputs that have a significant effect on the recognised fair value that are not based on observable market data as at year-end (i.e. unobservable inputs).

Recurring fair value measurements, at 31 December 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	—	—	—	—
Convertible loan	—	—	8.6	8.6
<b>Total financial assets</b>	<b>—</b>	<b>—</b>	<b>8.6</b>	<b>8.6</b>
<b>Financial liabilities</b>				
Financial liabilities measured at fair value through profit or loss	—	—	—	—
Contingent earnout	—	—	45.9	45.9
Call/put options concerning non-controlling interests	—	—	12.1	12.1
Derivatives	—	1.5	—	1.5
<b>Total financial liabilities</b>	<b>—</b>	<b>1.5</b>	<b>58.0</b>	<b>59.5</b>
<b>Recurring fair value measurements, at 31 December 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	—	—	—	—
Convertible loan	—	—	11.9	11.9
Contingent earnout*	—	—	—	—
Derivatives	—	1.0	—	1.0
<b>Total financial assets</b>	<b>—</b>	<b>1.0</b>	<b>11.9</b>	<b>12.9</b>
<b>Financial liabilities</b>				
Financial liabilities measured at fair value through profit or loss	—	—	—	—
Contingent earnout*	—	—	44.3	44.3
Call/put options concerning non-controlling interests	—	—	14.2	14.2
Derivatives	—	2.3	—	2.3
<b>Total financial liabilities</b>	<b>—</b>	<b>2.3</b>	<b>58.5</b>	<b>60.8</b>

\* The contingent earnout is restated after the correction for 2022. See Note 3 Correction of error for information.  
There were no changes to levels in 2023 compared with 2022 and no changes took place in valuation techniques or principles adopted.

Note 18 cont.

### Derivatives

Currency forward contracts and interest rate swaps were measured at fair value in accordance with Level 2 in the fair value hierarchy. For measurements of foreign exchange contracts, the starting point is the futures premium using the applicable spot price for each currency and future date at accounting year end. In 2023, most of the Group's currency forward contracts extended between 1–4 months. At the end of the reporting period, all contracts extended up to 2 months.

### Contingent earnout

Contingent consideration in connection with business combinations relates to additional purchase considerations, which is determined by earnings of the acquired entity in future periods. The main part of the earnout is based on the final outcome for years relevant for each acquisition. For the valuation at 31 December 2023, estimates were made based on the approved budget for 2024. The fair value of the contingent consideration is estimated by applying the productive value method. The expected settlement will vary over time depending on the fulfilment of the conditions for the contingent earnout. The maximum outcome for the earnout is EUR 47.2 million. Of this amount, EUR 10.2 million is settled in cash and the remainder in shares.

Contingent earnout	2023	2022
<b>Opening balance</b>	<b>44.3</b>	—
Acquisitions	8.3	44.3
Settlements cash	-0.1	—
Changes in fair value are recognized in the consolidated statement of income	-6.6	—
<b>Closing balance</b>	<b>45.9</b>	<b>44.3</b>

Positive changes in fair value of the contingent earnouts amounted to EUR 6.6 million, which is recognized in net financial income in the consolidated statement of income. The change is dependent on the degree of achievement of operating and financial targets. The assessment is that a change to the discount rate would have a non-material impact. Consequently, no sensitivity analysis was performed.

### Call/put options concerning non-controlling interests

The fair value of call/put options concerning non-controlling interests was calculated by applying current and future earnings (in line with the budget and business plan approved by the Board).

Call/put options concerning non-controlling interests	2023	2022
<b>Opening balance</b>	<b>14.2</b>	—
Transactions	-3.1	14.2
Changes in fair value are recognized in the consolidated statement of income	1.1	—
<b>Closing balance</b>	<b>12.1</b>	<b>14.2</b>

During the year, unrealised gains and losses for call/put options held on the balance-sheet date amounted to EUR 1.1 million, which is reported under financial items in the statement of income. The assessment is that a change to the discount rate would have a non-material impact. Consequently, no sensitivity analysis was performed. The Group's call/put options will be settled in cash.

Convertible loan	2023	2022
<b>Opening balance</b>	<b>11.9</b>	—
Transactions	-3.6	15.2
Exchange-rate effects – unrealised	—	-0.5
Changes in fair value are recognized in the consolidated statement of income	0.3	-2.8
<b>Closing balance</b>	<b>8.6</b>	<b>11.9</b>

### Convertible loan

Since OptiGroup has concluded that the value of the convertible comprises the future cash flows and not the actual conversion right, a present value calculation is made of the guaranteed nominal amounts, after which the monetary flows are present value calculated to establish the fair value. A discount rate based

on input from similar corporate bonds is used for this. Since the convertible carries a nominal interest rate of 5 percent, the value increases at lower market rates for similar instruments.

The Group's convertible is for a seven-year term and matures in 2026.

## NOTE 18.1 INTEREST-BEARING LOANS AND BORROWINGS

The following table shows the different interest-bearing loans and borrowings of the Group:

	Note	31 Dec 2023	31 Dec 2022
<b>Non-current:</b>			
Bank loans (floating interest rate)		653.0	598.4
Financial lease		72.6	78.9
<b>Total non-current liabilities</b>		<b>725.6</b>	<b>677.3</b>
<b>Current:</b>			
Borrowings		16.3	1.9
Financial lease		28.2	27.3
Other current interest-bearing liabilities		4.6	24.1
<b>Total current liabilities</b>		<b>49.1</b>	<b>53.3</b>
<b>Amount of borrowings</b>		<b>774.7</b>	<b>730.6</b>

OptiGroup's entire bank financing is secured through pledged assets in shares and subsidiary guarantees as well as issued floating charges. See Note 18.5.

Change for the year in interest-bearing loans and borrowings	Note	31 Dec 2023	31 Dec 2022
<b>Opening balance</b>		<b>730.6</b>	—
New bank loans (floating interest rate)		91.6	598.4
Repayment of bank loans (floating interest rate)		-54.6	—
Change lease liabilities		21.4	121.2
Repayment of lease liabilities		-26.3	-15.0
Borrowings		14.4	1.9
Acquisitions of other current interest-bearing liabilities		—	24.1
Change in other current interest-bearing liabilities		-2.4	—
<b>Closing balance</b>		<b>774.7</b>	<b>730.6</b>

The Group's exposure, regarding borrowings, to changes in interest rate and contractual dates regarding interest renegotiations are as follows:

	31 Dec 2023				Total
	6 months or less	6-12 months	1-5 years	More than 5 years	
Amount of borrowings	36.5	—	—	978.3	1,014.8
	31 Dec 2022				Total
	6 months or less	6-12 months	1-5 years	More than 5 years	
Amount of borrowings	—	—	12.3	604.3	616.6

Capitalised financing costs amounted to EUR 24.0 million (18.2) for 2023.

## NOTE 18.2 CASH AND CASH EQUIVALENTS

	31 Dec 2023	31 Dec 2022
Cash and bank balances	192.5	66.9
<b>Total</b>	<b>192.5</b>	<b>66.9</b>
Unutilised credit facilities, floating interest rate:		
Due date after more than a year	59.0	19.0
<b>Total</b>	<b>59.0</b>	<b>19.0</b>

## NOTE 18.3 TRADE RECEIVABLES

	2023	2022		2023	2022
Current assets			Associated secured borrowing	16.3	1.9
Trade receivables from contracts with customers	170.0	196.1			
Provision for expected credit losses	-4.4	-3.8			
<b>Total trade receivables, net</b>	<b>165.6</b>	<b>192.3</b>			

OptiGroup's trade receivables consist of goods sold and services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current assets.

### Factoring

OptiGroup's factoring solution is without recourse where the invoices are sold. The solution is only implemented in the Paper & Business Supplies business area at the present time. Within other business areas, the more traditional invoice discounting is used, whereby the Group continues to recognise the transferred assets in its balance sheet. The amount repayable is presented as secured borrowing. OptiGroup considers that the held-to-collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

Age analysis of trade receivables	31 Dec 2023		
	Trade receivables, gross	Provision for expected credit losses on trade receivables	Trade receivables, net
Trade receivables not overdue	139.6	-0.4	139.2
Less than 30 days overdue	22.6	-1.0	21.6
31 to 60 days overdue	4.4	-0.2	4.2
61 to 90 days overdue	1.4	-0.6	0.8
91 to 180 days overdue	1.5	-0.6	0.9
Over 180 days overdue	0.5	-1.5	-1.0
<b>Total</b>	<b>170</b>	<b>-4.4</b>	<b>165.6</b>

Age analysis of trade receivables	31 Dec 2022		
	Trade receivables, gross	Provision for expected credit losses on trade receivables	Trade receivables, net
Trade receivables not overdue	166.4	-0.2	166.2
Less than 30 days overdue	21.2	-0.7	20.5
31 to 60 days overdue	4.8	-0.5	4.3
61 to 90 days overdue	1.1	-0.3	0.8
91 to 180 days overdue	1.3	-0.3	1.0
Over 180 days overdue	1.3	-1.8	-0.5
<b>Total</b>	<b>196.1</b>	<b>-3.8</b>	<b>192.3</b>

Provisions for expected credit losses on trade receivables corresponding to 2.6 percent (1.9) of total trade receivables.

#### NOTE 18.4 OTHER CURRENT RECEIVABLES

Specification of other current receivables	31 Dec 2023	31 Dec 2022
Prepaid expenses and accrued income	30.5	36.1
Other receivables	16.2	20.9
<b>Total</b>	<b>46.7</b>	<b>57.0</b>

Currency break-down of other current receivables	31 Dec 2023	31 Dec 2022
EUR	19.7	31.8
CHF	5.4	4.3
CZK	0.0	0.3
DKK	1.4	1.5
HUF	0.3	0.4
NOK	6.5	5.2
PLN	0.4	0.6
SEK	12.0	12.6
Other currencies	1.0	0.3
<b>Total</b>	<b>46.7</b>	<b>57.0</b>

#### NOTE 18.5 PLEDGED ASSETS FOR OWN LIABILITIES AND PROVISIONS

Liabilities to credit institutions	31 Dec 2023	31 Dec 2022
Collateral in shares in subsidiaries	2,420.2	1,383.7
Issued floating charge and special liens	771.8	2,154.2

All pledged assets relate, if applicable, to security for long-term bank loans (floating rate). See Note 18.1.

#### NOTE 18.6 OTHER NON-CURRENT LIABILITIES

	31 Dec 2023	31 Dec 2022
Other liabilities	0.5	3.1
<b>Total</b>	<b>0.5</b>	<b>3.1</b>

#### NOTE 18.7 OTHER CURRENT LIABILITIES

	31 Dec 2023	31 Dec 2022
Other liabilities	28.6	28.2
Accrued payroll and personnel costs	19.6	21.9
Accrued expenses and deferred income	20.7	31.9
Accrued customer bonus	5.4	6.1
<b>Total</b>	<b>74.3</b>	<b>88.1</b>

## NOTE 19

### INVENTORY

	31 Dec 2023	31 Dec 2022
Goods for resale	187.6	248.3
Other inventories	0.2	-0.1
Impairment of goods to net realisable value for the year	-11.5	-11.5
<b>Total</b>	<b>176.4</b>	<b>236.7</b>

The total stock value, after impairment, was EUR 176.4 million (236.7) at 31 December 2023. Inventory recognised at the cost of sold products during the period amounted to EUR 1,056.2 million (873.4).

<b>Change in impairment of inventories</b>	31 Dec 2023	31 Dec 2022
Opening balance	-11.5	-9.4
Change in impairment of inventories recognised through profit or loss	0.0	0.6
Effect of exchange-rate fluctuations	0.0	0.3
Reclassification, etc.	0.1	-3.0
<b>Total</b>	<b>-11.5</b>	<b>-11.5</b>

## NOTE 20

## EQUITY

	Share capital	Other contributed capital	Total
At 1 January 2023	0.1	638.2	638.3
Non-cash issue	0.0	0.5	0.5
New share issue	0.0	25.0	25.0
<b>Balance at 31 December 2023</b>	<b>0.1</b>	<b>663.7</b>	<b>663.8</b>
	Share capital	Other contributed capital	Total
At 6 December 2021	0.0	—	0.0
New share issue/non-cash issue	0.1	638.2	638.3
<b>Balance at 31 December 2022</b>	<b>0.1</b>	<b>638.2</b>	<b>638.3</b>

OptiGroup Holding AB was formed on 6 December 2021 with 15 million newly issued ordinary shares.

At 16 March 2022, FSN Capital VI stepped in as the new primary owner and the OptiGroup and Hygos groups were acquired. In conjunction with this transaction, OptiGroup Holding AB became the overarching Parent Company.

Different classes of ordinary shares and preference shares in the Parent Company were issued. The vote value for ordinary shares of share class A001 and for preference shares of share class B001 is 10; for other ordinary and preference shares, the vote value is 1. Holders of preference shares have preferential rights to dividends up to a maximum amount set for each series of preference shares, ahead of ordinary shareholders.

Shares issued and fully paid	Quotient value	Shares, thousands	EUR million
At 31 December 2022 (Ordinary shares A001)		638,238	623
Ordinary shares A001	10	622	1
Ordinary shares A002	1	2,506	3
Ordinary shares BFGS	1	-1,100	-1
Preference shares B002	1	6,534	8
Preference shares BFGP 1	1	-4,400	-4
Preference shares C001	1	4,400	4
Preference shares C003	1	134	0
Preference shares C004	1	13,466	15
Preference shares C005	1	200	0
<b>At 31 Dec 2023</b>		<b>660,600</b>	<b>649</b>

**NOTE 20.1 EARNINGS PER SHARE**

<b>Earnings per share before dilution</b>	2023	2022
Profit for the year attributable to Parent Company shareholders, EUR million	-62.7	-18.6
Shares outstanding at beginning of the period	638,238,213	—
Shares outstanding, 6 December 2021 (recent formation)	—	15,000,000
New share issue/non-cash issue	18,466,605	623,238,213
<b>Weighted average number of shares before dilution</b>	<b>656,704,818</b>	<b>638,238,213</b>
Earnings per share before dilution, EUR	-0.10	-0.03
Earnings per share after dilution, EUR	-0.10	-0.03
<b>Earnings per share after dilution</b>	2023	2022
Profit for the year attributable to Parent Company shareholders, EUR million	-62.7	-18.6
Shares outstanding at beginning of the period	638,238,213	—
Shares outstanding, 6 December 2021 (recent formation)	—	15,000,000
New share issue/non-cash issue	18,466,605	623,238,213
<b>Weighted average number of shares after dilution</b>	<b>656,704,818</b>	<b>638,238,213</b>

**NOTE 21**
**OTHER COMPREHENSIVE INCOME**

<b>Change in other comprehensive income for the year</b>	1 Jan 2023 -31 Dec 2023	6 Dec 2021 -31 Dec 2022
Actuarial gains and losses, net of tax	-2.1	8.4
Exchange-rate differences on translation of foreign operations	-4.8	-0.1
<b>Change for current year</b>	<b>-6.9</b>	<b>8.3</b>
<b>Total other comprehensive income</b>	1 Jan 2023 -31 Dec 2023	6 Dec 2021 -31 Dec 2022
Exchange-rate differences on translation of foreign operations	-4.8	-0.1
Actuarial gains and losses	-2.6	10.6
<b>Total other comprehensive income before tax, cumulative</b>	<b>-7.4</b>	<b>10.5</b>
Tax effects actuarial gains and losses	0.5	-2.2
<b>Other comprehensive income cumulative, net after tax</b>	<b>-6.9</b>	<b>8.3</b>

	31 Dec 2023		
	Before tax	Tax expense (tax income)	Net of tax
<b>Tax effects regarding other comprehensive income</b>			
Exchange-rate differences on translation of foreign operations (non-taxable)	-4.8	—	-4.8
Actuarial gains and losses	-2.6	0.5	-2.1
<b>Total</b>	<b>-7.4</b>	<b>0.5</b>	<b>-6.9</b>
	31 Dec 2022		
	Before tax	Tax expense (tax income)	Net of tax
<b>Tax effects regarding other comprehensive income</b>			
Exchange-rate differences on translation of foreign operations (non-taxable)	-0.1	—	-0.1
Actuarial gains and losses	10.6	-2.2	8.4
<b>Total</b>	<b>10.5</b>	<b>-2.2</b>	<b>8.3</b>

Note 21 cont.

Changes in tax effect regarding other comprehensive income	2023	2022
Opening balance	-2.2	—
<b>Change for current year:</b>		
Actuarial gains and losses	0.5	-2.2
<b>Closing balance, 31 December</b>	<b>-1.7</b>	<b>-2.2</b>

## NOTE 22

### POST-EMPLOYMENT BENEFIT PROVISIONS

The Group has defined-benefit pension plans in Belgium, Switzerland, Sweden, Germany, the Netherlands and Norway.

#### Belgium

There is a defined-benefit plan by which premiums are paid per employee by the company and the employee. The plan has a minimum interest rate of 1.75 percent and is profit-based. The plan concludes when the employee is 65 years old. The employee's contribution is 4 percent of annual salary (with a ceiling of one year's annual salary). The plan is managed by AON, which is contracted with AG Insurance.

#### Switzerland

The plan is a funded defined-benefit pension plan. Payments from this plan, in addition to old-age pensions, include benefits in event of members' death, disability and early retirement. The pension plan is part of a collective foundation and is fully insured by AXA Winterthur and matched only by the paid insurance premiums charged by AXA Winterthur.

#### Sweden

Procurator AB has two defined-benefit pension plans, both of these plans are closed and the majority pertain to ITP2 occupational pensions to former employees. Both of the plans are insured with PRI.

#### Germany

The benefits provided in the defined-benefit plans in Germany refer to plans providing a fixed pension depending on years of service, fixed pension for the first ten years of service with an subsequent annual increase of an additional fixed pension amount, individual pension commitments such as fixed pensions and final salary-based plans, and deferred remuneration pertaining to annual agreements on the waiver of salary/one-off payment benefit. There are no remaining employees in the plan at the end of 2023.

The following tables summarise the components of the net cost for defined-benefit pensions recognised in profit or loss and information regarding the change in value of plan assets and pension obligations.

Net defined-benefit expense	2023	2022
Current service cost	0.1	-0.8
Interest expense	-0.7	-0.2
Recognised return on plan assets	0.6	0.1
Settlements	0.0	0.1
Other	0.1	0.0
Past service cost	0.0	-0.6
<b>Net defined-benefit expense</b>	<b>0.1</b>	<b>-1.4</b>
<b>Actual return on plan assets</b>	<b>1.2</b>	<b>-0.0</b>

Expected contributions to the defined-benefit pension plans, for the next reporting period, amount to EUR 1.4 million.

Defined-benefit pension liability, net	31 Dec 2023	31 Dec 2022
Defined-benefit obligation	48.0	47.8
Market value of plan assets	-35.3	-36.8
<b>Net defined-benefit liability</b>	<b>12.7</b>	<b>11.0</b>

Specification of defined-benefit obligation by country:	2023	2022
Belgium	1.9	2.3
Switzerland	6.9	4.7
Sweden	1.8	1.8
Germany	2.0	2.2
Other countries	0.1	0.0
<b>Total</b>	<b>12.7</b>	<b>11.0</b>

Note 22 cont.

<b>Changes in defined-benefit obligation</b>	Present value of obligation	Fair value of plan assets	Total
Opening balance	47.8	-36.8	11.0
Reclassification	-1.5	1.7	0.2
<i>Pension cost recognised in profit or loss</i>			
Current service cost	0.9	0.0	0.9
Interest expense/income	1.1	-0.8	0.3
<b>Sub-total included in profit or loss</b>	<b>0.5</b>	<b>0.9</b>	<b>1.4</b>
Contributions/premiums paid, net	-4.9	4.4	-0.5
<i>Re-measurement in other comprehensive income</i>			
Return on plan assets (excl. amounts included in interest expense/income)	0.0	-0.6	-0.6
Gains/losses arising from changes in demographic assumptions	-0.1	0.0	-0.1
Gains/losses arising from changes in financial assumptions	3.3	0.0	3.3
Experience adjustments	-0.4	0.0	-0.4
Settlement of plan	-0.1	0.0	-0.1
<b>Sub-total included in other comprehensive income</b>	<b>2.7</b>	<b>-0.6</b>	<b>2.1</b>
Contribution from employer/participant	0.7	-1.4	-0.7
Administrative expenses and taxes for defined-benefit plans	-1.0	0.0	-1.0
Exchange-rate differences	2.2	-1.8	0.4
<b>At 31 December 2023</b>	<b>48.0</b>	<b>-35.3</b>	<b>12.7</b>

Note 22 cont.

Changes in defined-benefit obligation	Present value of obligation	Fair value of plan assets	Total
Opening balance	—	—	—
Acquisitions during the year	55.3	-34.2	21.1
<i>Pension cost recognised in profit or loss</i>			
Current service cost	1.0	—	1.0
Interest expense/income	0.1	-0.1	0.0
<b>Sub-total included in profit or loss</b>	<b>1.1</b>	<b>-0.1</b>	<b>1.0</b>
Contributions/premiums paid, net	-1.8	1.6	-0.2
<i>Re-measurement in other comprehensive income</i>			
Return on plan assets (excl. amounts included in interest expense/income)	0.0	0.1	0.1
Gains/losses arising from changes in demographic assumptions	0.0	0.0	0.0
Gains/losses arising from changes in financial assumptions	-8.5	0.0	-8.5
Experience adjustments	0.2	0.0	0.2
Settlement of plan	-0.2	0.0	-0.2
<b>Sub-total included in other comprehensive income</b>	<b>-8.5</b>	<b>0.1</b>	<b>-8.4</b>
Contribution from employer/participant	0.7	-1.5	-0.8
Acquisition of new companies	0.1	—	0.1
Administrative expenses and taxes for defined-benefit plans	-0.8	-1.3	-2.1
Exchange-rate differences	1.7	-1.4	0.3
<b>At 31 December 2022</b>	<b>47.8</b>	<b>-36.8</b>	<b>11.0</b>

Major categories of plan assets of the fair value of total plan assets	31 Dec 2023	31 Dec 2022
Group insurance	12.7	11.0
<b>Total</b>	<b>12.7</b>	<b>11.0</b>

The expected total return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Note 22 cont.

**Material assumptions used in determining pension obligations for the Group's pension plans**

	2023	2022
<b>Belgium</b>		
Discount rate	3.6%	3.1%
Future salary increases	2.8%	3.0%
Future pension increases	—	—
Average remaining life expectancy among employees, years, men/women	—	—
<b>Switzerland</b>		
Discount rate	1.4%	2.2%
Future salary increases	1.5%	1.5%
Future pension increases	—	—
Average remaining life expectancy among employees, years, men/women	22/24	22/24
<b>Sweden</b>		
Discount rate	3.8%	3.6%
Future salary increases	—	—
Future pension increases	—	—
Average remaining life expectancy among employees, years, men/women	22/24	22/24
<b>Germany</b>		
Discount rate	4.1%	3.6%
Future salary increases	2.2%	2.2%
Future pension increases	2.2%	2.2%
Average remaining life expectancy among employees, years, men/women	29/29	30/30

**Sensitivity analysis regarding reasonably possible changes to material actuarial assumptions 2023**

	Impact on the defined-benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<b>Belgium</b>			
Discount rate	0.5%	-4.0%	4.2%
Future salary increases	0.5%	3.2%	-3.3%
Pension cost increases	—	—	—
		Increase of 1 year in the assumption	Decrease of 1 year in the assumption
Life expectancy		0.1%	-0.1%

	Impact on the defined-benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<b>Switzerland</b>			
Discount rate	0.5%	-6.7%	7.5%
Future salary increases	0.5%	0.5%	-0.5%
Pension cost increases	0.5%	5.1%	-4.6%
		Increase of 1 year in the assumption	Decrease of 1 year in the assumption
Life expectancy		2.1%	-2.2%

Note 22 cont.

Sweden	Impact on the defined-benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	-5.3%	5.8%
Future salary increases	—	—	—
Pension cost increases	—	—	—
		Increase of 1 year in the assumption	Decrease of 1 year in the assumption
Life expectancy		5.3%	-5.2%

Germany	Impact on the defined-benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	-4.0%	5.0%
Future salary increases	0.5%	0.0%	0.0%
Pension cost increases	0.5%	4.0%	-4.0%
		Increase of 1 year in the assumption	Decrease of 1 year in the assumption
Life expectancy		-3.0%	4.0%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined-benefit obligation to material actuarial assumptions, the same method

(present value of the defined-benefit obligation calculated with the projected unit credit method at the end of the reporting period) was applied as that used when calculating the pension liability recognised in the statement of financial position.

The following payments are expected to be made in future years out of the defined-benefit plans:	2023	2022
Within the next 12 months: (next annual reporting period)	2.2	2.2
Between 2 and 5 years	2.9	3.0
Between 5 and 10 years	5.3	5.1
Beyond 10 years	1.7	1.7
<b>Total expected payments</b>	<b>12.1</b>	<b>12.0</b>
Weighted average maturity of the defined-benefit obligation	2023	2022
Years		
Belgium	9	9
Switzerland	14	17
Sweden	9	10
Germany	9	12

### Defined-contribution pension plans

Defined-contribution pension plans are charged to profit or loss in the year to which they relate.

Pension costs for defined-contribution plans amounted to EUR -9.6 million (-7.5) for 2023.

## NOTE 23

### RESTRUCTURING PROVISION AND OTHER NON-CURRENT PROVISIONS

	31 Dec 2023	31 Dec 2022
<b>Opening balance</b>	<b>4.3</b>	<b>—</b>
Business combinations	0.0	26.7
New provisions during the year	14.9	9.7
Reversed provisions	-11.7	-31.9
Translation differences	-0.1	-0.2
<b>Closing balance</b>	<b>7.4</b>	<b>4.3</b>
Of which, recognised as non-current in the balance sheet	1.2	0.5
Of which, recognised as current in the balance sheet	6.2	3.8

The above provisions pertain largely to changes in ownership as well as organisational changes and restructuring, where the outflow was continuous during the year. No identified uncertainties arose and, as presented in the Note, most of the provisions are short-term.

## NOTE 24

### CONTINGENT LIABILITIES

The Group has no material contingent liability.

## NOTE 25

### RELATED-PARTY DISCLOSURES

The following business relationships are conducted according to normal market terms and conditions ("at arm's length") and the table below lists the companies that are considered to be related

parties. Remuneration of the Board and senior executives is disclosed in Note 9.

Name	Relationship
<b>Entities with significant influence over the Group:</b>	
FSN Capital GP VI Limited	Shareholder
Hygeniq B.V	Companies owned by Board member, also shareholder

During the year, transactions took place between Group companies and Hygeniq B.V., of which sales total a value of EUR 0.58 million.

**NOTE 26****CASH FLOW**

<b>Adjustments for non-cash flow items:</b>	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
Depreciation and impairment of property, plant and equipment	7.4	5.8
Amortisation and impairment of intangible assets	69.3	29.6
Depreciation and impairment of right-of-use assets	28.7	20.2
Capital gains/losses on disposal of property, plant and equipment	2.4	–8.1
Capital gains/losses on disposal of financial assets	1.4	0.0
Unrealised currency exchange differences	0.1	0.9
Change in value of financial assets measured at fair value	1.1	0.5
Other	–4.8	–4.2
<b>Total</b>	<b>105.6</b>	<b>44.7</b>

Interest paid in the period amounted to EUR 68.7 million (32.3).

Interest received in the period amounted to EUR 3.2 million (0.7).

<b>Change interest-bearing liabilities</b>	31 Dec 2023	31 Dec 2022
Opening interest-bearing liabilities 1 Jan 2023	730.6	—
New loans	91.6	598.4
Repayment of borrowings	–80.9	–15.0
Change lease liability	21.4	121.2
Other	12.6	26.0
Exchange-rate differences	–0.6	—
<b>Closing interest-bearing liabilities</b>	<b>774.8</b>	<b>730.6</b>

## NOTE 27

### SIGNIFICANT EVENTS AFTER THE BALANCE-SHEET DATE

Henrik Hjalmarsson became President and CEO in January 2024, which was officially communicated in autumn 2023.

A competition authority in one of the markets in which the Group operates has launched an investigation to assess whether OptiGroup's subsidiary may have breached applicable competition rules in the country concerned. After the balance-sheet date, the company received information to the effect that the authority is considering starting legal proceedings. Considering the early stage in the process and that the authority's legal concerns are yet to be explained, management is of the opinion that when it was preparing the consolidated annual accounts it was not possible to determine any financial impact from the ongoing process.

#### Acquisitions after the balance-sheet date

##### Top Service

On 1 January 2024, OptiGroup acquired 100 percent of shares in Top Service GmbH (Top Service). Top Service is a German leading distributor of tabletop products, food packaging and cleaning & hygiene products. The acquisition further strengthens OptiGroup's position in the German market as a leading European B2B distributor. Top Service was founded more than 30 years ago and has a turnover of approximately EUR 25 million and around 40 employees. With its attractive business model, based on long-term customer relationships and high quality, Top Service has demonstrated a solid track-record of profitable growth. The acquisition of Top Service is in line with OptiGroup's international growth strategy.

In the acquisition of Top Service, an agreement was signed that a certain portion of the total purchase price would be settled in cash. In addition, there are two earnouts that will be settled if and to the extent that EBITA generated by the company exceeds certain minimum amounts during the first two financial years

following the year end, 2024 and 2025. The earnout for 2024 shall be five times the EBITA generated during the relevant year less the purchase price paid on the date of acquisition. The earnout for 2025 shall be six times the EBITA generated during the relevant year less the additional purchase consideration for 2024 and the purchase price paid on the date of acquisition. The minimum compensation under the agreement for the earnout is EUR 0 and the highest is agreed to be EUR 10.2 million.

##### Ubro SystemPac A/S

On 4 March 2024, OptiGroup acquired 100 percent of shares in Danish Ubro SystemPac A/S (Ubro). Ubro is a Danish packaging specialist offering packaging products and a complete range of end-of-line packaging machines. The acquisition will further enhance OptiGroup's ability to provide customers with innovative packaging solutions and will significantly improve OptiGroup's Nordic market position for packaging, machines and services. The company, with a turnover of approximately EUR 12 million will become part of OptiGroup's Packaging business area and will continue to operate under its current brand.

In the acquisition of Ubro A/S, an agreement was signed that a certain portion of the total purchase price would be settled in cash. In addition, there are two earnouts that will be settled if and to the extent that EBITA generated by the company exceeds certain minimum amounts during the first two financial years following the year end, 2024 and 2025. The earnout for 2024 shall be 7.1 times the EBITA generated during the relevant year less the purchase price paid on the date of acquisition. The earnout for 2025 is based on an increase in a combined EBITA for Vangby and Ubro between the 2024 and 2025 financial years. The earnout for 2025 is capped at DKK 5.6 million. An initial total valuation of the earnouts amounts to DKK 19.8 million.

Preliminary acquisition analyses Identifiable acquired assets and assumed liabilities, EUR millions	Top Service fair value	Ubro SystemPac fair value
Intangible assets	0.0	0.0
Property, plant and equipment	0.4	0.1
Deferred tax assets	—	0.0
Other non-current receivables	0.1	—
Inventory	2.6	1.4
Trade receivables	0.8	1.4
Other current receivables	0.1	—
Cash and cash equivalents	1.1	5.0
Trade payables	-0.0	-0.2
Other current liabilities	-0.5	-0.8
<b>Net identifiable assets acquired</b>	<b>4.6</b>	<b>6.9</b>
Purchase price	25.0	16.1
Goodwill	20.4	9.2

The goodwill in both acquisitions mainly relates to synergies from merging operations within the Group, though it has been impracticable when submitting this Annual Report to complete an analysis of all net assets, and accordingly the goodwill value may change. The acquisition analyses are preliminary.

## Parent Company income statement

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
Personnel expenses		–0.3	–0.2
Other operating expenses		–0.1	0.0
<b>Operating profit/loss</b>	<b>2</b>	<b>–0.4</b>	<b>–0.2</b>
Other interest income and similar profit/loss items	3	1.5	1.4
Interest expenses and similar profit/loss items	3	0.0	–0.3
<b>Net financial items</b>		<b>1.5</b>	<b>1.1</b>
<b>Profit/loss after financial items</b>		<b>1.1</b>	<b>0.9</b>
Appropriations	7	0.4	0.0
<b>Profit before tax</b>		<b>1.5</b>	<b>0.9</b>
Tax on profit for the year		0.0	–0.2
<b>Profit for the year</b>		<b>1.5</b>	<b>0.7</b>

## Parent Company statement of other comprehensive income

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
<b>Profit for the year</b>		<b>1.5</b>	<b>0.7</b>
Other comprehensive income		—	—
Other comprehensive income for the year, net of tax		—	—
<b>Total comprehensive income for the year</b>		<b>1.5</b>	<b>0.7</b>

# Parent Company balance sheet

EUR million	Note	31 Dec 2023	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Financial assets</i>			
Participations in Group companies	4, 5, 8	580.4	580.1
<b>Total non-current assets</b>		<b>580.4</b>	<b>580.1</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Receivables from Group companies	6	53.3	26.5
Prepaid expenses and accrued income		0.0	0.0
Cash and bank balances		0.0	0.0
<b>Total current assets</b>		<b>53.3</b>	<b>26.5</b>
<b>Total assets</b>		<b>633.8</b>	<b>606.6</b>

Parent Company balance sheet, cont.

EUR million	Note	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital*		0.1	0.1
<i>Non-restricted equity</i>			
Share premium reserve		616.4	590.8
Retained earnings		14.9	14.2
Profit for the year		1.5	0.7
<b>Total equity</b>	<b>9</b>	<b>632.9</b>	<b>605.7</b>
<b>Current liabilities</b>			
Current tax liabilities		0.2	0.2
Other current liabilities		0.6	0.6
Accrued expenses and deferred income		0.1	0.1
<b>Total current liabilities</b>		<b>0.9</b>	<b>0.9</b>
<b>Total equity and liabilities</b>		<b>633.8</b>	<b>606.6</b>

Pledged assets and contingent liabilities, see Note 7.

\* For further information about share capital, see Note 17 Group notes.

# Parent Company statement of cash flows

EUR million	Note	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
<b>Cash flow from operating activities</b>			
Profit before tax		1.1	0.8
Income taxes paid		0.0	0.0
<b>Cash flow from operating activities before changes in working capital</b>		<b>1.1</b>	<b>0.8</b>
<i>Changes in working capital</i>			
Changes in operating receivables		–26.2	–26.5
Changes in operating liabilities		0.0	0.7
<b>Cash flow from changes in working capital</b>		<b>–26.2</b>	<b>–25.8</b>
<b>Net cash flow from operating activities</b>		<b>–25.1</b>	<b>–25.0</b>
<b>Cash flow from investing activities</b>			
Acquisition of shares in subsidiaries		0.0	–195.5
<b>Cash flow from investing activities</b>		<b>0.0</b>	<b>–195.5</b>
<b>Cash flow from financing activities</b>			
New share issue		25.1	206.3
Other contributed capital		0.0	14.2
<b>Cash flow from financing activities</b>		<b>25.1</b>	<b>220.5</b>
<b>Cash flow for the financial year</b>		<b>0.0</b>	<b>0.0</b>
<b>Net change in cash and bank balances</b>			
Cash and bank balances at beginning of the financial year		—	—
<b>Cash and bank balances at year end</b>		<b>0.0</b>	<b>0.0</b>

The Parent Company is part of a Group-wide cash-pool where OptiGroup AB is the holder of the cash-pool. In the annual accounts, 31 Dec 2023, the Parent Company's receivable from OptiGroup AB amounts to a total of SEK 52.6 million (3.3) for cash equivalents in the cash-pool. This has been classified as an inter-company receivable and is included as a change in working capital in the cash flow analysis.

## Parent Company statement of changes in equity

EUR million	Share capital	Share premium reserve	Retained earnings including profit/loss for the year	Total equity
<b>Opening balance, 1 January 2023</b>	<b>0.1</b>	<b>590.8</b>	<b>14.9</b>	<b>605.7</b>
New share issue/Non-cash issue	0.0	25.6	—	25.6
Shareholder contributions	—	—	—	—
Profit for the year	—	—	1.5	1.5
<b>Closing balance, 31 December 2023</b>	<b>0.1</b>	<b>616.4</b>	<b>16.4</b>	<b>632.9</b>

EUR million	Share capital	Share premium reserve	Retained earnings including profit/loss for the year	Total equity
<b>Opening balance, 6 December 2021</b>	<b>0.0</b>	<b>—</b>	<b>—</b>	<b>0.0</b>
New share issue	0.1	590.8	—	590.9
Shareholder contributions	—	—	14.2	14.2
Profit for the year	—	—	0.7	0.7
<b>Closing balance, 31 December 2022</b>	<b>0.1</b>	<b>590.8</b>	<b>14.9</b>	<b>605.7</b>

The Parent Company changed reporting currency at the start of 2023 from SEK to EUR.

## NOTE 1

### BASIS OF PREPARATION

#### Rules and regulations applied

The Parent Company has prepared its financial statements in accordance with the Swedish Annual Accounts Act (1995:1554) and RFR 2 Accounting for Legal Entities. According to RFR 2, the Parent Company is to apply all the International Financial Reporting Standards adopted by the EU as far as this is possible within the framework of the Swedish Annual Accounts Act.

The accounting policies applied by OptiGroup are described in Note 1 Accounting policies to the consolidated financial statements. The main deviations between the accounting policies applied by OptiGroup and the Parent Company are described below.

Shares and participations in Group companies are recognised at cost in the Parent Company and tested for impairment annually.

As from the acquisition date, the Group applies IFRS 16 Leases. The Parent Company does apply the exception in RFR 2 and recognises lease fees straight-line over the leading period.

#### Financial assets

Financial assets not attributable to subsidiaries are measured at market value in the consolidated financial statements, which is in accordance with the regulations of IAS 32 and IFRS 9.

In the Parent Company, financial assets are measured at the lowest of cost and recoverable amount. The recoverable amount is the highest of the net realisable value and value in use. Values in use consist of the present value of estimated future net cash flows.

If the recoverable amount is lower than carrying amount, the asset is impaired to its recoverable amount. A write-up is recognised when an asset is deemed to have a reliable and permanent value that materially exceeds the carrying amount, in accordance with the Annual Accounts Act.

Impairment for receivables on subsidiaries is made according to the simplified method for expected credit losses.

#### Group contributions

Group contributions are recognised in the Parent Company as appropriations in accordance with the alternative method.

## NOTE 2

### SALARIES TO EMPLOYEES AND OTHER REMUNERATION

#### Average number of employees

The Parent Company did not have any employees during the financial year.

Remuneration to the Board of Directors totalling EUR 0.3 million was paid during financial year. Social security contributions of EUR 0.1 million were paid on these fees.

#### Formation and composition of the Board

As part of FSN Capital's acquisition of OptiGroup and Hygos, a new Board of Directors was appointed for the group on 22 April 2022.

The Board comprises six men and two women.

#### Severance pay

There are no agreements on severance pay for the Board of Directors or other individuals in OptiGroup Holding AB. For disclosures on severance pay in Group companies, refer to the respective annual reports.

#### Fees to auditors

Fees to auditors were charged to other Group companies during the financial year.

Gender distribution, Board and senior executives	31 Dec 2023 Women, %	31 Dec 2022 Women, %
Board OptiGroup Holding AB	25	25
CEO and other senior executives	0	0

Salaries and other remuneration as well as payroll overheads, including pension costs	31 Dec 2023	31 Dec 2022
<b>Parent Company</b>		
Board, CEO and equivalent senior executives		
Salaries and other remuneration	-0.3	-0.2
Social security contributions	-0.1	-0.1
<b>Total</b>	<b>-0.4</b>	<b>-0.3</b>
<b>Total Parent Company</b>	<b>-0.4</b>	<b>-0.3</b>

31 Dec 2023	Basic salary	Variable remuneration	Pension costs	Other remuneration	Total
Remuneration of Board members, CEO and equivalent executives	0.3	0.0	0.0	0.0	0.3

31 Dec 2022	Basic salary	Variable remuneration	Pension costs	Other remuneration	Total
Remuneration of Board members, CEO and equivalent executives	0.2	0.0	0.0	0.0	0.2

## NOTE 3

### FINANCIAL INCOME AND EXPENSES

Other interest income and similar profit/loss items	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
Interest income from Group companies	1.5	0.4
Other interest income	0.0	0.0
Exchange rate differences	0.0	1.1
<b>Total</b>	<b>1.5</b>	<b>1.5</b>

Interest expenses and similar profit/loss items	1 Jan 2023 –31 Dec 2023	6 Dec 2021 –31 Dec 2022
Exchange rate differences	0.0	–0.3
<b>Total</b>	<b>0.0</b>	<b>–0.3</b>

## NOTE 4

### FINANCIAL ASSETS

	31 Dec 2023	31 Dec 2022
<b>Participations in Group companies</b>		
OptiGroup MidCo AB	580.4	580.1
<b>Carrying amount on balance sheet date</b>	<b>580.4</b>	<b>580.1</b>

The change in shares in group companies is attributable in its entirety to the issue in kind of EUR 0.3 million made during the year.

## NOTE 5

## PARTICIPATIONS IN GROUP COMPANIES

At 16 March 2022, the former OptiGroup was acquired by FSN Capital. In conjunction with the transaction, the Dutch Hygos group of companies was incorporated into the newly formed Parent Company, OptiGroup Holding AB. Additional acquisitions that are presented below were subsequently completed. OptiGroup Holding AB directly owns the newly formed company OptiGroup MidCo AB. The remaining companies are indirectly owned.

The Group is divided into four business areas: Facility & Safety, Packaging, Medical, and Paper & Business Supplies. The head office is presented as the first company under the respective business areas in the table.

The legal structure is designed to effectively handle the legal requirements, administration, taxes and the operating activities conducted by the Group in each country. The main business in the majority of the companies is merchant operations but the Group also owns a number of holding companies.

Company name	Country of incorporation	% of share capital
<b>Holding companies</b>		
OptiGroup MidCo, corporate identity number 559350-9408; registered offices Mölndal, Sweden; equity EUR 612.8 million; number of shares 320,030,617	Sweden	100
OptiGroup BidCo, corporate identity number 559349-7315; registered offices Mölndal, Sweden; equity EUR 544.8 million; number of shares 320,030,617	Sweden	100
Mölnåla Invest AB, corporate identity number 556930-6250; registered offices Mölndal	Sweden	100
Hulelyckan Invest AB, corporate identity number 559147-1817; registered offices Mölndal	Sweden	100
Kronogaard Invest AB, corporate identity number 556930-8975; registered offices Mölndal	Sweden	100
Pyramidion Consulting AB, corporate identity number 556734-2554; registered offices Mölndal	Sweden	100
Forsaker Invest AB, corporate identity number 559077-3445; registered offices Mölndal	Sweden	100
OptiGroup AB, corporate identity number 556717-6135; registered offices Stockholm, Sweden; equity EUR 786.5 million; number of shares 17,873,467	Sweden	100
<b>Facility &amp; Safety</b>		
OptiGroup FSF AB, Corporate Identity Number 556685-2280; registered offices Mölndal, Sweden; equity EUR 20.7 million, number of shares 53,380	Sweden	100
Datarekvisita Norge AS	Norway	100
Maske AS	Norway	100
Maske Bandagist AS	Norway	100
Maske Emballasjefabrikk AS	Norway	100
Maskegruppen AS	Norway	100
Pac-Production Sweden AB	Sweden	100
Sterling Finemballage AB	Sweden	100
Procurator AB	Sweden	100
Supplies Direct AB	Sweden	100
Procurator A/S	Denmark	100
Procurator Danmark A/S	Denmark	100
Stadsing A/S	Denmark	100
VeliMark Oy	Finland	100
Walki Medical Oy	Finland	100
<b>Medical</b>		
Unique Company B.V., corporate identity number KVK84774274; registered office Schiphol; equity EUR 279.9 million; number of shares 1.	Netherlands	100
BFG Packaging Srl	Romania	100
Buurman Holding B.V.	Netherlands	100
Visschedijk Totaal B.V.	Netherlands	100
Cemex B.V.	Netherlands	100
Schinkel Medical B.V.	Netherlands	100
CSN Group B.V.	Netherlands	70
CSN Hygenics B.V.	Netherlands	100
Clean Ambition B.V.	Netherlands	100

Note 5 cont.

Company name	Country of incorporation	% of share capital
Everest Export B.V.	Netherlands	100
Hygos Hygiene B.V.	Netherlands	100
Hygos B.V.	Netherlands	100
G3 Medical BV	Netherlands	100
Emdamed B.V.	Netherlands	100
Hygas Medical B.V.	Netherlands	100
Medicamarkt B.V.	Netherlands	100
Natalis B.V.	Netherlands	100
Daxtrio B.V.	Netherlands	100
Mediost B.V.	Netherlands	100
Scholte Medical B.V.	Netherlands	100
WeCare Medical B.V.	Netherlands	100
All Safety Equipment B.V.	Netherlands	100
All Safety Holding B.V.	Netherlands	66
All Safety Rental B.V.	Netherlands	100
All Safety Supply B.V.	Netherlands	100
FESB B.V.	Netherlands	100
All Safety Support BVBA	Belgium	100
Zeeland Supply Industrial Stores B.V.	Netherlands	100
Roots for Safety Hong Kong Ltd.	Hong Kong	100
Roots for Safety Suzhou CO LTD	China	100
Trital Safety B.V.	Netherlands	100
Van den IJssel Bedrijfskleding BV	Netherlands	100
Facility Trade Holding BV	Netherlands	100
Dirksen Bedrijfskleding BV	Netherlands	100
Facility Trade Group BV	Netherlands	100
TCW Trade BV	Netherlands	100
Facilitystore BV	Netherlands	100
Avodesch B.V.	Netherlands	100
<b>Packaging</b>		
OptiGroup Packaging AB, corporate identity number 559138-8888, registered offices Mölndal, Sweden, equity EUR 11.6 million, number of shares 50,000	Sweden	100
Van Barneveld Verpakkingen B.V.	Netherlands	100
Koemans Verpakkingen B.V.	Netherlands	100
SG Verpakkingen B.V.	Netherlands	100
Mercamer Oy	Finland	100
Mokrupak Verpakkingen B.V.	Netherlands	100
Pack Beheer B.V.	Netherlands	100
Smeets Verpakkingen B.V.	Netherlands	100
Soman Packcenters B.V.	Netherlands	100
Packagegroup Moonen B.V.	Netherlands	100
PacsOn Norrpartner AB	Sweden	100
PacsOn AB	Sweden	100
PacsOn Syd AB	Sweden	100
PacsOn Helmer Nilsson AB	Sweden	100
PacsOn Mälardalen AB	Sweden	100
PacsOn Östgöta Papper AB	Sweden	100
PacsOn PappersPartner AB	Sweden	100
PacsOn Sverige AB	Sweden	100
PacsOn Väst AB	Sweden	100
PacsOn International AB	Sweden	100

Note 5 cont.

Company name	Country of incorporation	% of share capital
Peijs Verpackungen GmbH	Germany	100
Peijs Verpackingen B.V.	Netherlands	100
Oy Telpak AB	Finland	100
BRTC Packaging B.V.	Netherlands	85
EVC (Verpakkingen) B.V.	Netherlands	100
TPC België BV	Netherlands	100
Trias Packaging Company B.V.	Netherlands	100
Trias Productie B.V.	Netherlands	100
Trias Productie Holding B.V.	Netherlands	100
Trias Stretch Productie B.V.	Netherlands	100
Vangby A/S	Denmark	100
Vangby Sweden AB	Sweden	100
<b>Paper &amp; Business Supplies</b>		
Papyrus AB, corporate identity number 556734-1630; registered offices Mölndal, Sweden; equity EUR 54.1 million, number of shares 1,000	Sweden	100
Papyrus Belgium Papier N.V./S.A.	Belgium	100
Papyrus Group Holland BV	Netherlands	100
Papyrus Group Nederland B.V.	Netherlands	100
Papyrus A/S	Denmark	100
Papyrus Finland Oy	Finland	100
Papyrus Lietuva UAB	Lithuania	100
Papyrus Norge AS	Norway	100
Papyrus OÜ	Estonia	100
Papyrus SIA	Latvia	100
Papyrus Sverige AB	Sweden	100
Scaldia A/S	Denmark	100
Scaldia AB	Sweden	100
Papyrus GmbH	Germany	100
Papyrus Group Germany GmbH	Germany	100
Optigroup SSC Kft	Hungary	100
Papyrus Bohemia s.r.o.	Czech Republic	100
Papyrus Hungaria Zrt.	Hungary	100
Papyrus Romania SRL	Romania	100
Papyrus Sp.zo.o.	Poland	100
Proxima Comserv SRL	Romania	100
Papyrus Schweiz AG	Switzerland	100
Scaldia Schweiz AG	Switzerland	100

**NOTE 6****RECEIVABLES FROM GROUP COMPANIES**

	31 Dec 2023	31 Dec 2022
Loans to subsidiaries	0.0	23.2
Other receivables	0.7	0.0
Cash-pool	52.6	3.3
<b>Total</b>	<b>53.3</b>	<b>26.5</b>

**NOTE 7****APPROPRIATIONS**

	2023	2022
Group contributions received	0.4	0.0
Issued	—	—
<b>Total</b>	<b>0.4</b>	<b>0.0</b>

**NOTE 8****PLEGGED ASSETS AND CONTINGENT LIABILITIES**

Pledged assets	31 Dec 2023	31 Dec 2022
Participations in subsidiaries	580.4	580.1
<b>Total pledged assets</b>	<b>580.4</b>	<b>580.1</b>
Contingent liabilities	None	None

**NOTE 9****PROPOSED DISPOSITION OF UNAPPROPRIATED EARNINGS****Proposed disposition of unappropriated earnings**

At the disposal of the Annual General Meeting are the following unappropriated earnings in OptiGroup Holding AB:

	EUR
Retained earnings	14,881,674
Share premium reserve	616,341,017
Profit for the year	1,505,359
<b>Available earnings</b>	<b>632,728,050</b>

The Board of Directors proposes that the unappropriated earnings be appropriated as follows:

	EUR
To be carried forward	<b>632,728,050</b>

The Annual Report was signed by all members on 23 April 2024

Bo Rygaard  
*Chairman*

Marcus Egelstig  
*Board member*

Harry Antoine Maasen  
*Board member*

Patrik Nolåker  
*Board member*

Christoph Sander  
*Board member*

Gunilla Spongh  
*Board member*

Jeanette Fangel Løgstrup  
*Board member*

Niclas Thiel  
*Board member*

Our auditor's report concerning these financial statements was issued on 23 April 2024  
PricewaterhouseCoopers AB

Fredrik Göransson  
*Authorised Public Accountant*

This is a translation from the Swedish original.

# Auditor's Report

To the general meeting of the shareholders of OptiGroup Holding AB  
corporate identity number 559350-9390

## Report on the annual accounts and consolidated accounts *Opinions*

We have audited the annual accounts and consolidated accounts of OptiGroup Holding AB for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 43–107 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

### *Basis for Opinions*

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### *Other Matter*

The audit of the annual accounts and consolidated accounts for 2022 was performed by another auditor who submitted an auditor's report dated 21 June 2023, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

### *Other Information than the annual accounts and consolidated accounts*

This document also contains other information than the annual accounts and consolidated accounts and can be found on pages 1–42 and 110–129. The Board of Directors and the Managing Director are responsible for the other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

### *Auditor's responsibility*

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence

the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

### **Report on other legal and regulatory requirements**

#### ***Opinions***

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of OptiGroup Holding AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### ***Basis for Opinions***

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### ***Responsibilities of the Board of Directors and the Managing Director***

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the

ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### ***Auditor's responsibility***

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

Gothenburg 23 April 2024

PricewaterhouseCoopers AB

Fredrik Göransson  
Authorized Public Accountant

# Sustainability notes 2023

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## About the sustainability report

These sustainability notes include OptiGroup's overall sustainability disclosures during the 2023 financial year in those areas that are considered to be material to the business. Since many sustainability aspects are integrated with the business model and the operations, there are additional sustainability disclosures in other parts of the Annual Report and these are included with a reference.

All GRI-related data in 2023 reporting refers to OptiGroup's operations in the markets where the Group is present unless otherwise noted. The report covers all subsidiaries and includes activities conducted at all facilities, owned and leased, where OptiGroup's companies have operational control.

This Sustainability Report was prepared in accordance with the Global Reporting Initiatives (GRI) Standards 2021.

OptiGroup publishes its Sustainability Report annually. The preceding report was published on 21 June 2023. The report follows the company's financial year, 1 January to 31 December.

Data collection was carried out by the Group's ESG managers together with relevant resources at the subsidiaries. The coverage of indicators categorised under those aspects deemed relevant was reported to the fullest extent possible depending on data availability. The report and the sustainability disclosures for 2023 were not reviewed by a third party. The company's auditor has however submitted an opinion regarding the preparation of the sustainability report.

# Impact and material topics

## Strategy and business model

OptiGroup is a European distribution group with operations in the EU, Switzerland and Norway. The company's business model comprises acquiring, owning and developing B2B distributors. For a long time, the strategy has been to identify growth segments where the business areas can distinguish themselves through a broad and sustainable offering. Through the Group's market position and strategic governance of its subsidiaries, OptiGroup endeavours to continue improving sustainability in its value chain. OptiGroup's strategy includes sustainability priorities and is described on pages 19–21. The Group's business model is presented in an overview on pages 15–16. Environmental, social and economic sustainability aspects are integrated into OptiGroup's overall strategy and business model, and incorporated into the company's policy framework.

## Value chain

OptiGroup provides customised supply solutions to B2B customers. The Group companies' suppliers mainly comprise manufacturers of products in the cleaning & hygiene, personal protection equipment, wrapping, medical technical products and graphic paper segments. These suppliers, in turn, have sub-suppliers who are responsible for the production of material and components for these products. OptiGroup's customers comprise operators in cleaning & facility management, hotel & restaurant, health & medical care, the transport sector, manufacturing industry and the graphic sector.

The role of OptiGroup in the value chain is largely to balance the often conflicting needs of manufacturers and customers. Manufacturers endeavour to standardise their product portfolio. On the other hand, customers look for a one-stop-shop distributor that offers a broad product range combined with customised supply solutions and time-saving service concepts that reduce total costs.

## Framework for sustainable development

The Group's sustainability priorities are organised in five overall areas:

- Emissions and climate impact – Race to carbon neutrality
- Sustainable products – Partner for sustainable products and customer solutions
- Diversity, equality and inclusion – Engaged employees in equal and enriching work environments
- Responsible purchasing – Strict principles for supplier evaluation
- Business ethics and compliance – High ethical standards in all business dealings

The Group's sustainability priorities are the result of an annually updated materiality assessment and continuous dialogue with a network of sustainability specialists and management teams within the Group's business areas and OptiGroup's highest management and Board of Directors. According to the description in this report,

OptiGroup is resolute in operating and developing a responsible business that includes social, environmental and economic responsibility.

## Sustainability governance

OptiGroup's Board of Directors, through the Management Team, is ultimately responsible for the Group's strategy, sustainability work and sustainability reporting. Sustainability is included as a standing item on the agenda for all regular Board meetings and covers such topics as the status of sustainability work, development of the sustainability agenda and legal reporting requirements. Ahead of every Board meeting, the Management Team submits a report on the ongoing sustainability work, including aspects of particular current importance.

The Management Team is responsible for the preparation of the company's sustainability and ethical strategy, Group-wide policies and key performance indicators, as well as being responsible for their implementation and monitoring. The responsibility for the operational sustainability work lies with the subsidiaries and is to be conducted in accordance with the strategy and basic requirements established by the Board of Directors and Management Team.

The Group's ESG managers coordinate the Group's sustainability work and reporting together with a network of sustainability specialists in the operation. Group purchasing, together with the subsidiaries' purchasing teams, is responsible for managing risks in the value chain. The HR functions at subsidiaries are responsible for managing and reporting HR-related key data and risks. OptiGroup's Corporate Governance function, which operates at management level under the CFO, is responsible for overseeing the compliance with the Group's policy framework.

Actions related to major compliance issues are supervised by the Board of Directors, and suspicions regarding violations of policy or law are reported to the Board of Directors' Audit Committee. Employees in the Group can anonymously report suspected violations of the law or of the company's policy framework through an established whistleblower function.

## Impact, risks and mitigation

OptiGroup's Management Team conducts an annual identification and analysis of the Group's risks, which also includes sustainability-related risks.

In accordance with the Group's decentralised governance model, each business area is responsible for its own risk management. When the risks have been identified, the business areas and the Group functions report the risks in accordance with the Group's process for identifying, assessing and managing risks. Climate risks and other sustainability-related risks are fully integrated with the Group's overall risk management.

The risks identified in the process are subject to assessment. The Group is aware that certain external factors have an impact on the business in several ways. Climate change, technology shifts,

customer needs and requirements contained in environmental legislation are examples of this. The risks classified as material are risks that could have a significant negative impact on the Group's operations, strategy, financial results, cash flow, shareholder value or reputation.

Material risks are presented in the general risk section on pages 33–35. The Sustainability Report contains a more detailed description of risks and supplementary information in the event that they are not assessed as material from a Group-wide perspective.

#### ***Policies and commitments***

OptiGroup's Code of Conduct sets the standard for the way in which the business operations are conducted ethically and in accordance with applicable laws and directives, and is based on the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises as well as other international frameworks regarding the environment, labour, anti-corruption and human rights. The Code of Conduct gathers the most important aspects of maintaining ethical business methods and responsible behaviour in such key areas as anti-corruption, bribes, fraud, money laundering, anti-trust laws, human rights, health and safety.

The Code of Conduct applies everywhere that the Group is active and to all employees and others who work on behalf of OptiGroup. To support the Code of Conduct, OptiGroup uses a number of policies and directives that set the standard for the approach required of all managers and employees in their day-to-day activities. The policy framework is available for company employees on the Group intranet. The Board of Directors bears ultimate responsibility for the Group's policy framework, which is reviewed annually.

In accordance with OptiGroup's decentralised governance model, each business unit is responsible for ensuring that the business is conducted in accordance with the Group's minimum requirements and standards for sustainability and responsible business conduct. The business units are also free to supplement existing policies and compliance programmes with stricter requirements.

#### ***Key performance indicators***

Key performance indicators on emissions, employees and social factors, as well as business ethics are reported for each material aspect in the sustainability notes.

#### ***Materiality***

OptiGroup regularly evaluates how well the sustainability agenda is adapted to the needs and expectations of key stakeholders and ensures the company's long-term success. The materiality assessment is updated each year. The result of the materiality assessment is an integrated part of the Group's risk process.

## OptiGroup's Code of Conduct

The Code of Conduct is based on the following six principles:

- We act in compliance with laws and regulations
- We differentiate between personal interests and work-related activities
- We protect company information and company assets
- We communicate openly and responsibly
- We care for our planet and each other
- We report suspected violations

In 2023, work was initiated on a double materiality assessment in accordance with the future ESRS directive to assess the Group's impact, risks and opportunities. This work reviewed the breadth and depth of the impact. As a basis for the review, internal and external expertise and experience was used, as well as inventory of greenhouse gas emissions, assessment of supplier risks and other information sources. The double materiality assessment will form the basis of reporting in the years to come.

#### ***Stakeholder dialogue***

OptiGroup has the goal of adapting its work methods to its stakeholders' needs and expectations. Stakeholder groups are defined as organisations or individuals who can affect or be affected by OptiGroup's operations. Feedback and comments are collected in various ways from a broad spectrum of stakeholders. The stakeholders' perspective is usually taken into consideration in strategy updates and major decisions, and material sustainability aspects are considered part of the Group's strategic issues.

#### ***Content of the report***

OptiGroup applies the GRI's reporting policies regarding stakeholder dialogue, sustainability context, materiality and completeness. In this report, the sustainability aspects have been organised in five overall areas, which reflect the Group's priorities and work methods.

STAKEHOLDER GROUP	STAKEHOLDER DIALOGUE AND REQUIREMENTS	KEY TOPICS AND CONCERNS
<b>Owners, investors and lenders</b>	<ul style="list-style-type: none"> <li>• Direct dialogue and events coordinated by the Group's IR function</li> <li>• Board meetings and Board committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Business strategy and long-term value creation</li> <li>• Financial performance and forecasts</li> <li>• Corporate governance and accounting processes</li> <li>• Code of Conduct and the Group's policy framework</li> <li>• Risks</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employee survey</li> <li>• Employee performance assessments</li> <li>• Dialogue at internal meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Skills and skills development</li> <li>• Terms of employment, working conditions and safety</li> <li>• Diversity</li> <li>• Climate impact</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Customer meetings</li> <li>• Customer satisfaction surveys</li> <li>• Events</li> </ul>	<ul style="list-style-type: none"> <li>• Climate impact and CO<sub>2</sub> emissions</li> <li>• Products' environmental impact</li> <li>• Sustainability and ethics in the value chain</li> <li>• Financial performance</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Meetings with suppliers</li> <li>• Supplier performance evaluation and ESG due diligence</li> <li>• On-site audits</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct</li> <li>• Human and labour rights</li> <li>• Safety in the workplace</li> <li>• Climate impact and CO<sub>2</sub> emissions</li> </ul>

	AREAS	MATERIAL TOPICS	COMMENTS
<b>E</b>	<b>Climate impact and emissions</b>	<ul style="list-style-type: none"> <li>• Energy consumption within the organisation</li> <li>• Scope 1</li> <li>• Scope 2</li> <li>• Scope 3 category 1</li> <li>• Scope 3 category 4 – Downstream distribution</li> </ul>	OptiGroup promotes a value chain with low carbon emissions through active supplier selection and prioritisation of products with low emission intensity. Using a Group-wide energy strategy, OptiGroup focuses on efficient energy use and the transition to renewable and fossil-free energy sources.
	<b>Sustainable products and supply solutions</b>	<ul style="list-style-type: none"> <li>• Negative environmental impacts in the value chain and actions taken</li> <li>• Labelling requirement for products and services</li> </ul>	OptiGroup strives to be first with innovative sustainable products. The Group companies' supply solutions are aimed at helping the customer to minimise the climate impact of their daily operations. Together with suppliers and customers, OptiGroup influences society in a positive direction.
<b>S</b>	<b>Diversity, equality and inclusion among employees</b>	<ul style="list-style-type: none"> <li>• Diversity of governance bodies and employees</li> <li>• Relationship between women's and men's basic salary and remuneration</li> </ul>	OptiGroup strives to be an attractive employer, where people enjoy working together to create success for the company. The Group promotes diversity and equality because an inclusive culture in which everyone has the same opportunities is decisive for the company's success.
	<b>Responsible sourcing and social impact in the supplier network</b>	<ul style="list-style-type: none"> <li>• New and existing suppliers that were screened using social criteria</li> </ul>	OptiGroup builds relationships with suppliers who are leaders in sustainability. By promoting responsibility and transparency in the value chain, the Group contributes to a more sustainable future.
<b>G</b>	<b>Business ethics and legal compliance</b>	<ul style="list-style-type: none"> <li>• Communication and training in Code of Conduct</li> <li>• Confirmed incidents of violations</li> </ul>	OptiGroup has zero tolerance of corruption and maintains high awareness and commitment to ethical business practices.

# Environmental

## Disclosures under the EU Taxonomy Regulation

The EU Taxonomy is a classification system for sustainable activities, with the purpose of introducing shared definitions of what is sustainable, to make it easier for investors to make sustainable investments. For an activity to be classified as sustainable under the Taxonomy, it must make a substantial contribution to one or more of the EU's six environmental objectives, do no significant harm to any of the other environmental objectives, and fulfil certain minimum social safeguards.

OptiGroup has analysed the Group's economic activities and linked them to the Taxonomy Regulation and the associated NACE codes. No operations that meet the technical screening criteria for the six environmental objectives were identified. OptiGroup assesses that the Group's activities meet all "Do No Significant Harm" (DNSH) criteria and thus conducts business that does not entail significant harm in respect of any of the EU's six sustainability objectives.

## Climate and environment

OptiGroup supports the objective of the Paris Agreement – to restrict the increase of the global average temperature to below 2°C compared with pre-industrial levels and to strive to restrict the temperature increase to 1.5°C.

The most important contribution OptiGroup can make to the climate transition is to help customers to reduce their climate impact in their day-to-day operations by recommending products and supply solutions with reduced carbon emissions. The base for this is active supplier selection and the prioritisation of products with low emission intensity. In addition to this, activities are conducted to optimise energy use in the Group's own operations and to successfully transition to renewable and fossil-free energy sources.

The Group's goal is to be carbon neutral in Scope 1, Scope 2 and category 4 in Scope 3 by 2030 regarding downstream distribution according to the GHG protocol.

Key factors for achieving the objectives are to:

- Build relationships with suppliers that are leaders in sustainability
- Prioritise products with low emission intensity
- Guide customers to sustainable products and supply solutions
- Increase the proportion of certified, renewable and fossil-free energy in the electricity mix
- Drive initiatives for energy efficiency and the deployment of solar panels in buildings in collaboration with landlords
- Increase the proportion of tonne-kilometres using electric and biofuel-powered trucks.

The possibility of successfully introducing sustainable products and supply solutions depends on the competitiveness in the Group's offering, but also on several external factors, such as the

## EU's six environmental objectives

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

customer's climate ambitions, access to sustainable material, the offering of low-emission-intensity energy and legislative developments.

### Climate-related risks

A number of climate-related risks were identified, which are integrated into the Group's risk-assessment process. These risks, including their potential impact, are described in more detail in the general risk section on pages 33–35. In the long term, the assessment is that transition risks are generally sector-related and thus neutral in competition terms.

### Climate change mitigation

OptiGroup has a negative impact in Scope 1 and 2 related to energy consumption in office buildings and warehouses, as well as in terms of transport services using its own vehicle fleet in its own operations. Energy consumption and carbon dioxide can be reduced through a transition to fossil-free energy types and energy efficiency measures. As a European distribution group, most of OptiGroup's emissions are in its supply chain and Scope 3 is deemed to account for 80–90 percent of the Group's carbon emissions.

### Pollution of air and soil

The risk relating to the pollution of air and soil is mainly in the supply chain. OptiGroup sells products in which the emission of harmful substances may occur in the manufacturing processes of products made of plastic, textiles, paper and other raw materials, which may have a negative effect on the environment. A large share of OptiGroup's product range comprises wood-fibre-based products. Purchases of wood-fibre-based products are made from reputable suppliers and mainly from facilities that have made significant investments to reduce pollution. The Group's Supplier Code of Conduct states that constant improvements are to be made to minimise negative effects of the pollution of air and soil.

### *Microplastics*

OptiGroup offers products made of plastic. The risk of microplastics is mainly found in the manufacturing of products upstream in the value chain and the impact in the Group's own operations is minimal. Suppliers of plastic products are encouraged to commit to the Operation Clean Sweep initiative, which is an international programme developed to prevent the release of plastic granulate (pellets, flakes or powder) to nature in connection with handling.

### *Water*

Risks related to water consumption and emissions are mainly found in the supply chain. A high level of water consumption is particularly related to the production of textiles, paper and paper packaging. Several countries and regions are characterised by water scarcity, water stress and a deterioration in water quality, which is further exacerbated by climate change. The Group's Supplier Code of Conduct states that constant improvements are to be made to minimise negative effects of water emissions.

Water consumption in the company's own operations is largely limited to workplace cleaning and hygiene purposes. Emissions of water in the company's own operations are limited to BFG's production and does not include water treatment and impact.

### *Biodiversity and ecosystems*

The risks related to biodiversity and ecosystems mainly occurs in the supply chain. OptiGroup offers a growing range of hygiene and packaging products made of wood-fibre-based materials, since biobased materials have a low climate impact and can replace fossil raw materials in many cases. The pressure on the supply of wood fibre can lead to unsustainable methods of deforestation in the value chain, which would have a negative impact on the ecosystem. Since OptiGroup selects suppliers that hold forest certification and chain of custody from third parties, such as the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC) and ISO 14001, there is a guarantee that the wood fibre products come from sustainable sources and that harvested trees are replaced.

Within the company's own operations, the biodiversity risks are limited. The Group's plants are located in long-established industrial areas and no plants are subject to environmental permits.

### *Circular economy*

Waste is generated by suppliers and customers. The effect is related to both the packaging of products and the final handling of the used products. OptiGroup helps its customers to become part of the circular economy by offering products that are renewable and recyclable, and provides guidance on how the use of fossil-based materials can be minimised.

In its Supplier Code of Conduct, OptiGroup states that suppliers of the Group must check and document the composition of input material to facilitate recycling and steps toward a circular economy. The primary packaging used in the company's range on offer is primarily made of cardboard or corrugated board, which is recyclable material. When plastic is used as a packaging material, it

mainly consists of polyethylene (PE), which is a recyclable material. Packaging comprising composite material occurs only as an exception and then only where it is necessary for the functionality of the product.

Waste in the company's own operations mainly occurs in conjunction with storage activities and in office workplaces. OptiGroup is working to increase recycling and recovery of materials and equipment where this leads to an environmental gain. The ambition is to have waste procedures in all plants that include the sorting of the elements paper, cardboard, plastic, toner and batteries and to ensure a sorting level of at least 70 percent for each plant.

### *Climate-related opportunities*

By promoting a supply chain with low carbon emissions, OptiGroup has identified a number of opportunities to increase revenue, reduce costs and minimise risks.

### *Calculation methods and data collection*

Strategic priorities regarding environment and climate are aimed at reducing emissions and other climate-related risks in the areas in which they have the most impact. Measurement methods for emissions, as well as targets and disclosures, are based on the GHG protocol's standards for companies' greenhouse gas emissions. Unless otherwise stated, emissions of greenhouse gases are adjusted for acquisitions and divestments in accordance the reporting policies of the GHG protocol.

#### *Method and data collection for Scope 1 and 2 emissions*

The environmental impact and inventory of greenhouse gases are established in accordance with the GHG protocol's Corporate Accounting and Reporting Standard, which is a standardised framework for the measurement and reporting of greenhouse gases in carbon equivalents (CO<sub>2</sub>e). The emissions that are related to Scope 1 and 2, which include warehouses, offices and the directly controlled vehicle fleet, are under the direct management of the Group and therefore have a higher control level.

#### *Method and data collection for Scope 3, category 1 emissions*

A small number of companies in the Group can currently offer their customers CO<sub>2</sub>e reports for purchased goods and services. The calculation of CO<sub>2</sub>e is based on transaction data and conversion factors from established databases, where conversion factors are replaced by actual emission data as they are provided by the suppliers. Applied transaction data and other parameters are associated with some uncertainty and could be changed due to improved data quality. Since the calculation methodology is being developed successively and, for example, various sources of emission factors and methods are used, the Group's emission data will not be entirely comparable with those of other companies.

#### *Method and data collection for Scope 3, category 4 emissions*

The results of Scope 3 emissions in category 4 for downstream distribution are reported to demonstrate progress toward the goal of

reduced carbon emissions in downstream transport. The method is based on actual CO<sub>2</sub>e emissions for purchased transports in combination with transaction data and estimates based on internally produced conversion factors.

**Metrics and targets**

Presented below is a compilation of OptiGroup’s most relevant climate-related metrics and targets.

**Outcome 2023**

*Scope 1 and 2*

The most important ways to reduce Scope 1 and 2 emissions are to continuously focus on energy efficiency measures and to increase the share of renewable and fossil-free energy where possible. Carbon emissions from own operations were 11 percent lower in 2023 compared to 2022. The direct emissions in Scope 1 were at a lower level than in the preceding year, which is largely

attributable to a higher share of third-party logistics. The indirect emissions in Scope 2 decreased due to a higher share of renewable and fossil-free energy sources, but also to an extent due to an increased operational mix in markets with lower emission intensity in purchased electricity.

*Scope 3, category 1 – Purchased goods and services*

Regarding challenges in the supplier network, emissions of greenhouse gases pertaining to purchased goods and services were identified as the most important area to manage. OptiGroup has a clear ambition to reduce indirect emissions from purchased goods and services, which involves, for example, helping customers to make climate-smart choices, prioritise products with a lower climate footprint and to influence cooperative partners to reduce their carbon emissions by using fossil-free energy and work with circular business models and recycling.

TYPE OF OPPORTUNITY	POTENTIAL FINANCIAL IMPACT
<b>Resource efficiency</b> <ul style="list-style-type: none"> <li>Transition to energy-efficient buildings and operation of solar panels in the Group’s plants</li> <li>More effective distribution processes and increased use of fossil-free vehicle fleet</li> </ul>	<ul style="list-style-type: none"> <li>Stronger brand and reputation lead to higher demand for the Group’s supply solutions</li> <li>Reduced operating costs</li> </ul>
<b>Energy sources</b> <ul style="list-style-type: none"> <li>Use of energy sources with lower emissions</li> <li>Implementation of energy-efficiency measures</li> <li>Use of internal incentive programmes</li> </ul>	<ul style="list-style-type: none"> <li>Stronger brand and reputation lead to higher demand for the Group’s supply solutions</li> <li>Reduced exposure to emissions of greenhouse gases and thus reduced sensitivity to future changes in pricing of carbon emissions</li> <li>Increased shareholder value and increased access to capital, since investors reward companies with lower emissions</li> </ul>
<b>Products and services</b> <ul style="list-style-type: none"> <li>Expand and broaden the range of goods with low emissions</li> <li>CO<sub>2</sub>e emissions calculator for purchased products</li> </ul>	<ul style="list-style-type: none"> <li>Increased revenue through stronger demand for products and services with lower carbon emissions</li> <li>Strengthened market position and increased revenues through an attractive range that reflects changes in customer preferences</li> </ul>

METRICS	TARGETS
<b>Emissions Scope 1, 2 and 3 category 4</b>	Carbon neutral as of 2030 in Scope 1 and Scope 2, as well as Scope 3, category 4 – Downstream distribution.
<b>Emissions, Scope 1 and 2</b> – Emissions from own operations and purchased energy	70 percent certified renewable electricity of total purchased electricity not later than 2030.
<b>Emissions Scope 3, category 1</b> – Purchased goods and services	Reporting of CO <sub>2</sub> e for purchased goods not later than 2025.
<b>Emissions Scope 3, category 4</b> – Downstream distribution	Reduction of CO <sub>2</sub> e per tonne-kilometre by 5 percent in downstream distribution for two consecutive years. Data quality: >75 percent of purchased transports are covered by detailed CO <sub>2</sub> e reports from transport companies.
<b>Science Based Targets</b>	In 2024, OptiGroup intends to join the global Science Based Targets initiative.

By evaluating suppliers on the basis of environmental criteria and being effective in setting requirements as regards how the products are to be manufactured, OptiGroup can be a positive force for a more sustainable society. During 2023, work commenced to enable the analysis of greenhouse gases from goods and services purchased for the Group. Emissions have not yet been consolidated for the Group's greenhouse gas emissions in Scope 3, category 1.

*Scope 3, category 4 – Downstream distribution*

The Group's distribution of goods to customers is mainly carried out using a third-party logistics partner (3PL), which manages downstream transportation to customers. Carbon emissions from downstream transportation and distribution was estimated at

8,818 tonnes in 2023, with the internally developed conversion factor based on 65 percent of purchased freight, with the actual CO<sub>2</sub>e- emissions being reported by the transport company.

*Scope 3*

Legislation, access to energy with a low emission intensity and customer demand are factors that impact market conditions. Another factor is the share of third-party logistics for downstream distribution. In turn, this leads to fluctuating emission intensity between different markets and regions. Since the Group conducts operations that are dependent on the economy, the sales volume/mix may vary from year to year. In combination, these factors can have a material impact on the result of estimated Scope 3 emissions.

### Scope 1 and 2 – Energy use within the organisation

Energy GWh		2023	2022
Oil	Scope 1	0.1	0.5
Natural gas	Scope 1	9.6	11.8
Diesel	Scope 1	11.6	13.8
Bio-diesel	Scope 1	1.5	1.5
Petrol	Scope 1	4.2	3.9
Renewable sources	Scope 1	0.6	0.5
<b>Total Scope 1</b>	<b>Scope 1</b>	<b>27.6</b>	<b>32.0</b>
Electricity from the national grid	Scope 2	17.2	18.7
Electricity from certified renewable sources	Scope 2	5.8	5.5
District heating	Scope 2	7.0	5.1
<b>Total Scope 2</b>	<b>Scope 2</b>	<b>30.0</b>	<b>29.3</b>
<b>Total energy use in Scope 1 and 2</b>		<b>57.5</b>	<b>61.3</b>
Of which, renewable energy %		25.8%	25.4%
<b>Self-generated renewable energy</b>	Scope 1	<b>2.5</b>	<b>3.0</b>

**Scope 1 and 2 – Carbon emissions, emission intensity and climate compensation**

Emissions, tonnes CO <sub>2</sub> e	Scope	2023	2022
Oil	Scope 1	32	119
Natural gas	Scope 1	1,941	2,382
Diesel	Scope 1	2,937	3,549
Bio-diesel	Scope 1	52	6
Petrol	Scope 1	989	946
<b>Total Scope 1</b>	<b>Scope 1</b>	<b>5,950</b>	<b>7,002</b>
Electricity, market-based	Scope 2	4,544	5,267
District heating	Scope 2	1,251	863
<b>Total Scope 2, market-based</b>	<b>Scope 2</b>	<b>5,796</b>	<b>6,131</b>
<i>Total Scope 2, location-based</i>	<i>Scope 2</i>	<i>5,145</i>	<i>5,995</i>
<b>Total carbon emissions in Scope 1 and 2, market-based</b>		<b>11,746</b>	<b>13,132</b>
Carbon emissions in relation to sales (tonnes CO <sub>2</sub> e/EUR million)		7.9	7.9
Offset of self-generated climate emissions		2,966	4,244

**Scope 3.4 – Calculated CO<sub>2</sub>e emissions in category 4 – Downstream distribution**

Emissions, tonnes CO <sub>2</sub> e	Scope	2023	2022
Scope 3.4 - CO <sub>2</sub> e emissions	Scope 3.4	8,818	—

**Sustainable products and supply solutions**

The Group companies' innovation and development work is focused on products and services that customers demand in terms of function, quality and sustainability. In the ongoing work to develop the range offering, consideration is given to the products' environmental impact across their entire life cycle – from raw material, manufacturing and transportation to use and final handling – where the companies prioritise products with effective use of resources and lower climate impact. The possibility of successfully introducing sustainable products and services depends on the competitiveness in the Group's offering, but also on several external factors, such as the customer's own climate ambitions and the development of various laws and directives. OptiGroup helps its customers to make informed purchasing decisions and the Group's supply solutions are aimed at helping customers to minimise the climate impact of their daily operations.

*Products of biobased materials*

Products marketed by OptiGroup are largely based on renewable and recyclable materials. Bio-based materials come from organic sources and can easily be broken down into natural elements, making them more sustainable than traditional petroleum-based

plastic materials. Bio-based products are made of substances that have their origins in living organisms and contain such materials as biopolymers, wood, starch and cellulose fibres (wood fibre, sugar cane). Bio-based materials are often compostable, which means that they can be returned to the earth to provide nutrients for future crops. OptiGroup works continuously to strengthen its product range with products that ease the customers' possibilities of reducing their climate footprint.

*Wood fibre-based products from responsibly managed forests*

OptiGroup supports an environmentally responsible way of using natural resources by offering products based on wood fibres. Sustainably managed forests contribute to mitigating global warming, since the trees bind carbon dioxide through photosynthesis. FSC and PEFC certificates ensure that the origin of wood-fibre-based products is from sustainable sources and that harvested trees are replanted. The FSC and PEFC organisations work for the environmentally sound and socially responsible management of forests and promote the marketing of wood that is produced in accordance with sound ecological and social principles. Forestry and processing, as well as the chain of custody, are subject to strict control by independent certification bodies.

*Eco-labelled products*

OptiGroup uses established eco-labelling that contributes to protecting the environment and responsible use of natural resources. Accepted eco-labelling and certifications, which were created to represent various aspects of sustainable manufacturing, offer a high level of reliability when choosing products. OptiGroup accepts only reliable eco-labels and eco-labelled products defined as products that strictly adhere to the requirements for eco-certification and eco-labelling systems from the FSC, PEFC, Bra Miljöval (Good Environmental Choice), Nordic Eco Label, EU Eco Label/EU flower, Blue Angel or Oeko-Tex.

*Product-related risks*

The capacity to deliver in accordance with market demand is dependent to a high degree on the availability of products for onward sales and other important services, as well as the ability to ensure distribution to customers from the Group's various warehouses. Disruptions to the supply chain may depend on a variety of different factors, including shortages of raw materials and input components, strikes, pandemics or climate risks, which separately or in combination, could lead to disruption in deliveries, thereby having a negative impact on OptiGroup's operations and earnings.

OptiGroup operates in an industry that constantly encounters new business models, competitors and global trends, such as digitisation. In recent years, the Group has continuously invested in digitisation and new technology to be able to offer productive and innovative services that contribute to the customers' sustainability work. If OptiGroup misjudges, delays or fails to adapt its services to trends, legislation and customer requirements or other changes in demand, it could have a negative impact on earnings and financial position.

*Product-related opportunities*

OptiGroup strives to be first with innovative, sustainable products and supply solutions aimed at helping the customers to minimise the climate impact of their daily operations. Successful innovation work enables an advancement of the market position and increased revenues through an attractive range.

*Calculation methods and data collection*

Strategic priorities regarding sustainable products are aimed at reducing CO<sub>2</sub>e emissions, promoting a circular economy and using natural resources responsibly. Measurement methods for the reporting of the share of sales of sustainable products, as well as targets and disclosures, are based on transaction data from the companies' ERP and BI systems. Unless otherwise stated, reported data is adjusted for acquisitions and divestments.

*Metrics and targets*

OptiGroup will support the circular economy and responsible use of natural resources by promoting and increasing the sales of renewable, recycled, compostable and bio-degradable products. The goal is that 70 percent of product sales will comprise items manufactured using bio-based or recycled material by 2030. Recycled plastic-based materials are defined as plastic products containing more than 80 percent recycled plastic.

*Outcome 2023*

The reason for the somewhat reduced sales share of FSC/PEFC-certified products is that the market for graphic fine paper declined sharply in 2023, which led to reduced sales of FSC/PEFC-certified graphic products.

The share of sales of biobased and recycled materials was nonetheless intact, while the share of sales for eco-labeled products increased.

Share of sales, sustainable products, %	2023	2022
Share of sales, biobased and recycled materials	53%	53%
Share of sales, eco-labelled products	37%	34%
Share of sales, FSC/PEFC-certified products of wood-fibre-based materials	51%	53%

# Social

## **Diversity and equal opportunity**

OptiGroup strives to be an attractive employer, where people enjoy working together to create success. The Group promotes diversity and equality because an inclusive culture in which everyone has the same opportunities is decisive for the company's success.

## **Employment**

OptiGroup's Code of Conduct forms the basis for responsible business practice that builds and maintains relationships of trust with customers, employees, suppliers, shareholders and other stakeholders. Managers in the business areas and Group functions, as part of operating activities, have responsibility for such areas as employment conditions, employee relations, personal development and diversity. To manage these issues effectively, they receive support from HR experts and company management.

As the operations expand internationally, there is a growing need to have the right individuals and expertise. OptiGroup takes great care to create a workplace that encourages skills development and realisation of individual initiatives, at the same time as adopting clear targets and ways to achieve these. Providing employees with the correct skills and promoting the right attitude are key aspects in achieving the Group's established objectives.

## *Relations between employees and management*

OptiGroup bases the relationship between the company and its employees on honesty, openness and fairness. Appraisal discussions and employee meetings generate a structured dialogue. Another important feature are the employee surveys, in which employees have the possibility to anonymously provide their view of the operations.

## *Freedom of association and collective negotiations*

OptiGroup respects the rights of all employees to form and join a trade union to represent their interests as employees, to organise themselves and negotiate collectively or individually, and to have the right to refrain from joining a trade union.

## **Non-discrimination and fair treatment**

OptiGroup does not tolerate harassment or discrimination. The Group provides training to increase awareness and prevent harassment and discrimination. This is done on the basis of OptiGroup's Code of Conduct. If a manager or colleague acts in contravention of the Code of Conduct, there is a whistleblower process that can be used to escalate this.

## **Human rights**

OptiGroup's employees work within the European Union, Norway and Switzerland, where there are comprehensive regulations for the protection of human rights.

## **Occupational health and safety**

OptiGroup's health and safety policy framework comprises a directive on the way safety, health and well-being are to be managed in the Group. Every business area and function is responsible for compliance with the directive. Employees are encouraged to report accidents, incidents and unsafe conditions, since these are an important source of improvement and can highlight opportunities to more effectively minimise workplace risks.

## *Health and safety training for employees*

The employees are trained on the basis of a risk assessment for a certain machine, process or workplace in order to understand the risks and how they are to be managed. More specialised training is offered depending on the work tasks and the area of responsibility of the role. Special training for potentially hazardous work is obligatory for employees who work in these environments and this must be repeated regularly.

## *Sickness and accident frequency*

OptiGroup monitors the sickness and accident frequency at all of the companies in the Group. Information on occupational health and safety is reported at unit level and compiled at Group level annually. Many different key performance indicators are reported for various needs, but the number of accidents with lost work time and sickness and accident-related absence are examples of key performance indicators used at Group level.

## **Training and education**

Leadership, learning and development are of utmost importance for the Group's development. Increased awareness among employees contributes to development and concrete progress. The business units are responsible for training in the particular skills areas that they require. OptiGroup's e-learning platform gives employees access to a number of digital training opportunities.

## **Metrics and targets**

HR-related key performance indicators are followed up in OptiGroup's companies and Group-wide targets are established for certain selected key performance indicators.

- Diversity – to have a minimum of 30 percent female employees, with women in management roles reflecting the number of women in the operations.
- Well-being in the workplace – eNPS value of more than 30
- No cases of harassment or discrimination

**Outcome 2023**

Total number of full-time employees (FTE) by gender, age and region

	2023 Age and total				2022 Age and total			
	<30	30–50	>50	All	<30	30–50	>50	All
<b>Europe</b>	<b>271</b>	<b>1,180</b>	<b>861</b>	<b>2,311</b>	<b>292</b>	<b>1,237</b>	<b>858</b>	<b>2,387</b>
Of whom women, %	37%	42%	35%	39%	37%	42%	35%	39%
<b>Other regions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Of whom women, %	—	—	—	—	—	—	—	—
<b>Group total</b>	<b>271</b>	<b>1,180</b>	<b>861</b>	<b>2,311</b>	<b>292</b>	<b>1,237</b>	<b>858</b>	<b>2,387</b>
Of whom women, %	37%	42%	35%	39%	37%	42%	35%	39%

Total number of employees (headcount) by employment contract, by gender and region

	2023			
	Full-time employees	Temporary employees	Total workforce	Staffing companies/ consultants
<b>Europe</b>	<b>2,257</b>	<b>222</b>	<b>2,479</b>	<b>94</b>
Of whom women, %	40%	32%	39%	—
<b>Other regions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Of whom women, %	—	—	—	—
<b>Group total</b>	<b>2,257</b>	<b>222</b>	<b>2,479</b>	<b>94</b>
Of whom women, %	40%	32%	39%	—

Total number of employees (headcount) by employment type, by gender

	2023			
	Full-time employees	Part-time employees	Total workforce	Staffing companies/ consultants
<b>Group total</b>	<b>2,145</b>	<b>334</b>	<b>2,479</b>	<b>94</b>
Of whom women, %	36%	61%	40%	—

**Outcome 2023****Employee turnover rate (FTE) by age and gender, %**

Employee turnover rate, %	2023	2022
<b>Europe</b>	<b>23.1</b>	<b>13.3</b>
Men	20.5	—
Women	27.1	—
<b>Other regions</b>	<b>—</b>	<b>—</b>
Men	—	—
Women	—	—
<b>Group total</b>	<b>23.1</b>	<b>13.3</b>
Men	20.5	—
Women	27.1	—

The total employee turnover expresses the share of employees who left the Group voluntarily (such as through retirement or voluntary resignation) and involuntarily (including redundancies related to work shortage).

**New employees (FTEs) according to gender, age and region**

New employees, FTEs	2023 Age and total				2022 Age and total			
	<30	30–50	>50	All	<30	30–50	>50	All
<b>Europe</b>	<b>83</b>	<b>158</b>	<b>50</b>	<b>290</b>	—	—	—	—
Of whom women, %	41%	55%	25%	45%	—	—	—	—
<b>Other regions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—	—	—	—
Of whom women, %	—	—	—	—	—	—	—	—
<b>Group total</b>	<b>83</b>	<b>158</b>	<b>50</b>	<b>290</b>	—	—	—	—
Of whom women, %	41%	55%	25%	45%	—	—	—	—

**Gender distribution over time, percentage of women, %**

	2023	2022
<b>All employees</b>	<b>39%</b>	<b>39%</b>
Managers (all levels)	35%	33%
Senior executives	30%	—
OptiGroup Top Management (OMT)	0%	0%
OptiGroup Holding AB's Board of Directors	25%	25%

**Health and safety data**

	2023	2022
Sickness and accident-related absence as a percentage of theoretical working hours	4.6	4.1
Number of accidents at the workplace per one million hours worked	7.5	9.5
Number of accidents at the workplace with lost worktime per one million hours worked (LTIFR)	2.8	3.7
No. of work-related fatalities	1	0

### Responsible sourcing and human rights

OptiGroup's suppliers play a decisive role in realising the Group's sustainability strategy throughout the value chain. With a broad supplier network in the first tier, OptiGroup has a unique position to influence sustainability work in the supply chain, also among suppliers in the second and third tiers.

OptiGroup's policy for the management of supplier risks and the Group's Supplier Code of Conduct comprises the foundation for the effort to develop a sustainable supply chain. The Supplier Code of Conduct is based on OptiGroup's sustainability ambitions within human rights, work conditions, environment and business ethics. It is also guided by such frameworks as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as other international frameworks.

### Supplier performance evaluation

Suppliers to OptiGroup are assessed for risk related to environment and climate, as well as human rights and corruption, with the focus varying according to jurisdiction and product category. Risk assessments of suppliers are conducted in the form of the supplier confirming compliance with OptiGroup's Code of Conduct in combination with self-assessment and targeted on-site audits. A risk-based method is applied, by which scope and prioritisation are based on risks related to country, the supplier's importance and type of raw material. As a complement, risks can be identified in connection with all types of supplier audits or supplier visits. To support continuous improvement, a supplier assessment is valid for a maximum of three years, after which a new assessment is required.

### On-site audits

Suppliers classified as medium or high-risk suppliers are subject to more detailed due diligence reviews in the form of additional questionnaires and/or on-site audits. OptiGroup conducts most audits and reviews using internal resources that are tasked with ensuring that appropriate measures are taken to correct the shortfalls identified. The results of the audits are presented as feedback to the suppliers, who are expected to establish and implement a plan for corrective measures within a reasonable time.

The review process, which is based on the Supplier Code of Conduct, focuses on a broad spectrum aspects such as human rights, employment conditions, the environment and business ethics. The responsibility for improvements and corrective measures is always with the suppliers themselves. Cases of failure to comply are managed by the buyer responsible until they have been resolved. Cooperation is terminated with those suppliers who do not address critical issues.

### Supplier-related social risks

Suppliers' failure to comply with OptiGroup's Code of Conduct comprises a risk for OptiGroup. At the same time, suppliers who do not meet OptiGroup's sustainability requirements may lose business and risk having the business relationship terminated, which may lead, in the short term, to a limited delivery capacity in a certain area before an approved replacement supplier is in place.

### Supplier-related social opportunities

A supplier who has control of the value chain can help the customer to meet their social responsibilities in, for example, human rights and employee health and safety. Since OptiGroup is the cooperative partner that can best help customers to reduce their risks, this creates the conditions for a stronger market position and profitable growth.

### Metrics and targets

Metrics	Targets
Management of supply chain risks	<ul style="list-style-type: none"> <li>All suppliers with a purchasing value of more than EUR 50 million must have confirmed compliance with OptiGroup's Supplier Code of Conduct</li> </ul>

### Outcome 2023

- In late 2023, work commenced to implement a shared platform for the OptiGroup companies in order to conduct risk analyses and due diligence of suppliers.
- During the year, 73 new suppliers were introduced, and they will be routinely monitored. At year-end, it was assessed that 1,138 suppliers comply with OptiGroup's Supplier Code of Conduct, which corresponds to 89 percent of the total purchasing of goods for resale.
- OptiGroup makes requirements of suppliers in terms of health and safety and human rights. For example, this entails that no forced labour or child labour may occur and that the suppliers are to maintain a safe work environment. In 2023, 23 third-party audits were conducted. During the year, no deviations in relation to these areas were reported.

# Governance

## Business ethics and compliance

As a means of building and maintaining confidence among customers, suppliers, shareholders and employees, OptiGroup applies the same Code of Conduct in all markets served by the company. The subsidiaries within OptiGroup commit to comply with professional and ethical business practices, where the Group's policy frameworks and Code of Conduct set the standard for ethical behaviour in daily operations.

## Compliance program

Conducting operations in line with the Group's policy framework and applicable laws and directives is the basis for sustainable success. To ensure that OptiGroup's policy framework is implemented throughout the Group, the Parent Company conducts an annual certification process. The Group's Corporate Governance function is responsible for the certification process, the purpose of which is to ensure that the Group's policy framework is subject to an annual review and that the subsidiaries comply with it.

OptiGroup expects all of its employees to adhere to the Group's policy framework in their daily work. Each company manager is responsible for the implementation of and compliance with the company's policy framework. Any violation of the policy framework will be closely examined and followed up with the necessary action taken.

## Communication and training in compliance

The Group's top level management, the Corporate Governance function and the companies' presidents regularly communicate the importance of complying with all applicable laws. To ensure that all employees have the knowledge required, a training program is available to all employees. This includes e-learning in the Code of Conduct, anti-trust legislation, anti-corruption, export control and GDPR.

## Whistleblower service

OptiGroup regards a vibrant culture – in which employees are not afraid to express objections – as crucial to the company's success, and that this can contribute to revealing misconduct and preventing violations of laws. All employees are encouraged to report misconduct and violations to their local organisation. In addition, there is also a Group-wide whistleblower service on the intranet and on the company's public website, giving all employees and business partners the possibility to anonymously report suspicions of violations of laws or the company's policy framework. The whistleblower service is available in 15 local languages and is managed by an external party together with the Corporate Governance function at OptiGroup's head office.

## Anti-corruption

OptiGroup endeavours to conduct business in a fair, honest and legal manner and strictly prohibits all forms of corruption. No employees, regardless of level within the company, may participate or in any other way be involved in any form of corruption,

## Corporate Governance Certification Process

OptiGroup performs an annual certification process to ensure that the Group's policy framework is up-to-date and implemented in the operation. Senior executives must annually:

- Confirm understanding of and compliance with the policy framework for their unit, including descriptions of any known deviations
- Confirm that employees are aware of applicable policies and are notified if any changes are made to them
- Confirm that the Group's policy framework is integrated into the companies' own guidelines and processes, and that compliance is assured

including directly or indirectly offering or accepting bribes, expensive gifts or an exaggerated level of representation. The Group expects all business partners to adopt and apply the policies on anti-corruption and OptiGroup does not tolerate any involvement in any form of corruption.

The exposure of the Group and its employees to corruption risks derives from various risk factors. For example, the company has operations that entail participation in private and public tenders. In addition, the company is exposed to compliance risks through its collaboration with a broad spectrum of suppliers and business partners.

## Anti-trust law

Free and fair competition is a cornerstone of a market economy and this is something that OptiGroup fully supports. The Group strictly prohibits all forms of action that could violate anti-trust law. No employees, regardless of level within the company, may participate or in any other way be involved in any form of behaviour that could violate anti-trust law. OptiGroup also expects that all of its business partners adopt and comply with our anti-trust policies.

The Group's exposure to competition risks derives from various factors. This includes risks related to the fact that the Group has business operations in several countries and that employees can interact inappropriately with competitors' employees in various contexts. In addition, relations with external business partners

can expose the Group to competitive risks, such as in the form of agreements with customers or suppliers that restrict competition.

Every interaction with competitors entails an inherent risk in the form of commercially sensitive information. OptiGroup has supplemented its anti-trust policies in the Group's Code of Conduct with the addition of a special directive on compliance with anti-trust law, which includes detailed instructions and guidelines.

#### **Human rights**

OptiGroup is committed to respecting human rights in accordance with the following internationally recognised frameworks:

- UN International Declaration on Human Rights
- ILO fundamental conventions
- UN Global Compact
- UN Guiding Principles on Business and Human Rights
- OECD guidelines for multinational companies

Negative impact on human rights may occur in the company's own organisation, but the largest risks are deemed to be in the supply chain.

#### *Own operations*

At Group level, compliance with human rights in the company's own operations is monitored using internal data such as personnel data, local policies, responses to employee surveys, in collective agreements, and through dialogue with management teams and HR departments.

#### *Supplier network*

OptiGroup's Supplier Code of Conduct states minimum requirements and expectations placed on the company's suppliers and their sub-suppliers regarding the areas of climate, resources and people, including human rights and labour rights, health and safety, and business ethics. Although the issues differ in the supply chain depending on country and product category, a number of risks related to human rights have been identified, which are managed through the Group's risk management process for suppliers.

#### **Metrics and targets**

Metrics	Targets
<ul style="list-style-type: none"> <li>• Share of senior executives who have completed the certification process</li> <li>• Number of employees trained and certified in the Code of Conduct at year-end</li> <li>• Number of significant violations of the Group's policy framework</li> </ul>	<ul style="list-style-type: none"> <li>• All senior executives must have completed the certification process</li> <li>• 80 percent of employees are trained in the Code of Conduct</li> <li>• No cases of non-compliance with laws and regulations</li> <li>• No cases of corruption</li> <li>• No cases of harassment or discrimination</li> </ul>

#### **Outcome 2023**

- All senior executives completed the annual certification process for the implementation of OptiGroup's policy framework in 2023.
- During 2023, 1,598 employees completed OptiGroup's Code of Conduct training.
- In 2023, reports were received relating to five whistleblower cases that were addressed in accordance with the Group's whistleblower policy. All cases were investigated and the results reported to the Board's Audit Committee. One investigation was in ongoing at year-end. All confirmed cases are followed up by appropriate corrective measures.
- Sustainability analyses were carried out in conjunction with all corporate acquisitions in 2023. During 2023, no cases were registered involving material non-compliance with laws.

# Complementary disclosures

## Organisational details

### **Name of organisation**

The name of the company issuing this report is OptiGroup Holding AB.

### **Ownership and legal form**

OptiGroup Holding AB is a privately owned company.

### **Localisation of head office and operations**

OptiGroup, which is headquartered in Gothenburg, Sweden, has operations in 16 European countries.

### **Entities included in the report**

The report covers all subsidiaries and includes activities conducted at owned and leased facilities, where OptiGroup's companies have operational control. The exception is Van den IJssel Bedrijfskleding BV, which was acquired in December 2023. No specific units were categorically excluded. Some smaller units may have been excluded from emissions reporting for reasons of materiality.

### **Membership and partnerships**

OptiGroup is not a member of any industry association, or national or international lobbying association whereby the company provides material financing above and beyond routine membership fees, nor does it actively participate in governing bodies.

## Reporting period, frequency and contact details

### **Reporting cycle**

The reporting cycle is annual. No significant restatements were made. The reporting period is from 1 January 2023 through 31 December 2023.

### **Contact**

Feedback on this report and on the company's sustainability performance is welcomed. Please send comments to: stefan.sikander@optigroup.com and annika.laurell@optigroup.com

## Data collection

Quantitative data that forms the basis for sustainability disclosures is collected from various systems. Environmental data is reported at business unit level in accordance with the Group's reporting platform, which is provided by Worldfavor. The information is checked internally by an ESG network and consolidated at Group level. Data relating to health and safety, combined with other employee-related data, is reported at business unit level and consolidated at Group level. The information is reported and quality-assured at business unit level and reviewed by the business unit HR manager. Information on legal compliance is reported and gathered through internal case management systems and the whistleblower service, which is provided by a third party. Qualitative data is collected from various functions, each of which is responsible for coordinating their respective sustainability topics.

### **Restatements**

Certain emissions-related data items were restated. These are a result of adjustments in reporting methods and improvements in reporting by certain smaller units. The restatements were not material.

### **Material changes to the organisation**

During the reporting period, the companies Facility Trade Holding BV and Van den IJssel Bedrijfskleding BV in the Netherlands, as well as Pacia AB in Sweden, were acquired. During the year, the Dutch company EmdaPlast BV was divested.

### **Application of the precautionary principle**

To manage the environmental challenges, the Group companies have adopted a preventive approach and apply the precautionary principle in their operations.

### **External assurance**

The report and the sustainability disclosures for 2023 were not reviewed by a third party. The company's auditor has, however, submitted an opinion regarding the preparation of the sustainability report in accordance with FAR's auditing standard RevR 12 as outlined in the definition on page 130 under the heading The auditor's opinion regarding the statutory sustainability statement.

OptiGroup's subsidiary Moonen Packaging produces more electricity that it consumes itself. The CO<sub>2</sub>e-neutral building, with about 7,400 solar panels, produces more than 2,000 MWh annually.



# GRI content index

Statement of use OptiGroup has reported in accordance with the GRI Standards 2021 for the period 1 January–31 December 2023.

GRI 1 used GRI 1: Foundation 2021

GRI standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<b>GENERAL DISCLOSURES</b>					
GRI 2: General Disclosures 2021	2-1	Organisational details	43, 111		
	2-2	Entities included in the organisation's sustainability reporting	126		
	2-3	Reporting period, frequency and contact point	126		
	2-4	Restatements of information	126		
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	2-8	Workers who are not employees	121		
	2-9	Governance structure and composition	36-39		
	2-10	Nomination and selection of the highest governance body	36-39		
	2-11	Chair of the highest governance body	36-39		
	2-12	Role of the highest governance body in overseeing the management of impacts	36-39, 111-112		
	2-13	Delegation of responsibility for managing impacts	111-112		
	2-14	Role of the highest governance body in sustainability reporting	111-112		
	2-15	Conflicts of interest	37		
	2-16	Communication of critical concerns	113		
	2-17	Collective knowledge of highest governance body	36-39, 111-112		
	2-18	Evaluation of the performance of the highest governance body	36-39		
	2-19	Remuneration policies	36		
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	2-21	Annual total compensation ratio	69-70		
	2-22	Statement on sustainable development strategy	10		
	2-23	Policy commitments	112		
	2-24	Embedding policy commitments	124		
	2-25	Processes to remediate negative impacts	124		
	2-26	Mechanisms for seeking advice and raising concerns	37, 124		
	2-27	Compliance with laws and directives	124		
	2-28	Membership associations	126		
	2-29	Approach to stakeholder engagement	113		
	2-30	Collective bargaining agreements		Number of employees with agreements	Information unavailable

GRI standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<b>MATERIAL TOPICS</b>					
GRI 3: Material Topics 2021	3-1	Process to determine material topics			112-113
	3-2	List of material topics			113-115, 119, 123
<b>ANTI-CORRUPTION</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			124
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures			124
	205-3	Confirmed incidents of corruption and actions taken			125
<b>ANTI-COMPETITIVE BEHAVIOUR</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			124
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices			125
<b>ENERGY</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			113, 114, 116
GRI 302: Energy 2016	302-1	Energy consumption within the organisation			117
<b>EMISSIONS</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			113, 114
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions			118
	305-2	Energy indirect (Scope 2) GHG emissions			118
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			118-119
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria			123
	308-2	Negative environmental impacts in the supply chain and actions taken			123
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			113, 120
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees			121-122
<b>SUPPLIER SOCIAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics			123
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria			123

This is a translation from the Swedish original.

# Auditor's Report on the statutory Sustainability Statement

To the general meeting of the shareholders of OptiGroup Holding AB, corporate identity number 559350-9390

## Engagement and responsibility

It is the Board of Directors who is responsible for the statutory Sustainability statement for the year 2023 on pages 110–129 and that it has been prepared in accordance with the Annual Accounts Act.

## The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

## Opinions

A statutory sustainability statement has been prepared.

Gothenburg 23rd of April 2024

PricewaterhouseCoopers AB

Fredrik Göransson  
Authorized Public Accountant

# Definitions and reconciliations of alternative performance measures

The purpose of alternative performance measures is to facilitate the analysis of business results and industry trends that cannot be directly derived from the financial statements. OptiGroup uses the following alternative performance measures:

Alternative performance measures	Definition	Purpose
Operating margin	Operating profit as a percentage of net sales for the period.	<i>Shows the business's operating profit in relation to sales</i>
Debt/equity ratio	Interest-bearing liabilities divided by equity including non-controlling interests.	<i>Helps to highlight the financial risk</i>
Equity/asset ratio	Equity including non-controlling interests as a percentage of balance sheet total.	<i>A metric to show financial risk, which puts the company's equity in relation to total capital</i>
Adjusted EBITDA	Adjusted EBITDA refers to operating profit before amortisation/depreciation and impairment of tangible and intangible assets and items affecting comparability.	<i>Shows the operation's underlying development, adjusted for the effects of depreciation/amortisation, in relation to sales, which is valuable in indicating the operation's underlying cash-generating capacity</i>
EBITA	Operating profit before amortisation and impairment of intangible assets.	<i>Shows the operation's underlying development. Valuable as an indication of the operation's underlying cash-generating capacity</i>
Adjusted EBITA	Operating profit before amortisation and impairment of intangible assets and items affecting comparability.	<i>Shows the operation's underlying development less items affecting comparability. Valuable as an indication of the operation's underlying cash-generating capacity</i>
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales for the period.	<i>Shows the operation's underlying performance less items affecting comparability in relation to sales.</i>
Organic sales growth	Net sales adjusted for acquired/divested companies, trading days and translation effects due to exchange-rate fluctuations.	<i>Shows the underlying growth from changes in volume, price and sales mix</i>
Net debt/cash	Total current and non-current interest-bearing liabilities (excluding pension liabilities) less interest-bearing assets, cash and bank balances.	<i>A measurement of the company's financial position</i>
Net debt/adjusted EBITDA	Net debt/cash divided by adjusted EBITDA for the last 9 months.	<i>A measurement of the company's financial position in relation to the operation's underlying performance less items affecting comparability</i>
Operating cash flow	Cash flow from operating activities less investments in non-current assets excluding investments made on the basis of acquisitions of subsidiaries or associates.	<i>Shows the company's cash-generating capacity after operational investments</i>
Cash conversion	Operating cash flow as a percentage of adjusted EBITA for the last 9 months.	<i>Shows the company's cash-generating capacity after operational investments in relation to the company's underlying performance less items affecting comparability</i>

**Reconciliation of EBITA, adjusted EBITA and operating profit**

EBITA refers to operating profit before amortisation and impairment of intangible assets and adjusted EBITA refers to operating profit before amortisation and impairment of intangible assets and items affecting comparability. Amortisation of intangible assets primarily comprises amortisation attributable to amortisation of acquisition surplus values and items affecting comparability mainly refers to events related to changes in the Group's structure, such as expenses for capacity adjustments and redundancies. Other items affecting comparability can be capital gains or losses from sales of the Group's assets, acquisition-related costs and similar expenses. Both EBITA metrics are used by the Management Team to monitor and analyse underlying earnings before such amortisation and to provide comparable figures between periods.

Items affecting comparability for 2023 amounted to EUR –17.2 million (–32.7) net. The costs pertain mainly to restructuring, integration and transaction costs.

**Reconciliation of adjusted EBITDA and operating profit**

Adjusted EBITDA refers to operating profit before amortisation/depreciation and impairment of tangible and intangible assets and items affecting comparability.

EUR million	2023	2022
<b>Adjusted EBITDA</b>	<b>128.9</b>	<b>116.9</b>
Depreciation and impairment of property, plant and equipment	–36.1	–25.8
Amortisation and impairment of intangible assets	–69.3	–29.5
Items affecting comparability	–17.2	–32.7
<b>Operating profit</b>	<b>6.3</b>	<b>28.9</b>

**Reconciliation of operating cash flow**

Operating cash flow refers to cash flow from operating activities less investments in non-current assets excluding investments made on the basis of acquisitions of subsidiaries or associates.

EUR million	2023	2022
<b>Cash flow from operating activities</b>	<b>111.6</b>	<b>19.6</b>
Investments in non-current assets	–9.5	–9.7
<b>Operating cash flow</b>	<b>102.2</b>	<b>9.9</b>

EUR million	2023	2022
Adjusted EBITA	92.8	91.1
Items affecting comparability	–17.2	–32.7
<b>EBITA</b>	<b>75.6</b>	<b>58.4</b>
Amortisation and impairment of intangible assets	–69.3	–29.5
<b>Operating profit</b>	<b>6.3</b>	<b>28.9</b>

**Reconciliation of cash conversion**

Cash conversion refers to operating cash flow as a percentage of adjusted EBITA.

EUR million	2023	2022
Operating cash flow	102.2	9.9
Adjusted EBITA	92.8	91.1
Cash conversion, %	1.1	11

**Reconciliation of net debt/cash**

Net debt is used by the Management Team to monitor the Group's debt trend and to analyse the debt/equity ratio and any refinancing of the Group that may be necessary. See Note 18 for a reconciliation of the Group's net debt/cash.

**Reconciliation of net debt/adjusted EBITDA**

Net debt as a percentage of adjusted EBITDA is used by the Management Team as a performance measure to monitor the debt trend in relation to the profitability of the Group.

EUR million	2023	2022
Net debt	415.4	668.0
Adjusted EBITDA	128.9	116.9
Net debt/adjusted EBITDA	3.2	5.7

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