



Quarterly Report for Brödernas Group AB (publ)

Q4 2025

Corporate restructuring and liquidity update

Management comments

Corporate restructuring status:

- Since mid-October 2024, the company is executing a strategic turnaround involving liquidity stabilization, unit prioritization, IT cost reductions, rental renegotiations and legal restructuring. The corporate restructuring process is legally supported by court decisions (Sw: *Företagsrekonstruktion*).
- On September 17th, the district court approved 44 of Brödernas Group's 46 company restructuring plans
- On October 8th a party appealed all plans and was granted a hearing, which was held on December 3rd in The Swedish court of appeal. (Sw: *Hovrätten*). The court ratified the reconstruction plan, whereby the same party appealed to the supreme court. We are still awaiting a leave to appeal, and a final decision is expected very soon.
- During Q4, one additional entity (restaurant unit) filed for bankruptcy, leaving the group with 46 operational units, including 2 in Spain

Liquidity and financial impact:

- The cash and cash equivalent position has been challenged by declining sales and continued reorganisation proceedings, and ended at 17,5m of which ~1,6m SEK are considered trapped cash (bank guarantees)
- Given larger than expected legal/advisor costs in relation to the extended company reorganisation process, and worsened trading the groups bridge loan of SEK 35 million, in framework amount, has been leveraged. Of which SEK 30 million has been drawn by end of the fiscal year.

Key actions undertaken:

- Rental negotiations: All negotiations closed with a result of 13% lower rent levels over the next two years
- Lease evaluations: Long-term leases for restaurant equipment and IT services have been renegotiated to optimize financial outcome
- General contracts overhaul: Contracts have been evaluated, negotiated, and terminated
- Operational consolidation: During the reorganization process 32 restaurants has been closed (31 via bankruptcy and in 1 sold)
- *Q4 focus has been on continued optimization and operationalising of new system implementations, and adapting the operation to the new reality of a smaller organization and market headwinds.*

Key highlights Q4 2025

Management comments

General business development and market overview:

- From the slight improvement of market conditions during Q3, we experienced a subdued consumer demand in Q4, and especially December was disappointing, with share-of-wallet effects diverting spending from casual dining out to more traditional christmas dining.
- Looking forward to 2026, Swedish consumer sentiment is gradually recovering, supported by rising confidence levels, improved household finances, tax cuts, higher real wages, and lower mortgage rates. Although a strong rebound in consumption is not yet evident, indicators like increasing retail sales and household savings point to a gradual recovery in the coming year.
- The year has had a slow start with consumers still cautious and holding back on spending in our segment.

Sales development:

- Sales during the fourth quarter amounted to SEK 87 million, a 7% decline compared to last year, which is worse than expected driven by weak sales in the delivery channel due to overall high discount levels in the market, in combination with overall weak december market.
- Overall sales development continues to be hampered by the formal reorganisation process – where management's attention is being shifted away from daily operations. Despite this there is positive work going on in the operation through developing segment specific offers and some promising promotional campaigns.

Margin development:

- Gross margin II declined by 3 percentage point in Q4 vs same quarter last year, mainly due to continued high share of delivery sales, ongoing campaigns, and increased input prices on beef. The reorganisation process also limited access to supplier kickbacks which came in heavily in 2024, resulting in higher comparison COGS.
- Direct restaurant expenses improved vs. previous year on a like-for-like basis, though still to some extent affected by cancelled costs and some reclassifications between direct restaurant expenses and overhead (e.g. bookkeeping agency). Early positive effects from the company reorganization are now visible.
- Personnel expenses have increased due to high staff turnover and some investments in restaurant service levels. Also Q4 2024 was heavily improved by direct re.org savings on staff costs through government support; which has now been phased out. .
- As a result, adjusted EBITDA after leasing costs improved slightly vs. last year during the quarter, reaching SEK -1 million vs SEK -2 million last year.

Financial position:

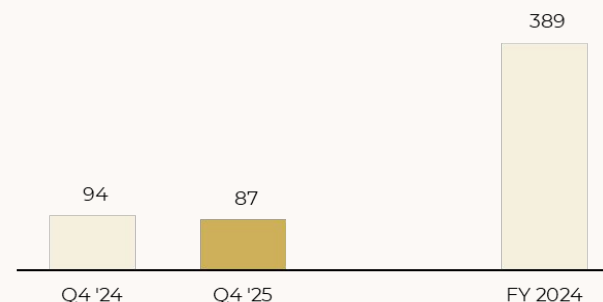
- As of 31 December 2025, Brödernas' cash position amounted to SEK 17,5 million and net debt was in excess of 6x EBITDA (on a rolling 12-month basis)
- For 2026 there is a strong focus on turning the negative cash flow trend and optimizing the delivery chain.

Stockholm, 27 February 2026

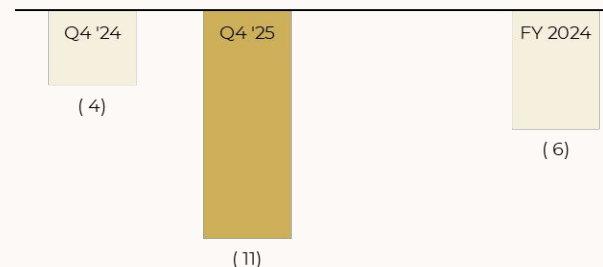

Richard Forsnell, CEO at Brödernas

Key financials

Sales (SEKm)



Adj. EBITDA after leasing (SEKm)



Note: Unaudited financials, adjusted for discontinued operations, divested subsidiaries, transaction costs and obvious non-recurring items



Key financials

Adjusted P&L⁽¹⁾

| SEKm | FY 2025 | FY 2024 |
|---------------------------------|-------------|------------|
| Net sales | 372 | 389 |
| COGS | (108) | (102) |
| Gross profit I | 264 | 287 |
| Platform fees | (33) | (31) |
| Gross profit II | 232 | 256 |
| Personnel expenses | (133) | (115) |
| Premises | (35) | (35) |
| Other direct operating expenses | (50) | (51) |
| Restaurant EBITDA | 14 | 55 |
| Overhead expenses | (30) | (44) |
| EBITDA | (16) | 11 |
| Leasing expenses | (6) | (17) |
| EBITDA after leasing | (21) | (6) |
| Selected key metrics: | | |
| Gross margin I | 71% | 74% |
| Gross margin II | 62% | 66% |
| Restaurant EBITDA margin | 4% | 14% |
| EBITDA margin | (6)% | (1)% |

Reconciliation of EBITDA

| SEKm | FY 2025 | FY 2024 |
|---|-------------|-------------|
| EBITDA after leasing | (21) | (6) |
| (-) Extraordinary items and non-recurring items | (23) | (1) |
| (-) Historical Exceptional Items | (10)* | (3) |
| (-) Transaction Costs | (22) | (20) |
| (-) Divested Subsidiaries | (9) | (36) |
| Reported EBITDA | (84) | (66) |

Net debt specification⁽²⁾

| | |
|----------------------------------|------------|
| (+) Senior Secured Bond 24/27 | 222 |
| (+) Bridge loan | 30 |
| (-) Own bond holdings | (11) |
| (-) Cash & cash equivalents | (18) |
| Net Interest-bearing Debt | 223 |

