



October 2020 –  
December 2020  
Interim Report  
Q1/2021

1 October 2020 –  
31 December 2020

## Interim Report 1 October 2020 – 31 December 2020

# Strongest quarter so far

### October 2020 – December 2020

- Group net sales totalled EUR 84.3 million (70.3 million), an increase of 19.9%.
- Like-for-like sales growth was 13.1%.
- Adjusted EBITA was EUR 10.6 (7.8) million, up by 36.4%.
- Adjusted EBITA margin was 12.6% (11.1%).
- Operating profit increased by 56.3% to EUR 8.4 (5.4) million, representing 10.0% (7.7%) of net revenue.
- Profit for the period totalled EUR 7.8 (3.7) million.
- Earnings per share, basic was EUR 0.24 (0.13).
- Number of stores grew to 300 (281).
- Number of loyal customers grew to 1,189 thousand (1,052 thousand).

The figures in parentheses refer to the comparison period, i.e. the same period in the previous year, unless stated otherwise. Musti Group's financial year is from 1 October to 30 September.

### Key figures

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019-9/2020
Net sales	84.3	70.3	19.9 %	284.4
Net sales growth, %	19.9%	9.7%		15.3%
LFL sales growth, %	13.1%	7.7%		11.5%
LFL store sales growth, %	8.0%	7.2%		7.3%
Online share, %	21.6%	19.5%		22.5%
Gross margin, %	46.1%	45.4%		43.8%
EBITA	10.0	6.8	46.3%	25.5
Adjusted EBITA	10.6	7.8	36.4%	29.8
Adjusted EBITA margin, %	12.6%	11.1%		10.5%
Operating profit	8.4	5.4	56.3%	19.6
Operating profit margin, %	10.0%	7.7%		6.9%
Profit/loss for the period	7.8	3.7	111.5%	11.8
Earnings per share, basic, EUR	0.24	0.13	82.6%	0.37
Net cash flow from operating activities *)	15.9	14.6	8.8%	41.9
Investments in tangible and intangible assets	3.1	2.5	27.3%	8.9
Net debt / LTM adjusted EBITDA	1.8	3.1	-44.0%	2.0
Number of loyal customers, thousands	1,189	1,052	13.0%	1,151
Number of stores at the end of the period	300	281	6.8%	293
of which directly operated	242	212	14.2%	231

\*) Interest and other finance income received has been reclassified from net cash flow operating activities to net cash flow from financing activities.

## CEO's comments

I am extremely proud to present the quarterly results today, as in October 2020 – December 2020 Musti Group performed its strongest quarter ever. I want to express my sincerest thanks to whole of our staff for making it possible. The quarter continued to demonstrate the strengths and resilience of Musti Group's business model and under exceptional circumstances with COVID-19 pandemic severely affecting societies all over the world, we have been able to extend our position as the market leader in the growing Nordic pet care market. This has been possible through the ability to offer expert advice, a more diverse range of higher quality products and better convenience combined with an enjoyable shopping experience to cater to Pet Parents' needs. All our stores have been open throughout the quarter as our business is categorized as essential retail in all of our operating countries.

- Group's net sales increased by 19.9% to EUR 84.3 million (EUR 70.3 million). The increase was largely due to like-for-like growth in all countries, mainly driven by the increasing number of new customers, and an increased number of directly operated stores. Like-for-like growth amounted to 13.1% (7.7%).
- Store sales increased by 17.6% to EUR 62.4 million (EUR 53.1 million), driven by an increased number of stores and strong like-for-like store sales growth especially in Finland and Norway. Like-for-like store sales growth amounted to 8.0% (7.2%).
- Online sales increased by 33.0% to EUR 18.2 million (EUR 13.7 million). Online sales accounted for 21.6% (19.5%) of total net sales. The channel shift impact from stores to online sales from COVID-19 was lower compared to the previous quarter and we have started to see a shift from online to stores. Omnichannel part of the online sales has been growing faster than the pure play online sales.
- Net cash flow from operating activities was strong in the quarter and totaled EUR 15.9 million (EUR 14.6 million).
- Musti Group's underlying growth has continued strong after the first quarter.

The number of registered puppies has been growing rapidly throughout the year 2020. In Finland, the full year growth compared to previous year was 8% and in Sweden 14%. The growth accelerated heavily towards the end of the year in all countries, and in December 2020 the growth in Sweden was 40% compared to previous year. The growth in Musti Group's new puppy customers continued strong. Compared to the corresponding quarter previous year, the number of Musti Group's new puppy customers increased by 46% during Q1. We see growth opportunities geographically in all countries, and the number of directly operated stores increased by 11 stores during October-December, thus we are in good speed to reach the estimate to increase the number of own stores by 25-35 during the reporting year 2021 as we expect the favorable momentum in the market to continue also during 2021.

Focusing on profitable growth was demonstrated strongly again in the first quarter profitability development as Musti Group's adjusted EBITA increased by 36.4% to EUR 10.6 million from the corresponding quarter previous year. Gross margin was strong and increased to 46.1% (45.4%) as a result of more efficient marketing campaigns, favorable product mix and efficient supply chain management. Operating profit increased by 56.3% to EUR 8.4 million (EUR 5.4 million).

Sweden and Norway are in speed of approaching the profitability level of Finland faster than expected, with adjusted EBITA margin increasing to 15.6% in Sweden and to 19.1% in Norway in the first quarter. In Finland, adjusted EBITA margin increased slightly from the previous year's level to 25.6%. The central warehouse consolidation in Sweden was finalized in the first quarter and had a negative short-term impact on the profitability. The consolidation is, however, expected to increase efficiency in Sweden and Norway in the longer term.

In connection with the IPO Musti Group's Board of Directors set the long-term financial targets relating to growth, profitability, capital structure and profit distribution. The board is in the process of reviewing the long-term financial targets during spring 2021 in connection with its continuous assessment of to adjust to the market development and Musti Group's performance.

We have started our journey towards a new digital eco system as we are launching a new digital veterinary service available for all pet owners. Through the service, pet owners can easily contact a veterinarian directly from their home. The service was launched in Finland at the beginning of February, and it is planned to expand to Sweden and Norway later. We will also continue to take the appropriate operational actions required in the rapidly changing environment to serve our customers according to their channel preference, win new customers and keep our staff and customers safe. We warmly welcome all the new pet customers to join the Musti pack, and we intend to pay a lot of attention to the continuous development of our services and products to even better serve all the needs of the Pet Parents.

David Rönnerberg,  
CEO

## Financial targets

In connection with the IPO, Musti Group's Board of Directors has set the following long-term financial targets:

<b>Growth</b>	<b>Sales to reach at least EUR 350 million</b> by the financial year 2023 <b>by continuation of strong customer acquisition momentum.</b>
<b>Profitability</b>	Mid- to long-term <b>adjusted EBITA margin of 10-12 per cent</b> with <b>steadily improving profile.</b> Margin increase is expected to be realised through steady gross margin and improving operating leverage.
<b>Capital structure</b>	<b>Maintain net debt in relation to adjusted EBITDA below 2.5x</b> in the long term.
<b>Dividend policy</b>	<b>To pay a dividend corresponding to 60-80 per cent of net profit.</b> Any potential dividend shall take into account acquisitions, the company's financial position, cash flow and future growth opportunities.

The financial targets are forward-looking statements and are not guarantees of future financial performance.

## Market outlook

Musti Group operates in the Nordic pet care market, broadly defined as the sale of pet food, treats, products, services and veterinary care across Finland, Sweden and Norway. The market was estimated to be worth approximately EUR 2.9 billion (in 2019), with Sweden as the largest market, accounting for approximately EUR 1.2 billion, and Finland and Norway estimated to be similar in size, at approximately EUR 0.9 billion and approximately EUR 0.8 billion, respectively.

"Pet Parenting" refers to the tendency of people to treat their pets like family members. As a result of this trend, people are spending more on higher quality and more premium food, as well as a more diverse range of products and services. This underlying trend that drives the long-term structural growth of the pet care market remains robust, shifting spend towards higher quality nutrition, a more diverse range of accessories and wider adoption of services. The COVID-19 pandemic has affected market dynamics since spring 2020 mainly through an increased number of puppies and kittens, in line with historical evidence of developments during economic downturns, and increased demand in online channels.

The pet care market is resilient, underpinned by non-discretionary purchasing behaviour. Non-discretionary categories such as food, cat litter and veterinary services make up approximately 75% of total market spend and are characterised by repeat purchasing behaviour that is consistent through the cycle. Consumers display willingness to sustain spending on non-discretionary pet care purchases even while expenditure on alternative categories has been affected.

# Group performance

## Net sales

EUR million	10-12/2020	10-12/2019	Change %	10/2019-9/2020
Net sales				
Group	84.3	70.3	19.9	284.4
Finland	39.1	34.6	12.9	135.8
Sweden	35.7	29.9	19.3	123.2
Norway	9.6	5.8	64.2	25.4

### October–December 2020

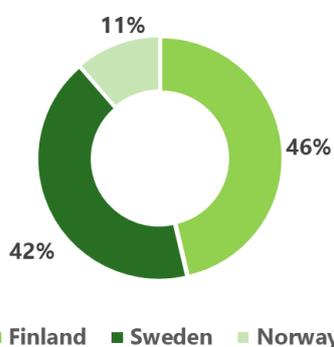
The Group's net sales increased by 19.9% to EUR 84.3 million (EUR 70.3 million). The increase was largely due to like-for-like growth in all countries, mainly driven by the increasing number of new customers, and an increased number of directly operated stores. Like-for-like growth amounted to 13.1% (7.7%). Strengthened SEK exchange rate increased sales by EUR 1.3 million, whereas weakened NOK exchange rate decreased sales by EUR 0.6 million.

Store sales increased by 17.6% to EUR 62.4 million (EUR 53.1 million), driven by an increased number of stores and strong like-for-like store sales growth especially in Finland and Norway. Like-for-like store sales growth amounted to 8.0% (7.2%). Online sales increased by 33.0% to EUR 18.2 million (EUR 13.7 million). Online sales accounted for 21.6% (19.5%) of total net sales. Online sales growth continued to be positively impacted by the channel shift towards online sales due to the COVID-19 pandemic and a focus on growth in all countries.

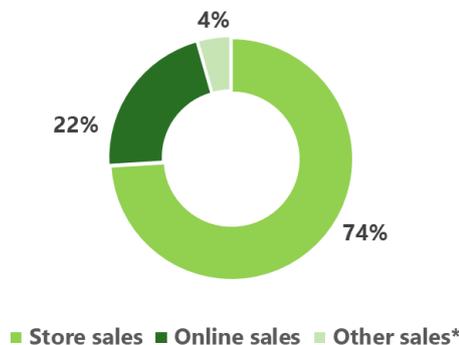
Net sales in Finland increased by 12.9% driven by like-for-like growth of 11.8% and growth from the new stores opened and acquired during the latest twelve months. During Q1, two directly operated stores were opened and one franchise store was acquired in Finland. Net sales in Sweden increased by 19.3% driven by good like-for-like growth of 9.5%. Online sales in Sweden were lower due to lower campaign activities in connection with the warehouse consolidation project. In addition, the strengthened SEK rate compared to Q1 FY20 had a positive impact on the sales growth. During Q1, one directly operated store was opened and three franchise stores were acquired in Sweden. Net sales in Norway increased by 64.2% driven by strong like-for-like growth of 40.4% and the ramp-up of the stores opened during the latest twelve months. The weakened NOK rate compared to Q1 FY20 and closure of one store during FY20 had a negative impact on growth. During Q1, four directly operated store were opened in Norway.

The number of loyal customers increased to 1,189 thousand during the reporting period (1,151 thousand on 30 September 2020). Rolling 12 months average spend per loyal customer increased to EUR 183.3 as per 31 December 2020 (EUR 175.9 as per 31 December 2019), driven by an increased average purchase value.

Net sales by segment 10-12/2020



Net sales by channel 10-12/2020



\*Other sales include franchise fees and wholesale.

## Result

### October–December 2020

The Group's adjusted EBITA increased by 36.4% to EUR 10.6 million (EUR 7.8 million). Adjusted EBITA margin was 12.6% (11.1%). The improvement was mainly due to an increase in sales combined with operating leverage. Gross margin increased to 46.1% (45.4%) due to more efficient marketing campaigns, favourable product mix and efficient supply chain management, partly offset by higher share of online sales. Share of sales of own and exclusive brands decreased slightly to 52.5% (52.7%). The share of employee benefit and other operating expenses as percentage of sales decreased to 28.8% (29.9%) driven by operating leverage and efficient store operations, partly offset by lower efficiency in the central warehouse in Eskilstuna due to warehouse consolidation project that was completed in Q1.

Depreciation amounted to EUR 5.1 million (EUR 4.2 million) and amortisation amounted to EUR 1.6 million (EUR 1.5 million).

Adjustments to EBITA were EUR 0.6 million (EUR 0.9 million). The adjustments related to the warehouse consolidation project, which was finalized during Q1.

Operating profit increased by 56.3% to EUR 8.4 million (EUR 5.4 million).

Profit before taxes increased to EUR 9.5 million (EUR 4.7 million). The impact of financial income and expenses (net) on profit before taxes increased from EUR -0.7 million to EUR 1.1 million, mainly due to foreign exchange gains related to a stronger SEK exchange rate and lower interest expenses due to the refinancing in connection with the IPO.

Profit for the period was EUR 7.8 million (EUR 3.7 million) and basic earnings per share was 0.24 (0.13). The effective tax rate was 18.1%.

## Financial position and cash flow

In October-December, net cash flow from operating activities totalled EUR 15.9 million (EUR 14.6 million). During the quarter, net working capital increased by EUR 0.7 million due to a higher inventory level. Cash and cash equivalents at the end of the period amounted to EUR 27.5 million (30 September 2020: EUR 21.6 million). Total consolidated assets amounted to EUR 325.9 million (30 September 2020: EUR 312.3 million). The increase was due to increased cash and cash equivalents from cash flow, increased goodwill driven by stronger SEK exchange rate and increased deferred tax assets.

Equity attributable to owners of the parent company totalled EUR 161.3 million (30 September 2020: EUR 153.1 million). The increase was due to the profit for the period. During the reporting period Musti Group acquired 61,000 own shares totalling EUR 1.3 million which decreased equity.

Gearing at the end of the reporting period was 56.3% (30 September 2020: 61.8%) and net debt amounted to EUR 90.9 million (30 September 2020: EUR 94.7 million). The decrease was due to increased cash and cash equivalents, partly offset by increased lease liability. At the end of the period, the lease liabilities included in net debt amounted to EUR 67.5 million (30 September 2020: EUR 66.5 million).

In connection with the IPO in February 2020, Musti Group refinanced its existing loans with the share issue of EUR 45 million and a new loan agreement of EUR 60 million, consisting of a EUR 50 million term loan and a EUR 10 million revolving credit facility. The bullet repayment date of the facilities is in January 2023. The loan agreement contains two financial covenants: leverage and gearing. The EUR 50 million term loan was drawn to refinance the existing loans. The revolving credit facility has not yet been drawn.

Musti Group focuses on maintaining sufficient liquidity in the group. In addition to the cash and cash equivalents of EUR 27.5 million at the end of the period, Musti Group has an unutilized EUR 4.0 million credit limit and an undrawn EUR 10.0 million revolving credit facility.

## Investments

In October-December investments in tangible and intangible assets amounted to EUR 3.1 million (EUR 2.5 million). The investments were mainly related to new and relocated stores, as well as IT and digital platform development projects. In addition, EUR 1.3 million relates to acquisitions of franchise stores.

## Business segment performance

Musti Group's reporting segments are based on geographical regions, and they are Finland, Sweden and Norway. The segment structure is based on geographical division where Finland, Sweden and Norway are separated to individual

operating segments based on how the chief operating decision-maker monitors the business operations. In other items, Musti Group reports the Group functions, including the operations of the headquarters and the central warehouse.

## Finland

Finland is Musti Group's most mature country. Musti Group held 30% of the total pet food and products market share in 2019. Regardless of the strong market presence in Finland, the company's management continues to see opportunities to expand the store network in selected locations, such as high traffic hypermarkets. Musti's brands in Finland include Musti ja Mirri (store and omnichannel) and Peten Koiratarvike (online).

In Finland, Musti Group will continue to focus on serving existing customers better in order to increase share of wallet and winning new customers, both of which will support positive like-for-like development.

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019-9/2020
Net sales	39.1	34.6	12.9	135.8
Net sales growth, %	12.9%	7.8%		10.6%
LFL segment sales growth, %	11.8%	4.0%		7.4%
EBITA	10.0	8.7	15.1	32.8
EBITA margin, %	25.6%	25.1%		24.2%
Adjusted EBITA	10.0	8.7	15.1	33.0
Adjusted EBITA margin, %	25.6%	25.1%		24.3%
Number of stores	131	127	3.1	129
of which directly operated	115	110	4.5	112

## October 2020 – December 2020

Net sales in Finland increased by 12.9% to EUR 39.1 million (EUR 34.6 million) driven by like-for-like growth of 11.8% and growth from the stores opened or acquired during the latest twelve months.

EBITA increased by 15.1% to EUR 10.0 million (EUR 8.7 million). Adjusted EBITA increased by 15.1% to EUR 10.0 million (EUR 8.7 million). This was due to operating leverage, more efficient marketing campaigns and supply chain management, offset by the increased share of online sales. Store efficiency continued to be on a high level. Adjusted EBITA margin was 25.6% (25.1%).

During the reporting period, three directly operated stores were opened and one store was closed. In addition, one franchise store was acquired.

## Sweden

In Sweden, Musti Group's focus is on further expansion and convergence in efficiency towards Finnish levels. Musti, through its multiple brands, is the overall market leader with a combined 29% market share (2019). Through VetZoo and Animap, Musti Group has a strong online presence in Sweden with approximately 50% market share in online sales. Musti Group's store and omnichannel brands in Sweden are Arken Zoo and Djurmagazinet.

Musti's goal in Sweden is to continue strong like-for-like growth across all channels, store network expansion and strong margin improvement development. Regarding the store network expansion, focus will be turned towards store roll-out especially in big cities, where Musti is currently under-represented. Key growth and margin drivers in Sweden include increasing own and exclusive brands' share of sales towards Finnish levels through staff promotion and educational marketing, converging store cost-efficiency towards Finnish levels through store personnel efficiency measures and being selective in network expansion while acquiring selected franchised stores.

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019-9/2020
Net sales	35.7	29.9	19.3	123.2
Net sales growth, %	19.3%	6.2%		14.7%
LFL segment sales growth, %	9.5%	10.5%		13.4%
EBITA	5.2	3.9	35.5	14.5
EBITA margin, %	14.6%	12.9%		11.7%
Adjusted EBITA	5.6	3.9	44.7	14.9
Adjusted EBITA margin, %	15.6%	12.9%		12.1%
Number of stores	126	121	4.1	125
of which directly operated	84	69	21.7	80

### October 2020 – December 2020

Net sales in Sweden increased by 19.3% to EUR 35.7 million (EUR 29.9 million) driven by like-for-like growth of 9.5%. The average SEK rate strengthened in Q1 FY21 compared to Q1 FY20. This had a EUR 1.3 million positive impact on net sales. The sales growth was strong in both stores and online, driven by the increased number of customers. Online sales were lower due to lower campaign activities in connection with the warehouse consolidation project.

EBITA increased by 35.5% to EUR 5.2 million (EUR 3.9 million). Adjusted EBITA increased by 44.7% to EUR 5.6 million (EUR 3.9 million). This was due to operating leverage and more efficient marketing campaigns, partly offset by the increased share of online sales. Store efficiency continued to be on a high level. Adjusted EBITA margin was 15.6% (12.9%).

During the reporting period, two directly operated store were opened. Three franchise stores were acquired and one franchise store was closed.

### Norway

In Norway, Musti Group's focus is on store roll-out and on increasing country profitability. Unlike in Finland and Sweden, there are no clear dominant players within the pet specialty segment, with Musti covering for roughly 8% of the total pet food and products market in 2019. Musti Group's brands in Norway are Musti (store and omnichannel) and VetZoo (online).

In Norway, the focus is on continuing the expansion of the store network and store ramp-up in line with their historical development, as well as on the strong margin improvement development as most of the stores are still in ramp-up phase. Ramp-up of the Norwegian stores has progressed according to Musti Group's plans and the profitability development of new stores has followed similar patterns as observed e.g. in Finland.

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019-9/2020
Net sales	9.6	5.8	64.2	25.4
Net sales growth, %	64.2%	50.2%		54.6%
LFL segment sales growth, %	40.4%	21.7%		33.3%
EBITA	1.8	0.6	199.7	2.9
EBITA margin, %	18.8%	10.3%		11.4%
Adjusted EBITA	1.8	0.6	204.1	2.9
Adjusted EBITA margin, %	19.1%	10.3%		11.5%
Number of stores	43	33	30.3	39
of which directly operated	43	33	30.3	39

## October 2020 – December 2020

Net sales in Norway increased by 64.2% to EUR 9.6 million (EUR 5.8 million), driven by strong like-for-like growth of 40.4% and ramp-up of the stores opened during the latest twelve months. The weakened NOK exchange rate in FY21 compared to FY20 had a EUR 0.6 million negative impact on net sales. During the reporting period, four new stores were opened.

EBITA amounted to EUR 1.8 million (EUR 0.6 million). Adjusted EBITA amounted to EUR 1.8 million (EUR 0.6 million). This was driven by operating leverage and increased store efficiency, as more stores are reaching the mature phase or the end of the ramp-up curve. Store efficiency continued to be on a high level. Adjusted EBITA margin was 19.1% (10.3%).

## Group functions

### October 2020 – December 2020

The EBITA impact of Group functions was EUR -7.0 million (EUR -6.3 million). Adjusted EBITA was EUR -6.8 million (EUR -5.4 million). The decrease was mainly due to increased headcount in the head office, and, higher costs in the central warehouse driven by higher volumes. In addition, lower efficiency increased personnel and other costs in Eskilstuna due to the warehouse consolidation project. Adjusted EBITA margin was -8.0% (-7.6%).

## Personnel

In October 2019 – September 2020, the average number of personnel was 1,228 (1,113). At the end of the reporting period, the number of personnel was 1,244 (1,121), of whom 576 (590) were employed in Finland and 668 (531) outside Finland.

## Changes in Group management

There were no changes in the Group management during October 2020 – December 2020.

## Governance

### Annual General Meeting

Musti Group plc's Annual General Meeting was held on 21 January 2021 at Musti Group headquarters in Helsinki, Finland. Shareholders and their proxy representatives could participate in the Annual General Meeting and exercise their rights only by voting in advance and by making counterproposals and presenting questions in advance. It was not possible to participate at the meeting venue in person. The Annual General Meeting was arranged in accordance with an exceptional meeting procedure based on the temporary legislation to limit the spread of the COVID-19 pandemic approved by the Finnish Parliament.

The Annual General Meeting adopted the financial statements for the financial year 1 October 2019 – 30 September 2020, discharged the Company's management from liability and resolved to support the remuneration policy for governing bodies.

The Annual General Meeting decided in accordance with the proposal of the Board of Directors that shareholders be paid a capital return of EUR 0.38 per share to be distributed from the invested unrestricted equity reserve. The capital return was paid to the shareholders who were registered in the shareholders' register of Musti Group maintained by Euroclear Finland Ltd. on the capital return record date of 25 January 2021. The capital return payment date was 2 February 2021.

The Annual General Meeting decided in accordance with the proposal of the Board of Directors that the members of the Board of Directors be paid the following annual remuneration:

- Chairman of the Board: EUR 60,000;
- Vice-Chairman of the Board: EUR 35,000; and
- Other members of the Board of Directors: EUR 30,000.

In addition, members of the Audit Committee and the Remuneration Committee of Board of Directors will be paid the following annual remuneration:

- Chairman of the Committee: EUR 5,000; and
- Other Committee members: EUR 2,500.

The Annual General Meeting decided that the number of members of the Board of Directors shall be four. Jeffrey David, Ingrid Jonasson Blank and Juho Frilander were re-elected as members of the Board of Directors for a term of office expiring

at the end of the next Annual General Meeting. Further, Ilkka Laurila was elected as the new member of the Board of Directors for a corresponding term of office.

Ernst & Young Oy, Authorized Public Accountants, was re-elected auditor of the company for a term of office ending at the end of the next Annual General Meeting. Ernst & Young Oy has notified that Johanna Winqvist-Ilkka, Authorized Public Accountant, will act as responsible auditor. It was decided that the remuneration to the auditor shall be paid against a reasonable invoice approved by the Audit Committee.

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the Musti Group's own shares and/or on the acceptance as pledge of the company's own shares. The amount of own shares to be repurchased and/or accepted as pledge based on this authorization shall not exceed 3,185,000 shares in total, which corresponds to approximately 9.5 per cent of all of the shares in Musti Group. The authorization is effective until the next Annual General Meeting, however, no longer than until 21 July 2022.

The Annual General Meeting also authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10 section 1 of the Finnish Companies Act as follows. The amount of shares to be issued based on this authorization shall not exceed 3,185,000 shares, which corresponds to approximately 9.5 per cent of all of the shares in Musti Group. The authorization covers both the issuance of new shares as well as the transfer of own shares held by the company. The authorization cancels previous unused authorizations to decide on the issuance of shares as well as on the issuance of special rights entitling to shares. The authorization is effective until the next Annual General Meeting, however, no longer than until 21 July 2022.

## Shares and shareholders

### Share capital

At the end of the reporting period on 31 December 2020, Musti Group's share capital was EUR 11,001,853.68 and total number of shares outstanding was 33,535,453. The company has one share class. Each share carries one vote and entitles to the same dividend.

### Trading of shares

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

The opening price of the share was EUR 21.44 on the first trading day of the first quarter on 1 October 2020. The closing price of the share on the last trading day of the reporting period on 30 December 2020 was EUR 24.54. The highest price of the share during October 2020 – December 2020 was EUR 25.04, the lowest EUR 18.41 and the average closing price was EUR 21.62. Share turnover on Nasdaq Helsinki during October 2020 – December 2020 was approximately 8.42 million shares.

Musti Group's market capitalization was EUR 823 million on 31 December 2020.

### Own shares

On 31 December 2020 Musti Group held 61 000 (0) own shares representing 0.18% (0.00%) of the total number of shares and votes. During the reporting period Musti Group exercised the the authorisation granted by the AGM 23 January 2020 to acquire own shares and acquired in total 61 000 own shares.

### Authorizations of the Board of Directors

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the Musti Group's own shares and/or on the acceptance as pledge of the company's own shares. The amount of own shares to be repurchased and/or accepted as pledge based on this authorization shall not exceed 3,185,000 shares in total, which corresponds to approximately 9.5 per cent of all of the shares in Musti Group. However, the company together with its subsidiaries cannot at any moment own and/or hold as pledge more than 10 per cent of all the shares.

Own shares can be repurchased only using the unrestricted equity of the company at a price formed in public trading on the date of the repurchase or otherwise at a price determined by the markets. The Board of Directors decides on all other matters related to the repurchase and/or acceptance as pledge of own shares. Own shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). This authorization cancels previous unused authorizations to repurchase the Company's own shares and/or to accept the Company's own shares as pledge. The authorization is effective until the next Annual General Meeting, however, no longer than until 21 July 2022.

The Annual General Meeting also authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10 section 1 of the Finnish Companies Act as follows. The amount of shares to be issued based on this authorization shall not exceed 3,185,000 shares, which corresponds to approximately 9.5 per cent of all of the shares in Musti Group.

The authorization covers both the issuance of new shares as well as the transfer of own shares held by the company. The Board of Directors decides on all the conditions of the issuance of shares and of special rights entitling to shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). This authorization cancels previous unused authorizations to decide on the issuance of shares as well as on the issuance of special rights entitling to shares. The authorization is effective until the next Annual General Meeting, however, no longer than until 21 July 2022.

## Shareholders and flagging notifications

At the end of the reporting period, the number of registered shareholders was 7,643. The proportion of nominee-registered and foreign shareholders was 69.75% of the company's shares. The 20 largest shareholders registered in the book-entry register maintained by Euroclear Finland Oy held a total of 20.22% of Musti Group's shares and votes at the end of the reporting period.

During October 2020-December 2020, Musti Group received the following announcement under Chapter 9, Section 5 of the Securities Markets Act:

- On 16 November 2020 Musti Group plc received a notification according to which Millan Holding S.à.r.l., a company ultimately owned by EQT and its co-investors, had sold a total number of 1,878,862 company's shares. As a result of the share sale, EQT's indirect holding of the shares and votes of the Musti Group decreased below 5 percent and totalled to 0 shares and votes in the company.

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

## Managers' transactions

Musti Group's managers' transactions as of the listing have been published as stock exchange releases, and they are available on the company's website at [www.mustigroup.com](http://www.mustigroup.com)

## Remuneration schemes

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

### Bonus scheme

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

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

### Long-term incentives

In May 2020, Musti Group plc's Board decided on two new share-based long-term incentive plans for the management team and key employees. The plans consist of a performance share plan (PSP) as the main structure, and of a restricted share plan (RSP), which is a complementary share plan for special situations. The new share-based compensation schemes were communicated in a stock exchange release on 7 May 2020. The plans will form a part of Musti Group plc's remuneration programs for its key employees, and the aim of the PSP is to align the objectives of the shareholders and key employees for increasing the value of the Company in the long-term, to commit the key employees to the Company and to offer them competitive incentive schemes that are based on earning and accumulating shares.

The performance share plan consists of three performance periods of three years each 2020-2022, 2021-2023 and 2022-2024. The Board of Directors will decide separately for each performance period the plan participants, performance criteria, and the related targets, as well as the minimum, target, and maximum reward potentially payable based on target attainment.

The Restricted Share Plan (RSP) consists of plans on which the vesting period is 12-36 months based on decisions made by the Board of Musti Group plc. The possible rewards are paid partly in Musti Group plc's shares and partly in cash. As of 30 September 2020, there were no participants added to the RSP plan.

In the performance period FY2020-2022, the plan has 11 participants at most and the targets for the performance period relates to company's total shareholder return (TSR) and adjusted EBITA. The maximum number of shares to be paid based on the performance period FY2020-2022 is approximately 250,000 Musti Group plc's shares. The number of shares represents gross earning, from which the withholding of tax and possible other applicable contributions are deducted, and the remaining net amount is paid in shares. However, the company has the right to pay the reward fully in cash under certain circumstances. Potential rewards from the performance period FY2020-2022 will be paid out during autumn of 2022.

In the performance period FY2021-2023, the plan has 29 participants at most and the targets for the performance period relates to company's total shareholder return (TSR) and adjusted EBITA. The maximum number of shares to be paid based on the performance period FY2021-2023 is approximately 130,000 Musti Group plc's shares. The number of shares represents gross earning, from which the withholding of tax and possible other applicable contributions are deducted, and the remaining net amount is paid in shares. However, the company has the right to pay the reward fully in cash under certain circumstances. Potential rewards from the performance period FY2021-2023 will be paid out during autumn of 2023.

## Responsibility

Musti Group is committed to developing its responsibility policies and best practices on a long-term basis, and it is committed to being a responsible forerunner in its industry. Musti Group is the only pet specialty company to have committed to the United Nations Global Compact. The company is in the process of building a robust responsibility foundation and setting targets and key performance indicators to measure the results.

Conducting operations in a sustainable, responsible and environmentally friendly way requires focused and purposeful actions at all levels of the organization. The basis of all Musti Group's social responsibility is a responsible supply chain, diminishing environmental impact as well as good governance and high ethics. In addition, the company has identified three particular focus areas in order to communicate with its stakeholders: pets and their parents, employees and communities. The most important themes under pets and their parents are high-quality and safe products and services as well as satisfied and loyal customers. Under employees, the most important themes are thriving experts and well-being at work, and under communities, working for the common good and openness for new inventions.

Musti Group sets high standards for quality, safety and expertise, putting the welfare of pets, people and the environment first. The company has already taken concrete actions to this end, having been a member of amfori Business Social Compliance Initiative (amfori BSCI) since 2017. The company also expects its suppliers to commit to Musti's requirements on responsible business practices. Following the Musti Group Supplier Code of Conduct and all national laws and regulations is imperative. The company's dedicated employee team visits the supplier sites in Europe, and also the BSCI also visits the company's supplier sites. Furthermore, the company has a third-party partner in China who visits and audits the sites in Asia. The company has initiated more systematic processes for supply chain sustainability especially in high-risk countries and set the target of having all tier one suppliers in high-risk countries audited.

Musti Group's first Non-Financial Information Report was published on 18 December 2020 and is available at <https://www.mustigroup.com/investors/reports-and-presentations/>.

## Risks and uncertainties

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

Musti Group's risk management and risks related to the company's operations are described in more detail in the Board of Directors' Report published on 18 December 2020 which is available at <https://www.mustigroup.com/investors/reports-and-presentations/>.

## Seasonality

Musti Group's business is characterised by a generally limited seasonality effect, with the high share of recurring food and stable products of net sales translating into low seasonality within years. However, there are certain intra-year fluctuations that affect cash flows, sales and profitability, which are made evident by Musti Group's financial year being from 1 October to 30 September. Usually, the period between July to December has higher sales and profitability margins compared to January to June, driven by higher sales of accessories and other seasonal products.

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

## Significant events after the reporting period

No significant events after the reporting period.

## Financial calendar

Musti Group's Half-Year Financial Report for October 2020-March 2021 will be published on 4 May 2021.

## Webcast for analysts and media

A live webcast for analysts and media will be arranged on 9 February 2021 at 14:00 EET. The event will be held in English. The report will be presented by CEO David Rönnerberg and CFO Robert Berglund.

The webcast can be followed at <https://mustigroup.videosync.fi/2021-q1-results>.

A recording of the webcast will be available later at the company's website at [www.mustigroup.com/investors/reports-and-presentations/](http://www.mustigroup.com/investors/reports-and-presentations/).

You can participate in the telephone conference by calling:

Finland: +358981710310

Sweden: +46 856642651

United Kingdom: +44 3333000804

United States: +1 6319131422

The participants will be asked to provide the following PIN code: 37446032#

Helsinki, 9 February 2021

Board of Directors

The information in this financial statement release is unaudited.

## Further information:

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# Condensed financial information

## Condensed consolidated statement of income

EUR thousand	10-12/2020	10-12/2019	10/2019–9/2020
<b>Net sales</b>	<b>84,299</b>	<b>70,319</b>	<b>284,397</b>
Other operating income	417	197	1,283
Share of profit of a joint venture	0	0	117
Materials and services	-45,399	-38,408	-159,717
Employee benefit expenses	-14,904	-12,536	-48,364
Other operating expenses	-9,343	-8,517	-33,924
Depreciation, amortisation and impairment	-6,654	-5,670	-24,238
<b>Operating profit</b>	<b>8,416</b>	<b>5,385</b>	<b>19,554</b>
Financial income and expenses, net	1,052	-710	-5,894
<b>Profit before taxes</b>	<b>9,468</b>	<b>4,675</b>	<b>13,661</b>
Income tax expense	-1,712	-1,007	-1,907
<b>Profit/loss for the period</b>	<b>7,757</b>	<b>3,668</b>	<b>11,754</b>
<b>Attributable to:</b>			
Owners of the parent	7,755	3,658	11,712
Non-controlling interest	2	10	42
<b>Earnings per share (EUR) for profit attributable to owners of the parent</b>			
Basic EPS (EUR)	0.24	0.13	0.37
Diluted EPS (EUR)	0.23	0.13	0.37

## Consolidated statement of comprehensive income

EUR thousand	10-12/2020	10-12/2019	10/2019–9/2020
Profit/loss for the period	7,757	3,668	11,754
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss in subsequent periods:			
Translation differences	1,527	5	-76
Other comprehensive income, net of tax	1,527	5	-76
<b>Total comprehensive income</b>	<b>9,284</b>	<b>3,672</b>	<b>11,678</b>
<b>Attributable to:</b>			
Owners of the parent	9,282	3,662	11,635
Non-controlling interest	2	10	42

## Consolidated statement of financial position

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	149,314	144,929	145,434
Other intangible assets	20,656	22,045	20,480
Right-of-use assets	62,851	46,462	62,014
Property, plant and equipment	12,500	10,617	11,304
Investments in joint ventures	960	320	960
Deferred tax assets	7,092	7,171	5,914
Other non-current receivables	163	332	345
<b>Total non-current assets</b>	<b>253,536</b>	<b>231,877</b>	<b>246,452</b>
<b>Current assets</b>			
Inventories	37,562	33,403	36,376
Trade and other receivables	6,971	6,205	6,466
Loan receivables	10	8	15
Derivative financial instruments	145	193	0
Income tax receivables	189	1,048	1,378
Cash and cash equivalents	27,502	12,960	21,606
<b>Total current assets</b>	<b>72,377</b>	<b>53,817</b>	<b>65,840</b>
<b>TOTAL ASSETS</b>	<b>325,914</b>	<b>285,694</b>	<b>312,292</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	11,002	11,002	11,002
Other reserves	167,412	122,412	167,412
Own shares	- 1,326	0	0
Translation differences	1,368	-78	- 159
Retained earnings	-17,154	-31,305	-25,132
<b>Total equity attributable to owners of the parent</b>	<b>161,302</b>	<b>102,030</b>	<b>153,122</b>
Equity attributable to non-controlling interest	165	125	157
<b>Total equity</b>	<b>161,466</b>	<b>102,155</b>	<b>153,279</b>
<b>Non-current liabilities</b>			
Loans from credit institutions	49,803	28,964	49,781
Lease liability	50,706	36,646	50,538
Deferred tax liabilities	2,270	2,159	2,168
Other non-current interest-bearing liabilities	0	10,597	0
<b>Total non-current liabilities</b>	<b>102,780</b>	<b>78,366</b>	<b>102,486</b>
<b>Current liabilities</b>			
Loans from credit institutions	0	48,428	0
Lease liability	16,842	14,554	15,957
Trade and other payables	40,937	40,035	40,264
Derivative financial instruments	1,160	230	53
Income tax liabilities	2,632	1,815	233
Provisions	97	110	20
<b>Total current liabilities</b>	<b>61,668</b>	<b>105,173</b>	<b>56,527</b>
<b>Total liabilities</b>	<b>164,448</b>	<b>183,539</b>	<b>159,013</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>325,914</b>	<b>285,694</b>	<b>312,292</b>

## Consolidated statement of changes in equity

EUR thousand		Attributable to owners of the parent						
	Share capital	Other reserves	Own shares	Translation differences	Retained earnings	Total	Non-controlling interest	Total equity
<b>Equity at 1 Oct 2020</b>	<b>11,002</b>	<b>167,412</b>	<b>0</b>	<b>-159</b>	<b>-25,132</b>	<b>153,122</b>	<b>157</b>	<b>153,279</b>
Profit/loss for the period					7,755	7,755	2	7,757
Translation differences				1,527		1,527	6	1,533
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,527</b>	<b>7,755</b>	<b>9,282</b>	<b>2</b>	<b>9,284</b>
Acquisition of own shares			-1,326			-1,326		-1,326
Share-based incentive plan					224	224		224
<b>Equity at 31 Dec 2020</b>	<b>11,002</b>	<b>167,412</b>	<b>-1,326</b>	<b>1,368</b>	<b>-17,154</b>	<b>161,302</b>	<b>165</b>	<b>161,467</b>
EUR thousand		Attributable to owners of the parent						
	Share capital	Other reserves	Own shares	Translation differences	Retained earnings	Total	Non-controlling interest	Total equity
<b>Equity at 1 Oct 2019</b>	<b>11,002</b>	<b>122,412</b>	<b>0</b>	<b>-83</b>	<b>-35,012</b>	<b>98,319</b>	<b>101</b>	<b>95,165</b>
Other changes					49	49	12	61
Profit/loss for the period					3,658	3,658	10	3,668
Translation differences				5		5	1	6
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>3,658</b>	<b>3,662</b>	<b>10</b>	<b>3,672</b>
<b>Equity at 31 Dec 2019</b>	<b>11,002</b>	<b>122,412</b>	<b>0</b>	<b>-78</b>	<b>-31,305</b>	<b>102,030</b>	<b>125</b>	<b>102,155</b>

## Consolidated statement of cash flows

EUR thousand	10-12/2020	10-12/2019	10/2019–9/2020
<b>Cash flows from operating activities</b>			
Profit before taxes	9,468	4,675	13,661
Adjustments			
Depreciation, amortisation and impairment	6,654	5,670	24,238
Financial income and expenses, net	-1,052	710	5,894
Other adjustments	554	296	-300
Cash flows before changes in working capital	15,624	11,351	43,493
Change in working capital			
Increase (-) / decrease (+) in trade and other receivables	-466	-472	-693
Increase (-) / decrease (+) in inventories	-1,055	-521	-3,659
Increase (+) / decrease (-) in trade and other payables	757	3,724	3,486
Cash flows from operating activities before financial items and taxes	14,860	14,083	42,627
Received dividend	0	0	0
Income taxes paid	1,037	530	-762
<b>Net cash flow from operating activities</b>	<b>15,897</b>	<b>14,613</b>	<b>41,864</b>
<b>Cash flows from investing activities</b>			
Investments in tangible and intangible assets	-3,147	-2,471	-8,914
Acquisition of subsidiaries and business acquisitions, net of cash acquired	-1,277	-188	-1,361
Investments in joint ventures	0	0	-600
Decrease (+) / increase (-) in non-current receivables	182	0	-97
Decrease (+) / increase (-) in loan receivables	2	0	0
<b>Net cash flow from investing activities</b>	<b>-4,240</b>	<b>-2,660</b>	<b>-10,972</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issues	0	0	45,000
Costs from share issue recognised in equity	0	0	-2,844
Acquisition of own shares	-1,326	0	0
Proceeds from non-current loans	0	0	50,000
Repayments of non-current loans	0	0	-84,879
Repayments of current loans	0	-2,460	-5,031
Repayments of lease liabilities	-3,957	-3,567	-14,819
Interest and other financial expenses paid	-1,555	-1,645	-5,788
Interest and other finance income received *)	1,077	50	445
<b>Net cash flow from financing activities</b>	<b>-5,760</b>	<b>-7,621</b>	<b>-17,915</b>
<b>Net change in cash and cash equivalents</b>	<b>5,896</b>	<b>4,332</b>	<b>12,977</b>
Cash and cash equivalents at start of period	21,606	8,629	8,629
<b>Cash and cash equivalents at end of period</b>	<b>27,502</b>	<b>12,960</b>	<b>21,606</b>

\*) Interest and other finance income received has been reclassified from net cash flow operating activities to net cash flow from financing activities.

## Basis of preparation and accounting policies

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

The interim report of 1 October 2020 – 31 December 2020 has been prepared in accordance with the IAS 34 Interim Financial Reporting standard and the accounting principles applied in the interim report are the same as in the financial statement of 2020.

The figures of the interim report have not been audited.

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

## Critical accounting estimates and judgments

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

There have not been any major changes regarding the uncertainty requiring the Group's management to exercise judgment and make estimates and assumptions compared to the financial statement of 2020.

### Key accounting considerations related to COVID-19

During the reporting period Musti Group received but didn't apply for any financial assistance under governmental scheme. However, the amount of the assistance was not material from a Group perspective. The group also negotiated some rent reductions during the reporting period for which the group has not applied the IFRS 16 Covid-19 amendment. The Group's management has assessed COVID-19 impacts by reviewing the carrying values of the balance sheet items, the review did not indicate need for asset impairments.

## Events after the reporting period

On 2 January 2021, Musti Group acquired the shares of two legal entities that each were operating as a franchise store. These acquisitions do not significantly impact sales, profitability or the financial position of Musti Group.

## Segments

EUR thousand	Finland	Sweden	Norway	Group functions	Group
<b>10/2020–12/2020</b>					
Net sales *	39,073	35,669	9,557	0	84,299
% split of net sales between segments	46%	42%	11%	0%	100%
<b>EBITDA</b>	<b>12,001</b>	<b>7,110</b>	<b>2,511</b>	<b>-6,552</b>	<b>15,070</b>
Adjustments	0	355	26	225	607
<b>Adjusted EBITDA</b>	<b>12,002</b>	<b>7,466</b>	<b>2,537</b>	<b>-6,327</b>	<b>15,677</b>
Depreciation and impairment of right-of-use assets and tangible assets	-2,018	-1,885	-716	-446	-5,064
<b>EBITA</b>	<b>9,984</b>	<b>5,225</b>	<b>1,796</b>	<b>-6,998</b>	<b>10,006</b>
Adjustments	0	355	26	225	607
<b>Adjusted EBITA</b>	<b>9,984</b>	<b>5,581</b>	<b>1,822</b>	<b>-6,773</b>	<b>10,613</b>
Amortisation and impairment of intangible assets					-1,590
<b>Operating profit</b>					<b>8,416</b>
Financial income and expenses, net					1,052
<b>Profit before taxes</b>					<b>9,468</b>
Income tax expense					-1,712
<b>Profit/loss for the period</b>					<b>7,757</b>

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

EUR thousand	Finland	Sweden	Norway	Group functions	Group
<b>10/2019–12/2019</b>					
Net sales *	34,606	29,892	5,821	0	70,319
% split of net sales between segments	49%	43%	8%	0%	100%
<b>EBITDA</b>	<b>10,499</b>	<b>5,345</b>	<b>1,137</b>	<b>-5,927</b>	<b>11,055</b>
Adjustments	0	0	0	942	942
<b>Adjusted EBITDA</b>	<b>10,499</b>	<b>5,345</b>	<b>1,137</b>	<b>-4,985</b>	<b>11,997</b>
Depreciation and impairment of right-of-use assets and tangible assets	-1,825	-1,490	-538	-364	-4,217
<b>EBITA</b>	<b>8,674</b>	<b>3,855</b>	<b>599</b>	<b>-6,291</b>	<b>6,838</b>
Adjustments	0	0	0	942	942
<b>Adjusted EBITA</b>	<b>8,674</b>	<b>3,855</b>	<b>599</b>	<b>-5,349</b>	<b>7,780</b>
Amortisation and impairment of intangible assets					-1,453
<b>Operating profit</b>					<b>5,385</b>
Financial income and expenses, net					-710
<b>Profit before taxes</b>					<b>4,675</b>
Income tax expense					-1,007
<b>Profit/loss for the period</b>					<b>3,668</b>

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

EUR thousand	Finland	Sweden	Norway	Group functions	Group
<b>10/2019–9/2020</b>					
Net sales *	135,795	123,244	25,358	0	<b>284,397</b>
% split of net sales between segments	48%	43%	9%	0%	100%
<b>EBITDA</b>	<b>40,472</b>	<b>21,181</b>	<b>5,301</b>	<b>-23,161</b>	<b>43,792</b>
Adjustments	162	419	29	3,656	4,266
<b>Adjusted EBITDA</b>	<b>40,633</b>	<b>21,600</b>	<b>5,329</b>	<b>-19,505</b>	<b>48,058</b>
Depreciation and impairment of right-of-use assets and tangible assets	-7,677	-6,716	-2,403	-1,448	-18,244
<b>EBITA</b>	<b>32,795</b>	<b>14,465</b>	<b>2,898</b>	<b>-24,610</b>	<b>25,548</b>
Adjustments	162	419	29	3,656	4,266
<b>Adjusted EBITA</b>	<b>32,957</b>	<b>14,884</b>	<b>2,927</b>	<b>-20,953</b>	<b>29,814</b>
Amortisation and impairment of intangible assets					-5,994
<b>Operating profit</b>					<b>19,554</b>
Financial income and expenses, net					-5,894
<b>Profit before taxes</b>					<b>13,661</b>
Income tax expense					-1,907
<b>Profit/loss for the period</b>					<b>11,754</b>

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

## Business combinations and changes in Group composition

During the reporting period Musti Group acquired pet stores, one in Finland and three in Sweden. The total purchase price of the stores was approximately EUR 1.5 million and the resulting goodwill EUR 1.5 million. Goodwill is based on synergies from the acquisitions. The resulting goodwill is deductible in taxation. The store acquisitions increased the Group's net sales by EUR 0.2 million and increased operating profit by EUR 0.1 million for the period October 1, 2019 - December 31, 2020. The effect on the Group's net sales would have been approximately EUR 0.7 million and on the operating profit EUR 0.3 million for the period ended December 30, 2020 if the acquisitions had been consolidated from the beginning of the financial year.

## Personnel on average and at the end of the reporting period

Personnel	31 Dec 2020	31 Dec 2019	30 Sep 2020
Personnel on average	1,228	1,113	1,145
Personnel at the end of period	1,244	1,121	1,162

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

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
<b>Acquisition cost at beginning of reporting period</b>	177,218	176,272	176,272
Amortisation and depreciation	-2,568	-2,175	-9,323
Additions	4,593	2,471	10,348
Disposals and closing of stores	0	-69	-183
Exchange differences	3,227	1,093	105
<b>Acquisition cost at end of reporting period</b>	<b>182,470</b>	<b>177,592</b>	<b>177,218</b>

## Leases

### Right-of-use assets

EUR thousand	Buildings and structures	Machinery and equipment	Total
<b>31 Dec 2020</b>			
<b>Net book value at 1 Oct 2020</b>	<b>61,516</b>	<b>498</b>	<b>62,014</b>
New contracts	2,330	103	2,433
Contracts terminated prematurely	0	0	0
Revaluations and modifications	431	11	442
Exchange rate differences	2,024	24	2,048
Depreciation	-4,036	-50	-4,086
<b>Net book value at 31 Dec 2020</b>	<b>62,264</b>	<b>587</b>	<b>62,851</b>
<b>31 Dec 2019</b>			
<b>Net book value at 1 Oct 2019</b>	<b>46,816</b>	<b>481</b>	<b>47,296</b>
New contracts	2,005	18	2,023
Contracts terminated prematurely	0	0	0
Revaluations and modifications	80	77	156
Exchange rate differences	551	-70	481
Depreciation	-3,456	-39	-3,495
<b>Net book value at 31 Dec 2019</b>	<b>45,996</b>	<b>466</b>	<b>46,462</b>
<b>2020</b>			
<b>Net book value at 1 Oct 2019</b>	<b>46,816</b>	<b>481</b>	<b>47,296</b>
New contracts	13,329	194	13,522
Contracts terminated prematurely	-1,601	-25	-1,625
Revaluations and modifications	18,245	16	18,260
Exchange rate differences	-529	5	-524
Depreciation	-14,743	-173	-14,915
<b>Net book value at 30 Sep 2020</b>	<b>61,516</b>	<b>498</b>	<b>62,014</b>

### Lease liability

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
<b>Lease liability at beginning of reporting period</b>	<b>66,494</b>	<b>51,982</b>	<b>51,982</b>
Net increases	5,073	2,786	29,354
Rent expenses	-4,561	-4,192	-17,237
Interest expense	542	624	2,395
<b>Lease liability at end of reporting period</b>	<b>67,548</b>	<b>51,200</b>	<b>66,494</b>
Non-current lease liability	50,706	36,646	50,538
Current lease liability	16,842	14,554	15,957
<b>Total</b>	<b>67,548</b>	<b>51,200</b>	<b>66,494</b>

### Lease contracts in the income statement

EUR thousand	10-12/2020	10-12/2019	10/2019-9/2020
Expenses from short-term and rental agreements with minor value	-682	-660	-1,697
Depreciation of right-of-use assets	-3,977	-3,495	-14,915
Interest expenses from lease liability	-542	-624	-2,395
<b>Total</b>	<b>-5,201</b>	<b>-4,778</b>	<b>-19,008</b>

## Financial assets and liabilities and fair value hierarchy

### Financial assets

EUR thousand	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Book value	Fair value	Fair value hierarchy
<b>31 Dec 2020</b>						
<b>Non-current assets</b>						
Other non-current assets			163	163	163	Level 2
<b>Total</b>			<b>163</b>	<b>163</b>	<b>163</b>	
<b>Current assets</b>						
Trade and other receivables *)			3,582	3,582	3,582	Level 2
Loan receivables			10	10	10	Level 2
Derivative financial instruments	145			145	145	Level 2
Cash and cash equivalents			27,502	27,502	27,502	Level 2
<b>Total</b>	<b>145</b>		<b>31,093</b>	<b>31,238</b>	<b>31,238</b>	
<b>Financial assets, total</b>	<b>145</b>		<b>31,257</b>	<b>31,401</b>	<b>31,401</b>	
<b>31 Dec 2019</b>						
<b>Non-current assets</b>						
Other non-current assets			332	332	332	Level 2
<b>Total</b>			<b>332</b>	<b>332</b>	<b>332</b>	
<b>Current assets</b>						
Trade and other receivables *)			2,985	2,985	2,985	Level 2
Loan receivables			8	8	8	Level 2
Derivative financial instruments	193			193	193	Level 2
Cash and cash equivalents			12,960	12,960	12,960	Level 2
<b>Total</b>	<b>193</b>		<b>15,953</b>	<b>16,146</b>	<b>16,146</b>	
<b>Financial assets, total</b>	<b>193</b>		<b>16,284</b>	<b>16,478</b>	<b>16,478</b>	
<b>30 Sep 2020</b>						
<b>Non-current assets</b>						
Other non-current assets			345	345	345	Level 2
<b>Total</b>			<b>345</b>	<b>345</b>	<b>345</b>	
<b>Current assets</b>						
Trade and other receivables *)			3,483	3,483	3,483	Level 2
Loan receivables			15	15	15	Level 2
Derivative financial instruments	0			0	0	Level 2
Cash and cash equivalents			21,606	21,606	21,606	Level 2
<b>Total</b>	<b>0</b>		<b>25,103</b>	<b>25,103</b>	<b>25,103</b>	
<b>Financial assets, total</b>	<b>0</b>		<b>25,449</b>	<b>25,449</b>	<b>25,499</b>	

## Financial liabilities

EUR thousand	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Financial liabilities at amortised cost	Book value	Fair value	Fair value hierarchy
<b>31 Dec 2020</b>						
<b>Non-current liabilities</b>						
Loans from credit institutions			49,803	49,803	49,803	Level 2
Lease liability			50,706	50,706	50,706	Level 2
Other non-current liabilities			0	0	0	Level 2
<b>Total</b>			<b>100,510</b>	<b>100,510</b>	<b>100,510</b>	
<b>Current liabilities</b>						
Loans from credit institutions			0	0	0	Level 2
Lease liability			16,842	16,842	16,842	Level 2
Trade and other payables *)			18,383	18,383	18,383	Level 2
Derivative financial instruments	1,160			1,160	1,160	Level 2
<b>Total</b>	<b>1,160</b>		<b>35,225</b>	<b>36,385</b>	<b>36,385</b>	
<b>Financial liabilities total</b>	<b>1,160</b>		<b>135,734</b>	<b>136,895</b>	<b>136,895</b>	
<b>31 Dec 2019</b>						
<b>Non-current liabilities</b>						
Loans from credit institutions			28,964	28,964	28,964	Level 2
Lease liability			36,646	36,646	36,646	Level 2
Other non-current liabilities			10,597	10,597	10,597	Level 2
<b>Total</b>			<b>76,207</b>	<b>76,207</b>	<b>76,207</b>	
<b>Current liabilities</b>						
Loans from credit institutions			48,428	48,428	48,428	Level 2
Lease liability			14,554	14,554	14,554	Level 2
Trade and other payables *)			20,331	20,331	20,331	Level 2
Derivative financial instruments	230			230	230	Level 2
<b>Total</b>	<b>230</b>		<b>83,313</b>	<b>83,543</b>	<b>83,543</b>	
<b>Financial liabilities total</b>	<b>230</b>		<b>159,520</b>	<b>159,750</b>	<b>159,750</b>	
<b>30 Sep 2020</b>						
<b>Non-current liabilities</b>						
Loans from credit institutions			49,781	49,781	49,781	Level 2
Lease liability			50,538	50,538	50,538	Level 2
Other non-current liabilities			0	0	0	Level 2
<b>Total</b>			<b>100,318</b>	<b>100,318</b>	<b>100,318</b>	
<b>Current liabilities</b>						
Loans from credit institutions			0	0	0	Level 2
Lease liability			15,957	15,957	15,957	Level 2
Trade and other payables *)			20,730	20,730	20,730	Level 2
Derivative financial instruments	53			53	53	Level 2
<b>Total</b>	<b>53</b>		<b>36,687</b>	<b>36,740</b>	<b>36,740</b>	
<b>Financial liabilities total</b>	<b>53</b>		<b>137,005</b>	<b>137,058</b>	<b>137,058</b>	

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

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

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

Level 3: A financial instrument is categorized into Level 3, if the calculation of the fair value cannot be based on observable market data. Musti Group has no such financial instruments.

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

## Derivative financial instruments

EUR thousand	Nominal value	Receivables at fair value	Payables at fair value	Net fair value
<b>31 Dec 2020</b>	19,529	145	-1,160	-1,016
Forward exchange contracts	<b>19,529</b>	<b>145</b>	<b>-1,160</b>	<b>-1,016</b>
<b>Total</b>				
<b>31 Dec 2019</b>				
Forward exchange contracts	17,737	193	-230	-37
<b>Total</b>	<b>17,737</b>	<b>193</b>	<b>-230</b>	<b>-37</b>
<b>30 Sep 2020</b>				
Forward exchange contracts	889	0	-53	-53
<b>Total</b>	<b>889</b>	<b>0</b>	<b>-53</b>	<b>-53</b>

## Group's commitments

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
<b>Pledges given on behalf of Group companies and joint ventures</b>			
Collateral relating to rental payments	0	144	0
Guarantees relating to rental payments	4,006	4,484	3,759
Other commitments	201	440	388
<b>Total</b>	<b>4,207</b>	<b>5,068</b>	<b>4,147</b>
<b>Other commitments</b>			
Other guarantees	3,000	0	2,000
Lease liabilities for leases not recognised in the balance sheet	5,300	3,795	2,009
<b>Total</b>	<b>8,300</b>	<b>3,795</b>	<b>4,009</b>

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

## Related party transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence on the other party, or if the parties exercise joint control in making financial and operating decisions. Musti Group's related parties include its subsidiaries, joint venture, Board of Directors and the members of the management team, including the CEO, as well as their family members. Until the IPO in February 2020 the related parties also included its owners EQT Mid Market Fund, Vaaka Partners, Braganza AB and Ludv. G Braathens Rederi AS as well as Musti Group Finland Oy's (previously named Musti Group Oy's) (operating) Board of Directors. After the IPO EQT Mid Market Fund's indirect holding was 24.1 % and on 13 August 2020 the indirect holding decreased to 5.6 %. EQT Mid Market Fund relinquished its ownership on 16 November 2020.

## Loans from the owners

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
Other non-current interest-bearing liabilities	0	10,422	0

## Other related party transactions

EUR thousand	31 Dec 2020	31 Dec 2019	30 Sep 2020
Purchases of goods and services	791	672	2,737
Receivables	76	0	76
Payables	99	134	145
Guarantees given on behalf of joint ventures	3,000	0	2,000

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

## Financial ratios and alternative performance measures

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019–9/2020
Net sales	84.3	70.3	19.9	284.4
Net sales growth, %	19.9%	9.7%		15.3%
LFL sales growth, %	13.1%	7.7%		11.5%
LFL store sales growth, %	8.0%	7.2%		7.3%
Online share of net sales, %	21.6%	19.5%		22.5%
Gross margin, %	46.1%	45.4%		43.8%
EBITDA	15.1	11.1	36.3	43.8
EBITDA margin	17.9%	15.7%		15.4%
Adjusted EBITDA	15.7	12.0	30.7	48.1
Adjusted EBITDA margin, %	18.6%	17.1%		16.9%
EBITA	10.0	6.8	46.3	25.5
EBITA margin	11.9%	9.7%		9.0%
Adjusted EBITA	10.6	7.8	36.4	29.8
Adjusted EBITA margin, %	12.6%	11.1%		10.5%
Operating profit	8.4	5.4	56.3	19.6
Operating profit margin, %	10.0%	7.7%		6.9%
Profit/loss for the period	7.8	3.7	111.5	11.8
Earnings per share, basic, EUR	0.24	0.13	82.6%	0.37
Earnings per share, diluted, EUR	0.23	0.13	81.4%	0.37
Cash flows from operating activities	15.9	14.6	8.8	41.9
Investments in tangible and intangible asstes	3.1	2.5	27.3	8.9
Net debt	90.9	126.0	-27.9	94.7
Gearing, %	56.3%	123.4%		61.8%
Net debt / LTM Adjusted EBITDA	1.8	3.1	-44.0	2.0
Equity ratio, %	49.6%	35.8%		49.1%
Number of loyal customers, thousands	1,189	1,052	13.0	1,151
Number of stores at end of period	300	281	6.8	293
of which directly operated	242	212	14.2	231
Own & Exclusive share, %	52.5%	52.7%		50.3%

EUR million or as indicated	10-12/2020	10-12/2019	Change %	10/2019–9/2020
<b>Finland</b>				
Net sales	39.1	34.6	12.9	135.8
Net sales growth, %	12.9%	7.8%		10.6%
LFL sales growth, %	11.8%	4.0%		7.4%
EBITDA	12.0	10.5	14.3	40.5
EBITDA margin, %	30.7%	30.3%		29.8%
Adjusted EBITDA	12.0	10.5	14.3	40.6
Adjusted EBITDA margin, %	30.7%	30.3%		29.9%
EBITA	10.0	8.7	15.1	32.8
EBITA margin, %	25.6%	25.1%		24.2%
Adjusted EBITA	10.0	8.7	15.1	33.0
Adjusted EBITA margin, %	25.6%	25.1%		24.3%
Number of stores at end of period	131	127	3.1	129
of which directly operated	115	110	4.5	112
<b>Sweden</b>				
Net sales	35.7	29.9	19.3	123.2
Net sales growth, %	19.3%	6.2%		14.7%
LFL sales growth, %	9.5%	10.5%		13.4%
EBITDA	7.1	5.3	33.0	21.2
EBITDA margin, %	19.9%	17.9%		17.2%
Adjusted EBITDA	7.5	5.3	39.7	21.6
Adjusted EBITDA margin, %	20.9%	17.9%		17.5%
EBITA	5.2	3.9	35.5	14.5
EBITA margin, %	14.6%	12.9%		11.7%
Adjusted EBITA	5.6	3.9	44.7	14.9
Adjusted EBITA margin, %	15.6%	12.9%		12.1%
Number of stores at end of period	126	121	4.1	125
of which directly operated	84	69	21.7	80
<b>Norway</b>				
Net sales	9.6	5.8	64.2	25.4
Net sales growth, %	64.2%	50.2%		54.6%
LFL sales growth, %	40.4%	21.7%		33.3%
EBITDA	2.5	1.1	120.9	5.3
EBITDA margin, %	26.3%	19.5%		20.9%
Adjusted EBITDA	2.5	1.1	123.2	5.3
Adjusted EBITDA margin, %	26.5%	19.5%		21.0%
EBITA	1.8	0.6	199.7	2.9
EBITA margin, %	18.8%	10.3%		11.4%
Adjusted EBITA	1.8	0.6	204.1	2.9
Adjusted EBITA margin, %	19.1%	10.3%		11.5%
Number of stores at end of period	43	33	30.3	39
of which directly operated	43	33	30.3	39

# Calculation of financial ratios and alternative performance measures

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

# Reconciliation of key performance indicators

EUR million or as indicated	10-12/2020	10-12/2019	10/2019–9/2020
<b>Gross profit</b>			
Net sales	84.3	70.3	284.4
Material and services	-45.4	-38.4	-159.7
<b>Gross profit</b>	<b>38.9</b>	<b>31.9</b>	<b>124.7</b>
<b>Gross margin, %</b>	<b>46.1%</b>	<b>45.4%</b>	<b>43.8%</b>
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>			
Operating profit	8.4	5.4	19.6
Depreciation, amortisation and impairment	6.7	5.7	24.2
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>15.1</b>	<b>11.1</b>	<b>43.8</b>
<b>EBITDA margin, %</b>	<b>17.9%</b>	<b>15.7%</b>	<b>15.4%</b>
<b>Adjusted earnings before interest, taxes, depreciation and amortisation (Adjusted EBITDA)</b>			
Operating profit	8.4	5.4	19.6
Depreciation, amortisation and impairment	6.7	5.7	24.2
Adjustments	0.6	0.9	4.3
<b>Adjusted earnings before interest, taxes, depreciation and amortisation (Adjusted EBITDA)</b>	<b>15.7</b>	<b>12.0</b>	<b>48.1</b>
<b>Adjusted EBITDA margin, %</b>	<b>18.6%</b>	<b>17.1%</b>	<b>16.9%</b>
<b>Adjustments (EBITDA)</b>			
Restructuring related expenses	0.0	0.0	0.0
Acquisition/IPO related expenses	0.0	0.9	3.4
Other items affecting comparability	0.6	0.0	0.9
<b>Adjustments (EBITDA)</b>	<b>0.6</b>	<b>0.9</b>	<b>4.3</b>
<b>Earnings before interest, taxes and amortisation (EBITA)</b>			
Operating profit	8.4	5.4	19.6
Amortisation and impairment of intangible assets	1.6	1.5	6.0
<b>Earnings before interest, taxes and amortisation (EBITA)</b>	<b>10.0</b>	<b>6.8</b>	<b>25.5</b>
<b>EBITA margin, %</b>	<b>11.9%</b>	<b>9.7%</b>	<b>9.0%</b>
<b>Adjusted earnings before interest, taxes and amortisation (Adjusted EBITA)</b>			
Operating profit	8.4	5.4	19.6
Amortisation and impairment of intangible assets	1.6	1.5	6.0
Adjustments total	0.6	0.9	4.3
<b>Adjusted earnings before interest, taxes and amortisation (Adjusted EBITA)</b>	<b>10.6</b>	<b>7.8</b>	<b>29.8</b>
<b>Adjusted EBITA margin, %</b>	<b>12.6%</b>	<b>11.1%</b>	<b>10.5%</b>
<b>Adjustments (Operating profit)</b>			
Restructuring related expenses	0.0	0.0	0.0
Acquisition/IPO related expenses	0.0	0.9	3.4
Other items affecting comparability	0.6	0.0	0.9
<b>Adjustments (Operating profit)</b>	<b>0.6</b>	<b>0.9</b>	<b>4.3</b>

EUR million or as indicated	10-12/2020	10-12/2019	10/2019– 9/2020
<b>Net debt</b>			
Interest bearing liabilities	117.4	139.2	116.3
Loan receivables	0.0	0.0	0.0
Derivative financial instruments	1.0	-0.2	0.1
Cash and cash equivalents	27.5	13.0	21.6
<b>Net debt</b>	<b>90.9</b>	<b>126.0</b>	<b>94.7</b>
<b>Gearing, %</b>			
Net Debt	90.9	126.0	94.7
Equity	161.5	102.2	153.3
<b>Gearing, %</b>	<b>56.3%</b>	<b>123.4%</b>	<b>61.8%</b>
<b>Net debt/LTM Adjusted EBITDA</b>			
Net debt	90.9	126.0	94.7
LTM adjusted EBITDA	51.7	40.2	48.1
<b>Net debt/LTM Adjusted EBITDA</b>	<b>1.8</b>	<b>3.1</b>	<b>2.0</b>
<b>Equity ratio, %</b>			
Total equity	161.5	102.2	153.3
Total assets	325.9	285.7	312.3
Advances received	0.4	0.3	0.2
<b>Equity ratio, %</b>	<b>49.6%</b>	<b>35.8%</b>	<b>49.1%</b>
<b>LFL sales growth, %</b>			
Net sales	84.3	70.3	284.4
Net sales growth, %	19.9%	9.7%	15.3%
Other growth, %	6.8%	2.0%	3.8%
<b>LFL sales growth, %</b>	<b>13.1%</b>	<b>7.7%</b>	<b>11.5%</b>
<b>LFL store sales growth, %</b>			
Store sales	62.4	53.1	206.6
Store sales total growth, %	17.6%	10.4%	13.2%
Other growth, %	9.6%	3.2%	5.9%
<b>LFL store sales growth, %</b>	<b>8.0%</b>	<b>7.2%</b>	<b>7.3%</b>
<b>Net sales</b>			
Store sales	62.4	53.1	206.6
Online sales	18.2	13.7	64.1
Other sales	3.7	3.5	13.8
<b>Net sales</b>	<b>84.3</b>	<b>70.3</b>	<b>284.4</b>
<b>Online share, %</b>			
Net sales	84.3	70.3	284.4
Online sales	18.2	13.7	64.1
<b>Online share, %</b>	<b>21.6%</b>	<b>19.5%</b>	<b>22.5%</b>
<b>Earnings per share, basic</b>			
Profit/loss for the period	7.8	3.7	11.8
Non-controlling interest	0.0	0.0	0.0
Average number of shares *)	32.9	28.4	31.7
<b>Earnings per share, basic</b>	<b>0.24</b>	<b>0.13</b>	<b>0.37</b>

\*) Number of shares before share issue of February 2020 was 28,375,781 and after share issue 33,535,453.

EUR million or as indicated	10-12/2020	10-12/2019	10/2019– 9/2020
<b>Earnings per share, diluted</b>			
Profit/loss for the period	7.8	3.7	11.8
Non-controlling interest	0.0	0.0	0.0
Average number of shares *)	33.2	28.4	31.8
<b>Earnings per share, diluted</b>	<b>0.23</b>	<b>0.13</b>	<b>0.37</b>
*) Includes shares from Restricted Share Plan (PSP).			