

Inspire great work





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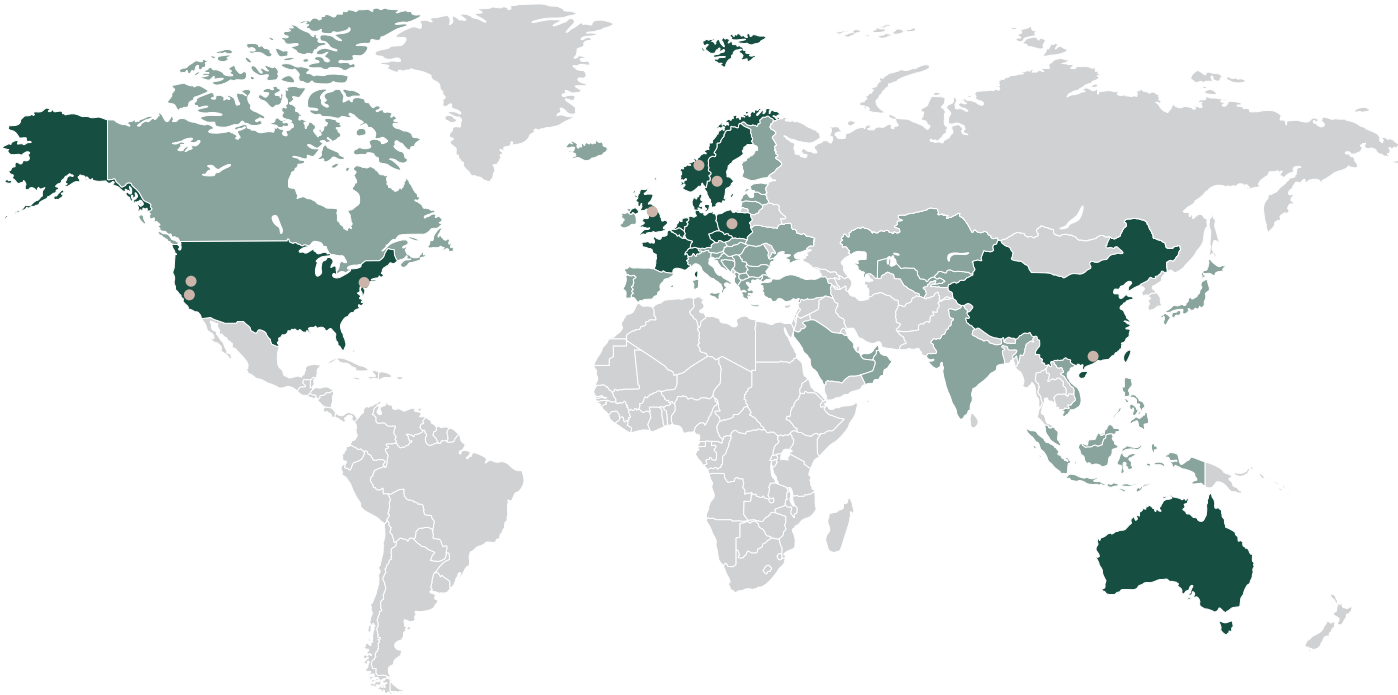
**Inspire great work**

# Contents

Flokk In Short	5
The CEO's Introduction	6
About Flokk	8
Corporate Governance	12
Group Management	16
Annual Accounts	27
Definitions	88
Corporate Sustainability Report	96
Contacts	152
Credits	156

# Flokk in short

<b>Superior financial profile</b>	<b>Scalable operating model</b>	<b>Proven platform for consolidation</b>	<b>Pioneering industrial design</b>
<b>Net sales NOK 4 721m</b> (+1.0% vs LY)	Market leader with global reach ~80 countries	10 acquisitions in 12 years	Design-led innovation with iconic products
<b>NOK 653m Adj. EBITA</b> (+2% vs LY)	<b>Efficient multi-site production</b>	Built a cross-Atlantic champion with 40% sales in North America	<b>Sustainability by design</b> enabling refurbishment, reuse, and recycling
<b>Consistent value creation, 33% RoOCE</b>	<b>Mass-customization</b> through integrated and digitalized value chain	<b>Sales multiplied 5x since 2014</b>	<b>Multi-brand portfolio</b> across price points and use cases



- Sales offices in
  - Norway
  - Sweden
  - Denmark
  - UK
  - Germany
  - Netherlands
  - Belgium
  - France
  - Switzerland
  - Poland
  - Czech Republic
  - USA
  - China
  - Singapore
  - Australia
- Production Site
  - Røros, Norway
  - Nässjö, Sweden
  - Turek, Poland
  - Mirfield, UK
  - Hawthorne, CA, USA
  - Delanco, NJ, USA
  - Sparks, NV, USA
  - Zhongshan, China
- Partner sales

# CEO's introduction:

## Flokk continues to consolidate a fragmented industry

Flokk performed well in 2025 despite mixed market conditions, demonstrating the value of our long-term strategy of integrating leading brands into our efficient and scalable operating model.

Market developments varied significantly by region. Our key US market delivered robust double-digit organic growth. Other bright spots were found in the Nordic countries and China, while parts of Europe remained subdued. While we have taken effective mitigating actions, the turbulent tariff situation and the continued war in Ukraine has not helped market sentiment.

Against this backdrop, I am pleased that Flokk delivered a solid performance. We have maintained our operating margins and grown the top line significantly through the acquisition early in the year of US-based Via Seating. Both Via Seating and Stylex, acquired early in 2024, have delivered well in 2025.

Further progressing our M&A strategy, we completed the acquisition of the Canadian company Spec Furniture on April 17, 2026, expanding our presence across key contract segments and reinforcing our position as a transatlantic player.

These examples illustrate how Flokk is shaping and consolidating a fragmented industry. We do so at value-accretive pricing, through an acquisition process that integrates leading brands and high-quality products into our resilient, adaptable and cost-effective operational model.

Developing products with strong commercial relevance remains a key priority. Across our portfolio, we have continued to launch products that combine design, functionality and sustainability. Highlights include Profim Pace, a high-quality task chair aligned with our environmental ambitions, and HÅG Minu, designed for the evolving needs of the home office. The Stylex Luna sofa, launched in late 2024, has already gained strong traction and is among our top-performing products globally. The Offecct Circulus was also launched and won not one but two prestigious Red Dot Awards last year. One very rare Best of the Best and another one for Sustainable Design.



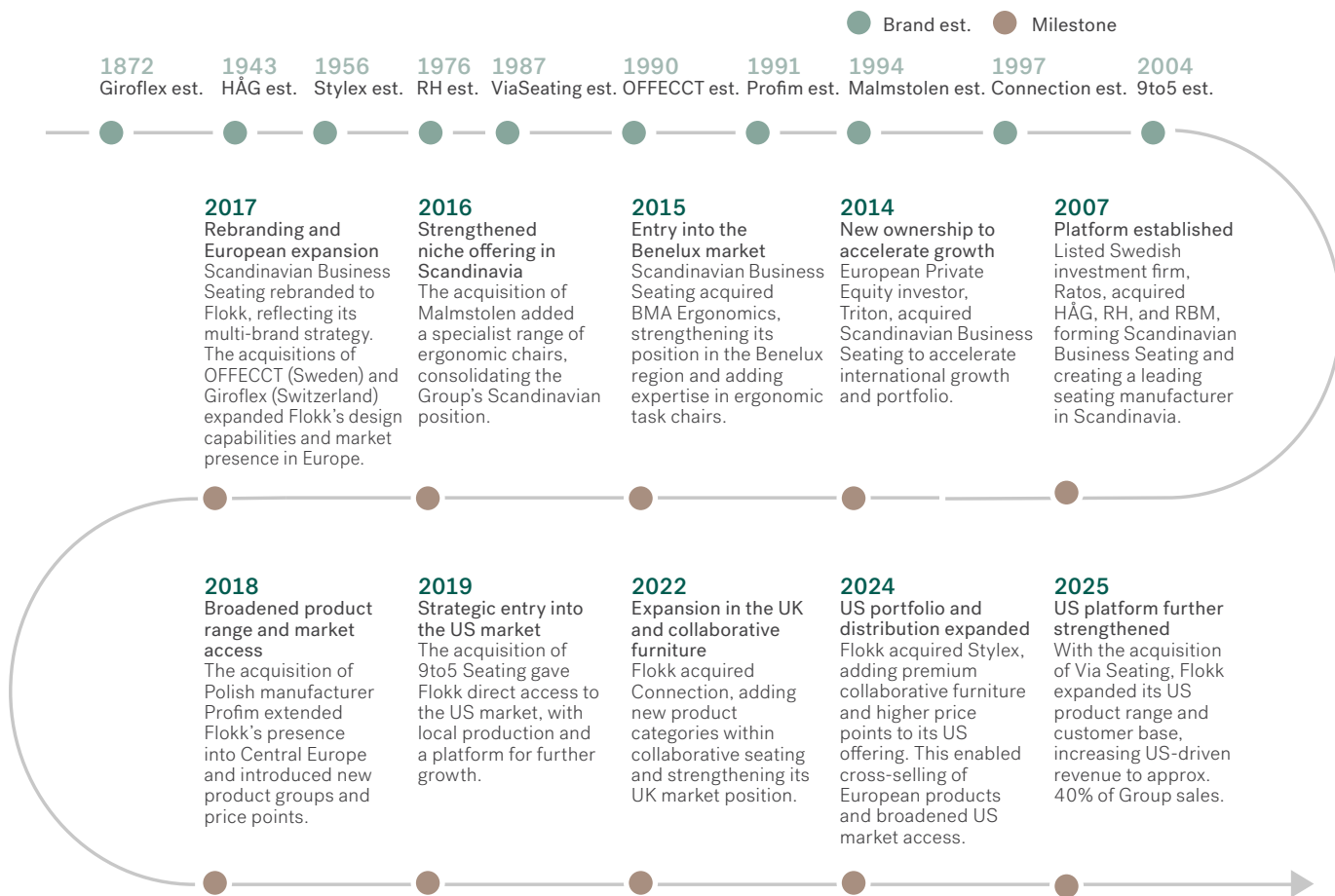
Although we delivered a solid performance in 2025, we need to stay on our toes as we continue to navigate a highly competitive global market. This begins with relentless focus on execution. We have a proven strategic platform, but we need to work hard to exploit the opportunities that arise.

Looking ahead, we continue to operate in a market environment characterised by uncertainty, including geopolitical tensions and fluctuating demand patterns across regions. While we see opportunities in our project pipeline and continued momentum in selected markets, visibility remains limited. Against this backdrop, we remain focused on execution, cost discipline and capturing market share, rather than providing specific growth guidance at this stage.

Henning Karlsrud  
Chief Executive Officer



# Our history - key milestones



## Key highlights from 2025

### OPERATIONAL

- Elisabeth Barrie joined May 2025, and succeeded Christian Lodgaard as SVP Products & Brands, leading the global product and brand portfolio across Flokk's brands
- Lars Syse Christiansen joined Flokk on 1 March 2026 and succeeded Rolf Lindbäck as Group CFO

### M&A AND INTEGRATION

- In February 2025, Flokk completed the acquisition of Via Inc., further strengthening its presence in the US market and expanding its scalable North American platform
- Flokk continued to strengthen its US commercial organisation, enhancing cross-brand coordination and dealer engagement to support long-term growth in North America. The strengthened US platform positions Flokk for accelerated organic growth and improved operational leverage

### FLOKK NEW PRODUCT LAUNCHES 2025

- HÅG Tion Mesh
- OFFECCT Circulus
- Profim Decenta
- Profim Pace
- 9to5 Seating @NCE 206

### AWARDS TO FLOKK 2025

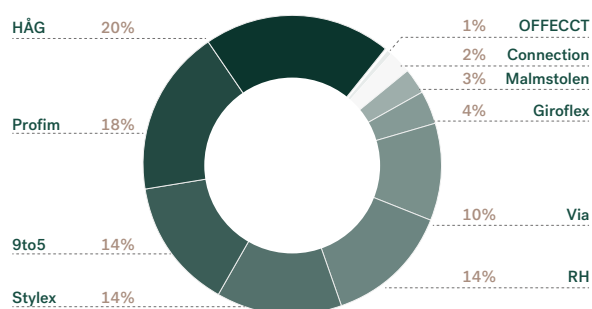
- OFFECCT Circulus - "Best of the Best" and "Sustainability Award" by red dot
- HÅG Capisco - "Iconic Product Award" by Interior Design's HiP Awards
- HÅG Capisco Puls of discarded snow plough markers - "Sustainability Award" by Best of NeoCon
- OFFECCT Circulus - "Workplace Design Award" by Dezeen Award
- Stylex Vina for Interior Design HiP Award
- Stylex Vina for MetropolisLikes Award
- 9to5 Seating Cira for Good Design Awards
- 9to5 Seating Aven for Good Design Awards

### FLOKK EVENTS 2025

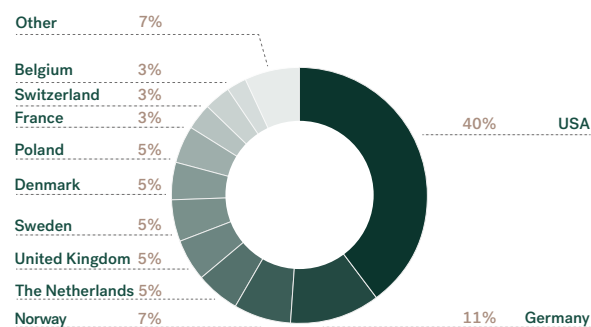
- "Borrowed from the Loop", Flokk exhibition at Stockholm Furniture Fair
- "Every. Piece. Counts", Flokk exhibition at Workspace Expo Paris, Paris Design Week, and at Clerkenwell Design Week
- NeoCon 2025 - all brands (Stylex, HÅG, 9to5, Via)
- "OFFECCT x ECAL | Sound & Vision", OFFECCT exhibition at 3daysogdesign
- "Re-kulør, HÅG, OFFECCT and Profim at Designer's Saturday
- Stylex sponsored Interior Design's Young Designer Collective (YDC) events
- Stylex sponsored Interior Design's 30/30 Conference
- 9to5 Seating and Via Seating showed at Healthcare Design Conference + Expo

# Key figures

Sales per brand

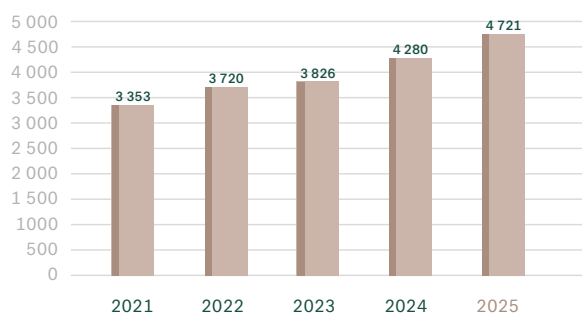


Revenue per country

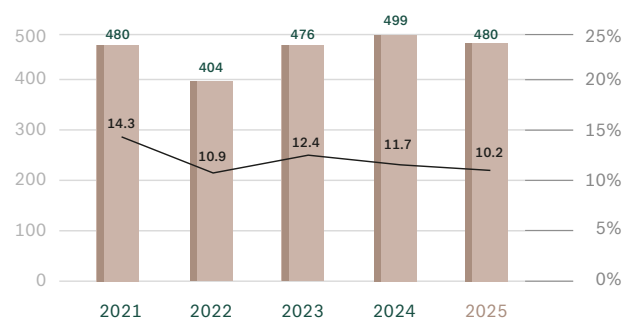


		2025	2024	2023	2022	2021
Total operating income	NOK million	4 721	4 280	3 826	3 720	3 353
Sales revenues	NOK million	4 721	4 280	3 826	3 720	3 260
Operating profit	NOK million	480	499	476	404	480
Operating margin	%	10.2	11.7	12.4	10.9	14.3
Profit before tax	NOK million	82	(6)	(42)	77	390
Profit for the year	NOK million	(176)	(29)	(90)	4	306
Total assets	NOK million	9 813	10 414	9 382	6 478	6 090
Total interest bearing-liabilities	NOK million	4 820	5 015	3 942	3 784	3 592
Cash and cash equivalents	NOK million	706	1 074	778	599	734
No. of employees per 31.12.		1 934	1 832	1 708	1 829	1 816
Full time equivalents per 31.12.		1 887	1 802	1 686	1 796	1 787

Operating income (NOK million)



Operating profit and operating margin



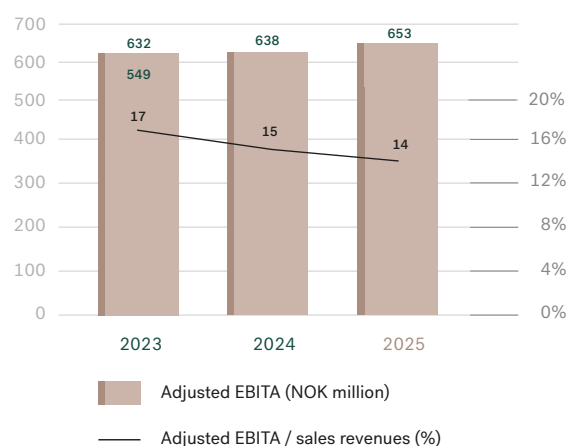
Operating profit (NOK million)  
 Operating margin %

# Alternative performance measures

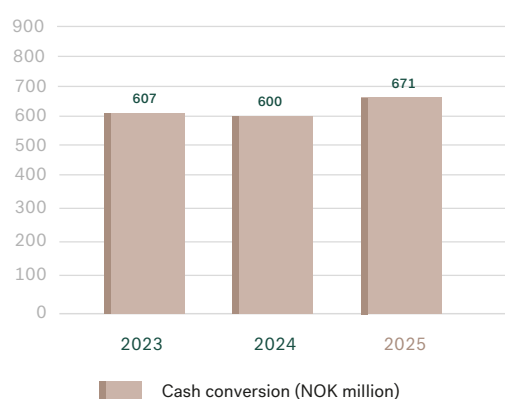
		2025	2024	2023	2022
Opex	NOK million	1 328	1 214	1 008	986
Opex / sales revenues	%	28	28	26	26
Contribution margin / sales revenue	%	44	46	45	42
Adjusted EBITDA	NOK million	893	837	791	686
Adjusted EBITA	NOK million	653	638	632	549
Adjusted EBITA / sales revenues	%	14	15	17	15
Adjusted EBIT	NOK million	628	607	601	525
Product development and improvement spend / sales revenues	%	2.9	3.3	2.9	2.8
Capital expenditures	NOK million	101	139	108	135
Capital expenditures / sales revenues	%	2.1	3.2	2.8	3.6
Net interest bearing debt	NOK million	3 732	3 491	3 164	3 185
Return on operating capital employed	%	33	28	23	29
Cash conversion	NOK million	671	600	607	482

For definitions, see from page 88.

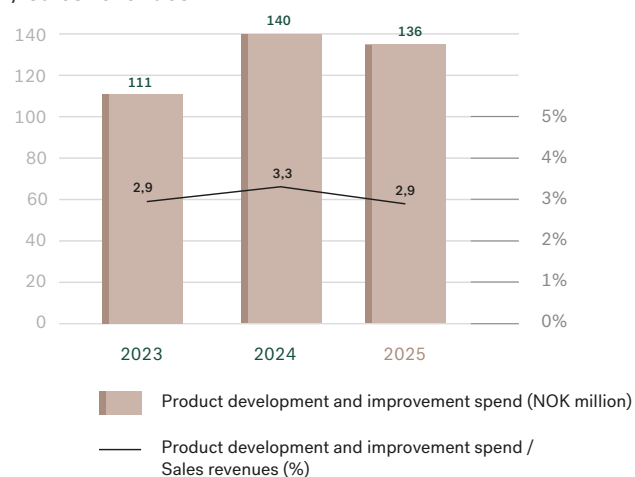
## Adjusted EBITA / sales revenues



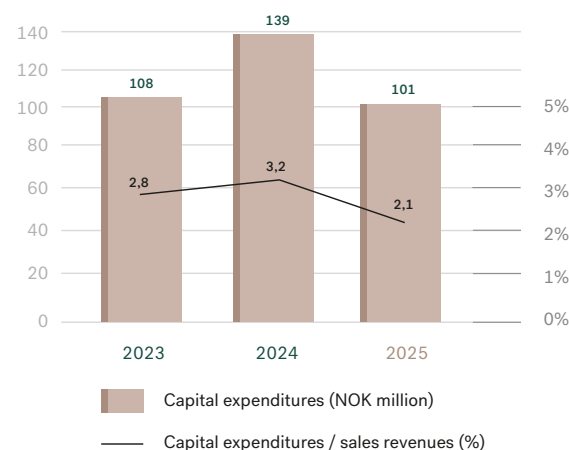
## Cash conversion



## Product development and improvement spend / sales revenues



## Capital expenditures / sales revenues



# ESG metrics



**14 786**

Total CO<sub>2</sub>e Emissions  
(Market-based)



**77%**

Renewable electricity



**1 070t**

Recycled plastic in  
our products\*



**3 389**

tCO<sub>2</sub>e saved by using  
recycled vs virgin plastics



**-7.6%**

Decrease in Total CO<sub>2</sub>e  
emissions vs LY



**79%**

Waste to Material  
Recycling



**41%**

Women population



**96%**

Employee engagement  
participation



**Zero**

Fatalities in our operations



**38%**

Women in  
leadership roles



**No confirmed human  
rights breaches**

in own operations or  
supply chain



**6.6**

Total recordable  
work-related Injury rate



**100%**

Business partners screened  
against sanctions lists



**Gold**

Ecovadis Gold rating  
80 points



**94%**

Completion of CoC  
training for employees



**Zero**

Confirmed corruption  
incidents



**Zero**

High-risk information  
security incidents



**94%**

Of supplier spend covered by  
signed Code of Conduct

# Corporate governance

## IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Flokk Holding AS and its subsidiaries (the Group) complies with the Norwegian code of practice for corporate governance issued by the Norwegian Corporate Governance Board. As Flokk is not listed on the stock exchange, its corporate governance has been tailored to Flokk's situation, and as such the topics "Information and communications" and "Take-overs" are not described, because they are not relevant for Flokk. Flokk is majority owned by a fund managed by the private equity investment company Triton Investments Advisers. The remaining shares are owned by company executives and board members.

Flokk has defined corporate values which guide the Group's way of working. In combination with the Group's corporate culture, they form the basis on which the board and management believes that Flokk should be managed. Flokk strives to maintain high ethical standards in its business practices. All companies and employees in the Group must comply with the relevant laws and regulations in the country in which they work. The Group practices values-driven management based on its values and has drawn up guidelines for ethics and corporate social responsibility, which are clearly communicated to all employees. All employees must annually attend an e-learning course focusing attitude and behaviour related to Flokk's values as part of an overall Code of Conduct program.

## BUSINESS OBJECTIVE

The business objective of Flokk Holding AS as set out in the company's articles of association stipulates that: "The company's purpose shall be to own shares in one or more subsidiaries, and to carry out investments and related business activities."

Flokk's most important success factor has been its ability to develop, produce and market workplace furniture. Innovation, industry consolidation and synergy realization through accretive M&As, a cost-efficient procurement function, flexible production, familiarity with the market, and effective sales work are key success factors. Growth and good profitability will be created through a high degree of innovation, modern design, good ergonomic solutions, and a people- and environment-oriented approach to the products.

The Group's Management team currently has eight members. They cover the Group's main processes in the value chain: CEO, Finance/IT/ESG/Legal, HR, Sales and marketing, M&A/business development/strategy, Manufacturing & purchasing and Design. The Group's Management team is constantly tailored to suit the Group's strategic and operational development. The CEO has day-to-day responsibility for Flokk's activities and manages the organisation within the framework set by the board.

## EQUITY AND DIVIDENDS

The Group's equity share as at 31.12.2025 was 39.8%. No dividends will be paid in the short and medium term, as available liquidity will primarily be used to invest and repay debt. The board does not have a mandate to increase capital.

## EQUAL TREATMENT OF SHAREHOLDERS

Flokk Holding AS has one share class, and each share provides one vote. Flokk has laid down guidelines that require the board to be notified when board members or the CEO have significant interests in a transaction entered into by the company.

## GENERAL MEETINGS

Flokk's supreme body is the general meeting. The ordinary general meeting will normally be held every year by the end of March.

## NOMINATION COMMITTEE

A nomination committee has not been established for the election of shareholder-elected board members. As a result of the ownership structure, it has been natural that the work related to the composition of the board's shareholder-elected members to be handled by the largest shareholder, Triton.

## BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The current board of Flokk Holding AS has five members, all of whom are shareholder elected. The board's chair is selected by the general meeting. The board is broadly made up of industry relevant technical, marketing and financial expertise. There are no limits on the terms of board members, as the board's composition is regularly reviewed. The CEO is not a member of the board, but regularly attends the board meetings. Flokk Holding AS has no employees and is a holding company. The employee representatives sit on the boards of the operating companies Flokk AS and Flokk AB.

A dedicated group committee has been established to secure good and open dialogue between the management and the employee-elected representatives across the organization and geographical location. The committee has permanent members from the sites (two from Røros, two from Nässjö, and one from Oslo), as well as members from the Group's Management team and the HR department. Three meetings are normally held each year. In the Polish subsidiary an internal union has been established consisting of employees representing various parts of the value chain. The aim is to secure an open and transparent dialogue between local management team representatives and employee representatives.

Flokk and its underlying subsidiaries do not have their own corporate assemblies. An agreement has been concluded on extra board representation from the employees of Flokk AS. The board of Flokk AB also has employee representatives.

The boards of Flokk's other subsidiaries consist of the CEO of Flokk and/or the group CFO and selected members of the Group's Management team.

#### **THE WORK OF THE BOARD OF DIRECTORS**

The board has overall responsibility for the management and control of the Group. The management group updates the Group's three-year strategy plan every year on behalf of the board. This plan also contains the Group's financial target figures. The board approves general strategies and sets strategic and financial goals, which are maintained in the Group's three-year strategy plan and in the annual budget. Further, the board is responsible for the sustainability reporting and the topic is regularly discussed by the board, including review and approval of the company's sustainability report as part of the annual report. Outside board meetings, the board serves as advisers to the management group.

Five board meetings are held according to a fixed meeting and work plan. They are linked to the approval of quarterly figures and regular strategy work. The board has rules of procedure, and annually assesses its work. The board appoints the company's CEO. The CEO performs his or her work pursuant to a job description, the Group's budget and strategy plan, and contact with the board.

The board has a dedicated audit committee made up of selected members of the board. This committee prepares

business for review before final decisions are made at the board meeting. The committee performs tasks related to financial reporting, the annual accounts, tax compliance, risk assessment, internal control, corporate governance, and has contact with the company's auditor.

Environmental, social, and corporate governance (ESG) is on the agenda at the Group's board meetings. The ESG topics are also reviewed by the audit committee.

The board annually reviews and approves the Group's policies, including code of conduct and policies for sanctions, anti-money laundering, anti-bribery, code of conduct for business partners, Environmental and personnel policies.

#### **RISK MANAGEMENT AND INTERNAL CONTROL**

Every month, and as needed, the CEO reports on the Group's position and financial performance to the board in writing. Flokk systematically revises its strategies based on a three-year rolling plan. Every year an extended group of key managers is involved in this work before the strategies are presented to the board. All employees are involved later when relevant and are informed of the content and the consequences for their areas of responsibility. The final, revised strategy provides the basis for the coming yearly goals and priorities in the Group's business plan. The strategy plan must be plain and simple and provide clear guidelines for every function in the organisation.

Flokk has several internal controllers who are organised under a group controller who reports to the CFO.

Flokk has a framework for risk and opportunities management which determines how to identify, handle, and follow up business risks and opportunities in relation to stakeholders. This work is followed up closely through action plans and regular reporting to group management. The board is also regularly briefed on this work.

#### **REMUNERATION OF THE BOARD OF DIRECTORS**

The board's remuneration is reported in note 25 of the company's consolidated annual report. The board's remuneration is fixed by the general meeting every year. The board's remuneration is not linked to performance. The board members hold no options in the company.

#### **REMUNERATION OF EXECUTIVE PERSONNEL**

The remuneration of the CEO and other group management is reported in note 25 of the Group's consolidated annual

report. The board is responsible for the contractual terms of the CEO's employment and remuneration contract through the chair of the board. The Group Management team's bonus program is related to profitability development, strategy implementation, integration of acquisitions, organisational development, and commercial development targets. A number of group management members has individual targets related to ESG activities.

There are no applicable terms in the working employee contracts referring to clawbacks, hence such are non-existent between members of Flokk's group management and the company. The retirement scheme is the same for all employees in each legal entity, including group management.

### AUDITOR

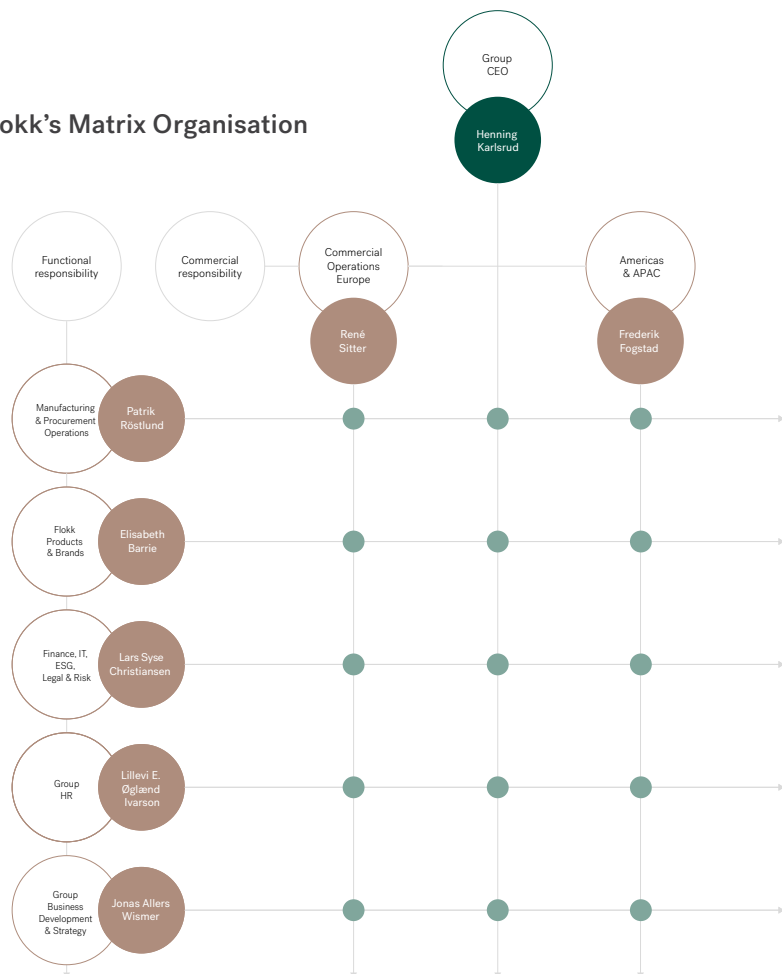
The financial positions of almost all of the Group's companies are audited by the auditing firm Ernst & Young. The central finance department cooperates with Ernst & Young in Norway to ensure good and coordinated auditing in all of the Group's units. The auditor's fees are reported in note 10 of the company's consolidated annual report.

Information is provided at the general meeting about the breakdown of the auditor's remuneration into auditing and other services. The auditor regularly attends audit committee meetings and attends board meetings that review the annual accounts and the Environmental, social, and corporate governance (ESG) reporting.

Flokk management system is founded of ISO 9001 (Quality management), ISO 14001 (Environment management), ISO 27001 (Information Security) and ISO 45001 (Occupational health and safety management) standards and are revised annually by external certification bodies as KIWA, DQS GmbH, SGS and BSI. The certificates are distributed between production units as follows:

- ISO 9001 – 5 of 7 factories (Røros, Nässjö, Turek, Mirfield, Zhongshan)
- ISO 14001 – 5 of 7 factories (Røros, Nässjö, Turek, Mirfield, Zhongshan)
- ISO 45001 – 2 of 7 factories (Turek, Mirfield)
- ISO 27001 – 2 of 7 factories (Røros, Nässjö)

### Flokk's Matrix Organisation





Offecct Circulus

# Group management



**Henning Karlsrud (b. 1974)**

Chief Executive Officer

Mr. Karlsrud joined Flokk in 2021 as CFO. Since October 2024, he has served as the Group's Chief Executive Officer, responsible for guiding the Group's overall performance and its strategic direction.

Work experience: consulting, corporate finance, and strategy from The Boston Consulting Group, Kearney, Handelsbanken Capital Markets, Telenor and CFO at Ice Group.

Academic background: Master of Science in Business Administration, and Finance from the Norwegian School of Economics (NHH) and postgraduate studies at INSEAD and Singularity University.



**Lars Syse Christiansen (b. 1977)**

Chief Financial Officer

Mr. Christiansen joined Flokk March, 2026, and is responsible for Group finance, tax, treasury, legal, IT, ESG and investor relations.

Work experience: CFO at XXL ASA, co-founder of Cardboard and Wanda, CFO of Circle K Europe, CFO at Storebrand Bank ASA .

Academic background: Master of Science in Management from the London School of Economics and Political Science, Master's degree in Marketing Management from BI Norwegian Business School. He has also completed advanced programs in corporate finance and leadership from Harvard.



**Lillevi E. Øglænd Ivarson (b. 1964)**

Senior Vice President, Group HR

Ms. Ivarson joined Flokk in 2007, undertaking responsibility for the Human Resources function, internal communication, recruitment strategies, and learning initiatives.

Work experience: Norsk Hydro and Yara International.

Academic background: Linköping University in Sweden and Audencia Business School (formerly Haute École de Commerce) in France.



**Patrik Röstlund (b. 1970)**

Senior Vice President, Manufacturing & Purchasing Operations

Mr. Röstlund joined Flokk in 2010, where his responsibilities encompass oversight of Flokk's operations, including manufacturing, procurement, supply chain management, logistics, customer service, and quality assurance.

Work experience: Opel, Saab Automobile, and General Motors

Academic background: Bachelor of Science in Business Administration from Uddevalla University



**Elisabeth Barrie (b. 1980)**

Senior Vice President, Products & Brands

Ms. Barrie joined Flokk in May 2025 and is responsible for design, product development and marketing across the group.

Work experience: SVP Product, Design and Engineering at Volvo Cars, Chief Product Officer at Vipps, and held several senior leadership roles at Schibsted Media Group.

Academic background: Master in International Economics and Management from SDA Bocconi and a Bachelor of Engineering and Business from the University of Technology Sydney.



**Frederik Fogstad (b. 1965)**

Senior Vice President, Americas & APAC

Mr. Fogstad joined Flokk in 2013, and he is responsible for overseeing sales to all global markets outside of Europe. Mr. Fogstad oversees Flokk operations in the USA.

Work experience: Varier Furniture, Intersport, Kellogg's, Middelfart, and Coca-Cola.

Academic background: Bachelor of Science in Management and Finance from the University of Wyoming and MBA from IESE Business School in Barcelona.



**René Sitter (b. 1975)**

Senior Vice President, Europe

Mr. Sitter joined Flokk in 2014. He is responsible for the commercial operations of Flokk's brands across the European region.

Work experience: Arthur D. Little and ThyssenKrupp.

Academic background: Leipzig Graduate School of Management.



**Jonas Allers Wismer (b. 1982)**

Senior Vice President, M&A Group Business Development and Strategy

Mr. Wismer joined Flokk in 2017. He is responsible for the Group's execution of mergers and acquisitions, as well as Group business development and strategy.

Work experience: Schibsted Media Group, Arctic Securities, Norden Corporate Finance, and Deloitte Consulting.

Academic background: Master of Science in Applied Economics and Finance from Copenhagen Business School.

# Flokk: A family of design-led brands shaping workspaces where people and organisations thrive

From our origins in Scandinavian task seating, Flokk has evolved into a global leader in workspace seating solutions, designing furniture that supports people wherever and however they work.

Today, Flokk is a leading global manufacturer of high-quality workspace furniture, with a strong presence in both Europe and North America. Our transatlantic footprint positions us among the few companies in the industry with a truly global reach.

Our name, comes from the Norwegian word for “group” or “herd,” reflects a core belief: that workspaces should bring people together to focus, collaborate, and connect. Through our portfolio of brands, we bring this purpose to life—delivering thoughtful, durable solutions for a wide range of workspaces and user needs. Our products are truly shaping workspaces where people and organisations thrive.

Each brand in our portfolio is unique:



## **HÅG** – Celebrating movements

Manufactured in Røros, Norway, HÅG has led the way in ergonomic seating solutions & eco-friendly design for more than 60 years. Known for user well-being, the innovative design of HÅG chairs promote natural, active sitting.

Central to the philosophy is balanced movement, embodied in HÅG inBalance® technology, which supports natural body movements, fostering health, comfort, and productivity in sedentary environments. The unique & documented health benefits and their intuitive nature, makes HÅG chairs a perfect fit for individual seating from light conference chairs and all the way through to task chairs for full days of office work.



## **PROFIM** – Essential for workspaces

Profim specializes in producing task chairs and soft seating for workplaces, with a focus on quality, authenticity, and precision design—all at a competitive price. The brand's philosophy centres on the essential elements of ergonomics, technology, and aesthetics, delivering true seating comfort.

Established in Poland in 1991, Profim manufactures its furniture in the city of Turek, located in central Poland. Renowned for its expertise, Profim's skilled team has refined their craft and knowledge over decades.



### 9TO5 SEATING – Making Design Accessible

9to5 Seating designs and manufactures ergonomic office seating for an evolving world. Its portfolio spans task, executive, and guest chairs, as well as soft seating and stools — offering comfort, style, and performance for every space.

Founded in 2004 and headquartered in California, 9to5 Seating brings together industrial design, engineering, manufacturing automation, vertical integration, and strategic sourcing to create seating solutions that are functional, stylish, and accessible by design.



### VIA SEATING – Inspiring Comfort Through Design

Via Seating designs ergonomic seating solutions that bring movement, comfort, and style to every environment. Its diverse portfolio spans task, executive, conference, lounge, and outdoor collections—each engineered to support well-being and enhance performance through inclusive design, proprietary comfort foam, and sustainable practices.

Founded in 1987 and headquartered in Sparks, Nevada, Via Seating has earned a reputation for innovation, rapid delivery, and an industry-leading warranty. Rooted in ergonomic expertise and Italian design partnerships, Via continues to shape the future of seating with products that unite durability, flexibility, and modern aesthetics.



### STYLEX – Transforming Spaces with Adaptive Design

Stylex creates thoughtful, customizable seating solutions for corporate, hospitality, institutional, and government environments. As a leader in adaptive design, the brand offers a comprehensive portfolio spanning lounge, guest, executive, conference, multi-use, and collaborative seating — all crafted to meet the demands of today’s evolving spaces.

Founded in 1956 in Delanco, New Jersey, Stylex has built a proud legacy of innovation, material expertise, and design excellence. Now part of the Flokk family, Stylex continues its commitment to meaningful, enduring products that balance performance, beauty, and environmental responsibility.



### RH – Designed for human performance

Founded in Bodafors, Sweden, in 1976, RH has been shaping ergonomic seating for nearly five decades. Known for its focus on individual performance, RH chairs are crafted to deliver comfort, support, and freedom of movement in both personal workspaces and demanding 24/7 environments. Central to RH's philosophy is dynamic ergonomics – chairs designed to follow the body's natural movements with intuitive controls, ensuring comfort, flexibility, and enhanced daily performance.

In 2025, BMA Ergonomics, the Dutch brand behind the renowned Axia chair, was fully integrated into RH. With its expertise in healthy sitting and sustainable design, BMA strengthens RH's heritage. Together, they form a stronger portfolio built on innovation, sustainability, and human performance.



### GIROFLEX – Designed to work

Giroflex is one of the original office seating brands, specialising in the design of high-quality task chairs, complemented by a range of conference and visitor chairs with harmonious design features.

Founded in Koblenz, Switzerland, in 1872, Giroflex remains a market leader in synchro motion seating. The brand not only developed one of the world's first designs of its kind, but has continued to drive innovation and evolution in the industry for more than 150 years.

All Giroflex office chairs feature a synchro motion mechanism that enables the chair to follow natural body movements while allowing for personal adjustment, ensuring comfort and support throughout the working day.



### CONNECTION – Making space that works

Connection is recognised as a specialist in soft seating and micro architecture furniture, creating defined places through soft separation, partitions, or landscaping of a space.

Launched in Huddersfield, UK in 1997, Connection design and manufactures distinctive products which define space and create a sense of place through offering solutions for visual and acoustic privacy, championing a nomadic product approach, offering agility, modularity & flexibility to a category that is otherwise limited by the permanent nature of architecture.



### **MALMSTOLEN – Empower healthier workdays**

Our aim is to create world-class healthy seating. We achieve this by developing office chairs based on extensive ergonomic research, crafting high-quality designs that reduce the risk of neck and back pain. Our seating solutions also enhance productivity and improve posture.

Founded in Sweden in 1994, our unique selling point lies in the innovative combination of DUX technology and a full-contact back support design, providing comprehensive support for the user.

We focus on both prevention and recovery, offering tailored seating solutions to help individuals avoid discomfort or address existing pain and strain-related issues. Our chairs are designed to promote long-term health and comfort.



### **OFFECCT – Furniture with a mission**

Good design inspires and encourages creativity. This is sometimes felt rather than seen, like through a comfortable position in a furniture, or in a perfect acoustic environment. Sometimes it is the other way around, as when discovering unexpected features in a furniture, or seeing beautiful shapes in an object. Offecct offer a product range that include soft seating, tables, acoustic panels and accessories.

Since the founding of Offecct in 1990, we have collaborated with renowned architects and designers to make award winning furniture that have this mission. We guide our clients to make sustainable decisions that lead to unique environments suited to their needs. This is made possible through our offer of bespoke solutions for colours and fabrics in our collection, extensive knowledge in product development, and committed service.

# Selected interior project case studies, 2025

During 2025, Flokk delivered on many inspiring interior projects around the world. Here we present a small snapshot of those projects that particularly align with the strengths of our portfolio and the way we design furniture.

## NEAT EXPERIENCE OFFICE

Location: Oslo, Norway

Sector: Technology

Featured brands: HÅG, Offecct, Profim, Connection

Flokk furnished Neat's new Experience Office in Oslo, a purpose-built workspace designed as a living showroom for workplace video communication. The project includes a broad range of seating, tables and acoustic solutions, supporting multiple work settings and enabling visitors to experience Neat's technology in realistic office environments.

Flokk products were used throughout the space, including HÅG Tion and HÅG Capisco chairs supporting meeting and collaboration settings, while Profim Snap lounge seating creates more intimate environments for informal discussions.

Central areas feature flexible setups including Profim Revo, and Offecct Carry On, with Profim Noor and Connection Platform supporting larger presentations and collaborative sessions. Offecct Soundwave wall panels in several designs enhance acoustic comfort while contributing to a coherent visual identity. Harmonised fabric choices across brands create complementary yet varied environments that support Neat's showroom concept and diverse user needs.



HÅG Tion



HÅG Capisco, Offecct Soundwave® Bella acoustic panel



Profim Revo, Profim Noor, Profim Snap

## SCHULGEMEINDE BAAR / SCHULE WIESENTAL

Location: Baar, Switzerland

Sector: Education & Research

Featured brands: HÅG, Ofecct, Profim, Connection

Flokk supported the redesign of teachers' team rooms at the newly built Wiesental School in Baar, delivering a multibrand furniture solution designed to enhance collaboration, comfort, and well-being. The project focuses on creating functional and supportive environments tailored to the daily needs of teaching staff.

Seating and table solutions were integrated across team and dining areas, with combinations of seating including HÅG Celi and Profim chairs supporting everyday use. Softer seating solutions from Profim, Connection and Ofecct contribute to more informal, collaborative settings, creating welcoming spaces for interaction and breaks.

In more focused environments, including computer-based work areas, HÅG Capisco Puls chairs support ergonomic movement and comfort during individual tasks. The project builds on proven experience from previous educational projects within the municipality, demonstrating how consistent design principles and high-quality furniture can be successfully adapted across multiple school environments.



Connection Kuppel, Connection Tryst, Ofecct Carry On, Profim Chic Lounge, Profim Revo Table



HÅG Capisco Puls



HÅG Celi



Stylex / Profim Luna

## MONROE CAPITOL

Location: Chicago, IL, USA

Sector: Financial

Featured brand: Stylex / Profim Luna

Flokk supported the furnishing of Monroe Capital's Chicago headquarters, providing seating solutions for a workplace designed around growth, flexibility and connection.

As overall square footage was reduced, shared spaces were prioritised, particularly across reception and café areas linked by a central stair. These environments were conceived as welcoming, hospitality-driven settings for interaction and client engagement.

Stylex / Profim Luna sofa systems were specified in multiple configurations within these areas. The modular seating supports informal conversations, client meetings, individual breaks and moments away from the desk,

allowing the spaces to shift easily between focused discussion and relaxed social use.

The overall design reflects Monroe Capital's emphasis on certainty and reliability. Clear spatial organisation, repetition of forms and intuitive layouts create an environment that feels confident and easy to navigate, supporting both client engagement and day-to-day performance.

## MAJOR TECH COMPANY

Location: Sydney, Australia

Sector: IT

Featured brands: Profim Snap, Offecct Font, Offecct Shift, 9to5 Seating Mila

Flokk delivered a multibrand seating solution for a global technology company's Sydney office, supporting a workplace designed to balance collaboration, focus and client engagement. The space was planned to accommodate varied ways of working, with flexible settings that enable both team interaction and individual tasks.

In the main conference room, 9to5 Seating Mila chairs provide ergonomic support for extended meetings. Offecct Font benches positioned beneath the windows maximise the use of daylight while introducing a more relaxed seating option. Smaller meeting rooms feature Profim Snap lounge chairs, creating comfortable, informal settings for discussion and creative work.

Across shared zones, Offecct Shift seating creates clearly defined collaborative settings while supporting spontaneous interaction. Together, the selected pieces create a cohesive and functional environment aligned with the client's evolving ways of working.



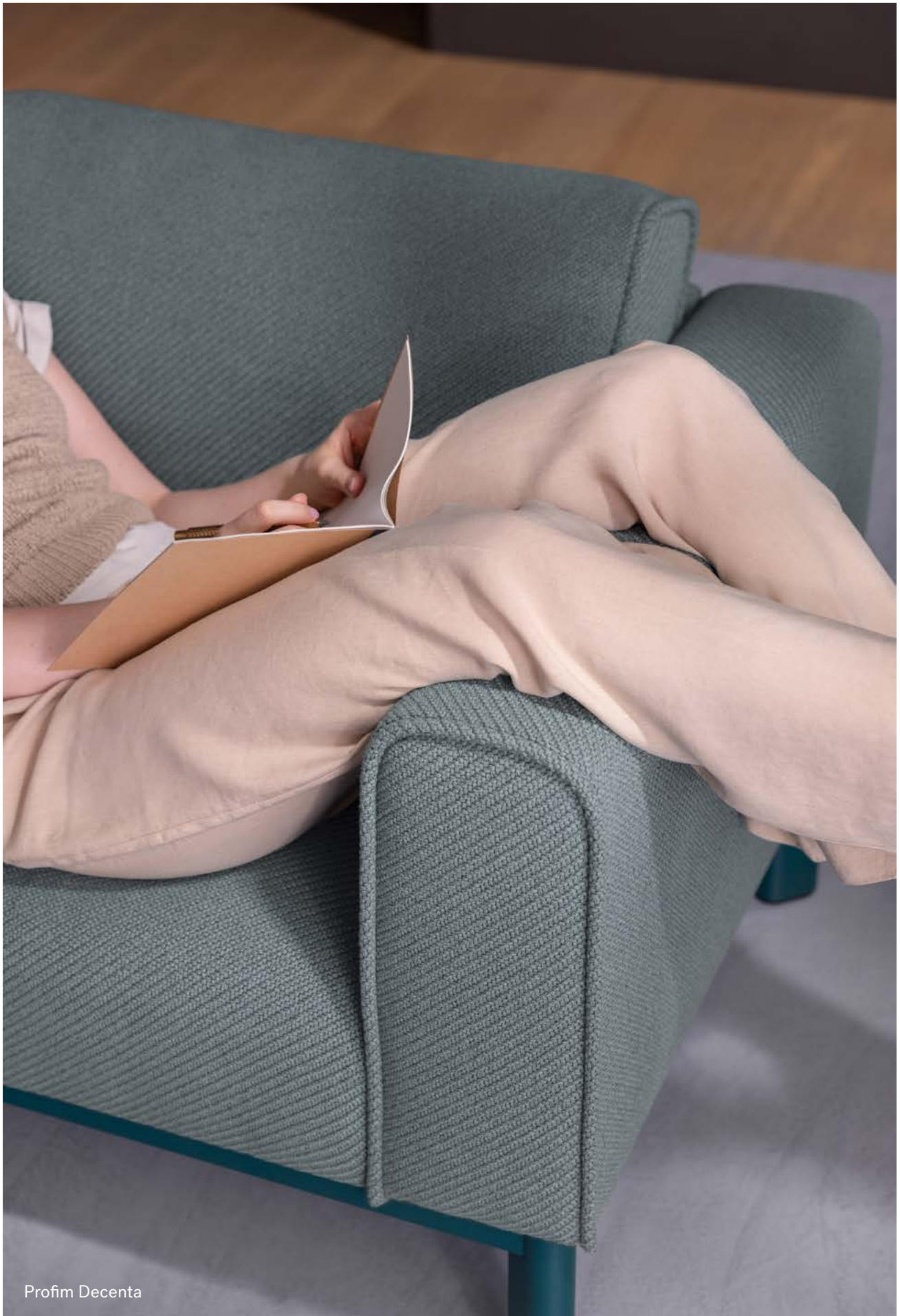
Offecct Shift



Profim Snap



Offecct Font



Profim Decenta

# Annual accounts

Board of Directors' Report 2025	28
Consolidated Income Statement	34
Consolidated Statement Of Comprehensive Income	34
Consolidated Statement Of Financial Position	35
Consolidated Statement Of Cash Flows	36
Consolidated Statement Of Changes In Equity	37
Notes - Group	37
Flokk Holding AS - Income Statement	76
Flokk Holding AS - Balance Sheet	77
Flokk Holding AS - Cash Flow Statement	78
Notes - Flokk Holding AS	78
Auditor's Report	85

# Board of directors' report 2025

## BUSINESS AND STRATEGY

Flokk is a global leading manufacturer of high-quality workspace seating solutions, with a strong presence in both Europe and North-America, developing a growing family of strong brands. The Group owns and develops a portfolio of international brands, including HÅG, RH, Profim, Giroflex, 9to5 Seating, Stylex, Via, Malmstolen, Connection and Offecct.

Headquartered in Oslo, Norway, Flokk operates production facilities in Norway (Røros), Sweden (Nässjö), Poland (Turek), the UK (Mirfield), the United States (Delanco, Sparks, Hawthorne) and China (Zhongshan), and sells its products in more than 80 countries through a network of dealers and partners. The United States represents the Group's largest single market.

Flokk's strategy is built on three pillars:

- Driving organic growth through product innovation
- Pursuing targeted acquisitions
- Delivering operational efficiencies

Sustainability is integrated into product development, sourcing, manufacturing and general responsible business conduct.

Approximately 1,900 employees contribute to realising Flokk's vision: Inspire Great Work.

## GOING CONCERN

In accordance with Section 3-3 of the Norwegian Accounting Act, the Board confirms that the annual financial statements have been prepared on a going concern basis. Based on the Group's financial position, liquidity and outlook, the Board considers the prerequisites for continued operations to be present.

## STRUCTURAL CHANGES

On 11 February 2025, Flokk acquired Via, Inc., a US-based manufacturer located in Sparks, Nevada. The acquisition strengthens Flokk's position in the US executive and task seating segment and supports further development of a unified US platform.

During the year, integration of Stylex and Via progressed in line with plan.

The Group reorganised its commercial structure to reflect its geographic footprint and strategic priorities and is now structured into Europe and Americas & APAC.

The legal structure of the Norwegian holding entities was simplified during the year.

A detailed execution roadmap under Flokk's strategic plan towards 2028 was developed in 2025. The plan refines priorities and execution focus but does not alter the Group's long-term ambition of becoming a global leader in workplace furniture.

## MARKET DEVELOPMENT

Group revenues increased by 10% in 2025 to NOK 4,721 million (2024: NOK 4,280 million). Growth was primarily driven by the US market, which increased by 47% year-on-year, mainly reflecting the Via acquisition and continued commercial momentum in the US. The US now represents the Group's largest single market.

Norway and Sweden delivered solid growth of 12% and 9%, respectively.

Several Continental European markets experienced lower activity levels compared to 2024, including Germany, Switzerland, Denmark and the United Kingdom. France declined moderately, while Poland and the Netherlands showed smaller reductions. Revenues from other markets were broadly stable.

Flokk's diversified geographic footprint and portfolio mix mitigated regional volatility.

## BRAND DEVELOPMENT

HÅG remained the largest brand, representing approximately 20% of total sales, with revenues slightly down year-on-year. Profim, as the second largest brand in the portfolio, accounted for approximately 18% of sales and experienced moderate decline.

9to5 Seating, the third largest brand, was broadly stable year-on-year.

Stylex, the fourth largest brand, delivered strong growth of 22% and represented approximately 14% of total sales. Via delivered strong growth and contributed positively to both revenue development and margin stability, reflecting solid



Stylex Luna, Stylex Anla, Stylex Cala

demand across its core segments and effective commercial execution. Via contributed NOK 495 million following its acquisition in February 2025.

Overall brand development reflects strong US-driven growth partly offset by softer demand in selected European markets.

## FINANCIAL PERFORMANCE

### INCOME STATEMENT

Total operating income in 2025 for the Group was NOK 4 721.4 million (2024: 4 279.5 million), and the operating profit in 2025 was NOK 480.8 million (2024: 498.9 million). The performance was driven by US volume growth, pricing discipline and cost control initiatives.

The operating margin declined to 10.2% in 2025 from 11.7% in 2024, reflecting softness in selected European markets. Underlying performance was supported by synergy realisation in the US, operational efficiency improvements, and continued cost discipline, which partially offset these headwinds.

Net financial expense of NOK 397.8 million in 2025 (2024: 504.5 million) were primarily affected by interest expenses and currency effects.

Loss for the year amounted to NOK 176.4 million compared to NOK -29.4 million in 2024.

### CAPITAL STRUCTURE

During the year, the Group strengthened and extended its financing structure. Existing facilities were refinanced and maturities extended, providing improved financial flexibility and a solid foundation to support future growth, including ongoing M&A activities. The Board considers the Group's liquidity position and access to financing to be satisfactory.

### FINANCIAL POSITION

Total assets at year-end amounted to NOK 9,813.3 million, a decrease of NOK 600.7 million from the previous year.

The equity ratio was 39.8% (2024: 41.9%).

Net interest-bearing liabilities including lease liabilities at year-end amounted to NOK 4 820.1 million. The Group met all financial covenant requirements during the year.

Investments during the year were primarily related to product development, tooling, production equipment and digital initiatives, including ERP harmonisation.

### RISKS AND UNCERTAINTIES

Flokk operates internationally and is exposed to market, operational and financial risks. Risk management is integrated into the Group's governance framework and reviewed regularly by management and the Board.

## MARKET RISK

Demand for workplace seating is influenced by macro-economic conditions, corporate investment cycles and workplace utilisation trends. The European market remains cautious, while US activity has been stronger.

The Group mitigates market risk through geographic diversification, a broad brand portfolio and a flexible operating model.

## GEOGRAPHIC EXPOSURE

The United States now represents approximately 40% of Group revenues. This increases exposure to US economic conditions, labour costs and regulatory developments. At the same time, the US platform provides scale and growth opportunities.

## FINANCIAL RISK

Approximately 90% of revenues are invoiced in currencies other than Norwegian krone, primarily EUR and USD. Exchange rate fluctuations may impact earnings and balance sheet values.

Borrowings are partly floating rate, exposing the Group to interest rate movements. Liquidity and covenant compliance are monitored on an ongoing basis.



Credit risk is considered low, as sales are primarily to established dealers and importers.

## OPERATIONAL AND SUPPLY CHAIN RISK

Flokk relies on global suppliers for raw materials and components. Volatility in input prices and transport costs may affect margins. These risks are mitigated through supplier diversification, structured procurement processes and continuous efficiency initiatives. Integration of recent acquisitions remains an operational focus area.

## REGULATORY AND SUSTAINABILITY RISK

Flokk operates across multiple jurisdictions and is subject to evolving regulatory requirements, including competition law, sanctions regulations and sustainability reporting requirements (CSRD). These developments are monitored and incorporated into governance processes.

The Board considers the Group's overall risk exposure to be manageable within its current capital structure.

## RESEARCH AND DEVELOPMENT

Flokk maintains a high level of R&D activity to support long-term competitiveness. During 2025, development efforts focused on product differentiation, modular platforms, circular design principles and improved material efficiency.

Activity levels remained elevated in preparation for product launches planned for 2026–2028.

R&D combines industrial efficiency with strong design identity and owned intellectual property. The Board considers R&D a key enabler of sustainable growth.

## MANUFACTURING AND PROCUREMENT OPERATIONS

Flokk operates production facilities in Europe, the United States and China, supported by a global sourcing network.

Despite continued geopolitical uncertainty and cost volatility, production output remained stable and delivery performance satisfactory.

Operational priorities during the year included:

- Cost discipline in materials and logistics
- Integration of US operations
- Standardisation of processes
- Procurement optimisation



Further capacity optimisation and supplier consolidation initiatives are planned for 2026 within the Stylex facility.

Operational efficiency remains central to preserving margins in a volatile environment.

#### EMPLOYEES AND WORKING ENVIRONMENT

At year-end 2025, the Group had 1,934 employees, of whom 795 were women and 1,137 men. This gives a women's employment ratio of 41% and a men's employment ratio of 59%. The female percentage has remained stable compared to 2014. There are two women on the company's board of directors, which results in a female share of 40%. There are now two women in the Group's Management Team representing 25% of the total team.

Systematic HSE processes are implemented across production sites. Key safety indicators are monitored at Group level and reviewed regularly. In 2025, the Group reported a Lost Time Frequency Rate (LTIFR) of 2,7 (number of incidents involving absence\*1 million/number of completed hours), a reduction of 1,1 from 2024. The Recordable Case Frequency Rate (RCFR) was 4,6 (number of injuries without absence\*1 million/number of hours worked), a reduction of 1,2 from 2024.

The Group works actively and systematically to promote equality and prevent discrimination. Recruitment, development and compensation practices are guided by principles of equal treatment and merit-based evaluation.

Further information regarding workforce composition, diversity metrics, HSE indicators and human rights

practices is presented in the Sustainability Report section of this Annual report, where Own Workforce (S1) is identified as a material topic.

#### EXTERNAL ENVIRONMENT

Flokk's operations impact the environment primarily through energy use, material consumption and transportation across the value chain.

The Group works systematically to reduce its environmental footprint through product design, sourcing and manufacturing improvements. Environmental management systems are implemented across production sites.

Environmental and climate-related matters are considered strategically important, both from a regulatory and commercial perspective.

Further detailed information on environmental performance, climate targets and circularity initiatives is presented in the Sustainability Report section of the Annual Report.

#### SUSTAINABILITY

Flokk is aiming to create high-quality seating with a reduced carbon footprint and has a sustainability strategy structured around the three pillars Environment, Social and Governance. Please see the sustainability report, in a separate section in the annual report, for more details on environmental impact and mitigation strategies.

Flokk is working towards compliance with the Corporate Sustainability Reporting Directive (CSRD), initially targeting implementation for the financial year 2025. Following the postponement of two years from the "Stop the Clock"-EU Directive adopted by the Norwegian accounting legislation, Flokk is

currently preparing for implementation for the financial year 2027.

#### PARENT COMPANY – FLOKK HOLDING AS

Flokk Holding AS is the parent company of the Group and has no employees. The company's purpose is to own shares in subsidiaries and conduct related investment activities.

Flokk Holding AS reported a loss of NOK 30.2 million for 2025.

The Board proposes that the loss be allocated to share premium.

#### FUTURE PROSPECTS

Flokk enters 2026 with a strengthened US platform and continued strategic execution across Europe.

While macroeconomic conditions remain uncertain in parts of Europe, long-term demand drivers include workplace quality, ergonomics and sustainability requirements. The US represents a significant growth opportunity but also requires careful management of cost and regulatory developments.

The strategic roadmap towards 2028 remains unchanged, with focus on:

- Organic growth across key brands and markets
- Continued integration and synergy realisation
- Operational efficiency
- Disciplined capital allocation and selective M&A

Based on its diversified brand portfolio, geographic footprint and scalable operating model, Flokk is considered well positioned to pursue sustainable long-term value creation.

Oslo, April 30, 2026



*Lars I. Røiri*

Lars I. Røiri  
Chair of the Board



*Thomas Hofvenstam*

Thomas Hofvenstam  
Board Member



*Ponser*

Pernille Bonser  
Board Member



*Joachim Espen*

Joachim Espen  
Board Member



*Kristine Landmark*

Kristine Landmark  
Board Member



*Henning Karlsrud*

Henning Karlsrud  
CEO



Offecct Font

# Consolidated income statement

1 January - 31 December

NOK (thousands)	Notes	2025	2024
Sales revenues	6	4 721 424	4 279 505
<b>Total operating income</b>		<b>4 721 424</b>	<b>4 279 505</b>
Cost of materials		1 621 230	1 482 315
Personnel expenses	10	1 317 890	1 189 435
Depreciation and amortization	7, 12, 22	282 609	237 102
Other operating expenses	10 13	1 019 683	871 720
<b>Operating expenses</b>		<b>4 241 412</b>	<b>3 780 572</b>
<b>Operating profit</b>		<b>480 012</b>	<b>498 933</b>
Financial income	17	883 942	1 071 387
Financial expenses	17	(1 281 750)	(1 575 886)
<b>Net financial income (expense)</b>		<b>(397 808)</b>	<b>(504 499)</b>
<b>Profit before tax</b>		<b>82 204</b>	<b>(5 566)</b>
Taxes	14	258 603	23 798
<b>Profit for the year</b>		<b>(176 399)</b>	<b>(29 364)</b>
<b>Profit for the year attributable to:</b>			
Equity holders of the parent		(176 399)	(29 364)
<b>Information concerning:</b>			
Earnings per share	20	(176)	(29)
Diluted earnings per share	20	(176)	(29)

# Consolidated statement of comprehensive income

1 January - 31 December

NOK (thousands)	Notes	2025	2024
<b>Profit for the year</b>		<b>(176 399)</b>	<b>(29 364)</b>
Exchange differences on translation of foreign operations		(114 529)	16 583
<b>Items that may be reclassified subsequently to income statement</b>		<b>(114 529)</b>	<b>16 583</b>
Remeasurement of defined benefit pension plans, net of taxes	11	5 354	(109)
<b>Items that will not be reclassified to income statement</b>		<b>5 354</b>	<b>(109)</b>
<b>Other comprehensive income, net of taxes</b>		<b>(109 175)</b>	<b>16 474</b>
<b>Total comprehensive income</b>		<b>(285 574)</b>	<b>(12 890)</b>
<b>Total comprehensive income (loss) attributable to:</b>			
Equity holders of the parent	19	(285 574)	(12 890)

# Consolidated statement of financial position

31 December

NOK (thousands)	Notes	2025	2024
<b>Assets</b>			
Deferred tax assets	4, 14	11 359	10 601
Goodwill	4, 7	5 720 603	5 836 024
Other intangible assets	4, 7	1 248 522	1 263 928
Right-of-use assets	22	361 912	427 932
Property, plant and equipment	12	678 376	713 002
Other long-term receivables	10	7 950	8 129
<b>Total non-current assets</b>		<b>8 028 722</b>	<b>8 259 617</b>
Inventories	15	475 991	477 067
Trade receivables	16	509 744	489 372
Other short-term receivables	16	93 296	114 066
Cash and cash equivalents	9	705 597	1 073 909
<b>Total current assets</b>		<b>1 784 628</b>	<b>2 154 415</b>
<b>Total assets</b>		<b>9 813 349</b>	<b>10 414 033</b>
<b>Equity and Liabilities</b>			
Share capital	19	60	60
Share premium		4 200 192	4 375 827
<b>Total paid in capital</b>		<b>4 200 252</b>	<b>4 375 887</b>
Retained earnings		(298 464)	(12 890)
<b>Total other equity</b>		<b>(298 464)</b>	<b>(12 890)</b>
<b>Total equity</b>		<b>3 901 788</b>	<b>4 362 997</b>
Pension obligations	4, 11	10 068	16 238
Deferred tax liabilities	14	365 960	202 175
Warranty provisions	23	12 162	3 071
Long-term interest-bearing loans	8, 9	4 408 324	4 541 351
Lease liabilities	22	273 112	324 812
Other long-term liabilities		(20)	(22)
<b>Total non-current liabilities</b>		<b>5 069 606</b>	<b>5 087 625</b>
Short-term interest-bearing loans	8, 9	35	51
Lease liabilities	22	109 037	126 197
Trade payables		297 133	306 591
Taxes payables	14	32 815	53 660
Accrued liabilities		92 276	94 929
Warranty provisions	23	7 080	14 343
Other short-term liabilities	24	303 581	367 638
<b>Total current liabilities</b>		<b>841 955</b>	<b>963 411</b>
<b>Total liabilities</b>		<b>5 911 561</b>	<b>6 051 035</b>
<b>Total equity and liabilities</b>		<b>9 813 349</b>	<b>10 414 033</b>

Oslo, April 30, 2026

  
Lars I. Røiri  
Chair of the Board

  
Thomas Hofvenstam  
Board Member

  
Pernille Bonser  
Board Member

  
Joachim Espen  
Board Member

  
Kristine Landmark  
Board Member

  
Henning Karlsrud  
CEO

# Consolidated statement of cash flows

1 January - 31 December

NOK (thousands)	Notes	2025	2024
<b>Operating activities</b>			
Profit before tax *)	7,12,22	82 204	(5 566)
Depreciation and amortization		282 609	237 102
Unrealised exchange rate differences		69 809	27 747
Accrued interest loans		(4 411)	(11 244)
Capitalised borrowing costs		(16 028)	7 313
Other		(17)	(9 671)
Taxes paid	14	(133 234)	(57 790)
<b>Cash flow from operating activities before change in working capital</b>		<b>280 932</b>	<b>187 892</b>
<b>Cash flow from change in working capital:</b>			
Change in inventories		50 468	3 652
Change in current receivables		5 477	25 451
Change in payables		(38 659)	(25 536)
Change in current liabilities		(64 639)	111 082
<b>Cash flow from operating activities</b>		<b>233 580</b>	<b>302 540</b>
<b>Investing activities</b>			
Acquisition of business, net of cash acquired	3	(193 544)	(370 792)
Purchase of intangible assets		(35 062)	(38 113)
Purchase of property, plant and equipment	12	(65 874)	(100 955)
Sale of tangible assets		698	1 455
<b>Cash flow from investing activities</b>		<b>(293 781)</b>	<b>(508 405)</b>
<b>Financing activities</b>			
Capital increase			170 000
Drawdown of short term and long term debt			759 075
Down payment of interest-bearing loans	9	(1 150)	(411 178)
Payment of principal portion of lease liabilities (IFRS 16)		(117 558)	(90 796)
Dividend paid		(175 635)	
<b>Cash flow from financing activities</b>		<b>(294 343)</b>	<b>427 101</b>
<b>Cash flow for the year</b>		<b>(354 545)</b>	<b>221 236</b>
Cash and cash equivalents at the beginning of the period		1 073 909	777 631
Exchange rate differences in cash and cash equivalents		(13 768)	75 042
<b>Cash and cash equivalents at the end of the period</b>		<b>705 597</b>	<b>1 073 909</b>
Cash and cash equivalents booked as bank deposit		705 597	1 073 909
*) Includes			
Interest income received		40 972	54 317
Interest expenses paid		366 420	421 250
Interest portion of lease liabilities (IFRS 16)		12 385	9 708

# Consolidated statement of changes in equity

For the years ended 31 December 2024 and 2025

NOK (thousands)	Note	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total other equity	Total equity
<b>Equity 01.01.2024</b>	<b>19</b>	<b>30</b>					<b>30</b>
Capital increase	19	30	4 375 827				4 375 857
Loss for the year					(29 364)	(29 364)	(29 364)
Other Comprehensive income				16 583	(109)	16 474	16 474
<b>Equity 31.12.2024</b>		<b>60</b>	<b>4 375 827</b>	<b>16 583</b>	<b>(29 473)</b>	<b>(12 890)</b>	<b>4 362 997</b>
<b>Equity 01.01.2025</b>		<b>60</b>	<b>4 375 827</b>	<b>16 583</b>	<b>(29 473)</b>	<b>(12 890)</b>	<b>4 362 997</b>
Dividend paid <sup>1)</sup>			(175 635)				(175 635)
Loss for the year					(176 399)	(176 399)	(176 399)
Other Comprehensive income				(114 529)	5 354	(109 175)	(109 175)
<b>Equity 31.12.2025</b>		<b>60</b>	<b>4 200 192</b>	<b>(97 946)</b>	<b>(200 518)</b>	<b>(298 464)</b>	<b>3 901 788</b>

<sup>1)</sup> Dividend of 175 635 thousand were approved by the Annual General Meeting on 17 December 2024 and subsequently paid on 31 January 2025.

## Notes – Group

### NOTE 1 – GENERAL INFORMATION

Flokk Holding AS and its subsidiaries (collectively, the Group) develop, manufacture and distribute seating solutions for office and workplace environments through independent dealers, importers and retail chains.

Flokk Holding AS is incorporated and domiciled in Norway, with its registered office in Oslo.

At 31 December 2025, the Group operated production facilities in Norway (Røros), Sweden (Nässjö), Poland (Turek), the United States (Los Angeles, Sparks and Delanco), China (Zhongshan) and the United Kingdom (Mirfield). The Group's principal markets are Europe and North America.

Information about the Group's subsidiaries is provided in note 18.

The ultimate controlling party of the Group is Triton IV Continuation Fund SCSp.

The consolidated financial statements were authorised for issue by the Board of Directors on 30 April 2026.

### NOTE 2 – SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

#### BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and the additional disclosure requirements of the Norwegian Accounting Act as of 31 December 2025.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

The consolidated financial statements are presented in Norwegian kroner (NOK), which is the functional currency of the parent company. All amounts are presented in NOK thousands unless otherwise stated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

#### BASIS OF CONSOLIDATION

The consolidated financial statements comprise Flokk Holding AS and its subsidiaries.

Subsidiaries are consolidated from the date the Group obtains control and are deconsolidated when control ceases. Control exists when the Group:

- has power over the investee,
- is exposed to variable returns from the investee, and
- has the ability to affect those returns.

Intercompany balances and transactions are eliminated on consolidation.

The consolidated financial statements include foreign subsidiaries with functional currencies other than NOK. Assets and liabilities are translated at the closing exchange rate at the reporting date. Income and expenses are translated at average exchange rates. Translation differences are recognised in other comprehensive income.

In March 2024 Flokk Holding AS (Formerly Flokk Finco AS) acquired Flokk Holding III AS and its subsidiaries. Flokk Holding III AS is the sole owner of Flokk Holding AS, through its ownership in Flokk Holding II AS. The acquisition took place under common control, and the consideration was in the form of equity instruments issued by Flokk Holding AS. Consequently, the acquisition did not meet the definition of a business combination and has been accounted for as a continuation of the consolidated financial statements of the Flokk Group.

## CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

There were no new or amended IFRS Accounting Standards effective from 1 January 2025 that had a material impact on the Group's consolidated financial statements.

## CLASSIFICATION

Assets and liabilities are classified as current when they are expected to be realised or settled within 12 months after the reporting period. All other assets and liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non-current.

## OPERATING SEGMENTS

The Group's Chief Operating Decision Maker (CODM) is the Group Management team.

For management purposes, the Group monitors performance and allocates resources at a consolidated level. Although sales performance is monitored by geography, the Group operates an integrated business model with common manufacturing, sourcing and product development functions.

Based on the internal reporting structure and how performance is assessed by the CODM, the Group has determined that it operates as one reportable segment: development, production and distribution of office and workplace seating solutions.

Segment information is disclosed in note 6.

## BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method.

Identifiable assets and liabilities are recognised at fair value at the acquisition date. Goodwill represents the excess of consideration transferred over the fair value of identifiable net assets acquired.

Goodwill is allocated to cash-generating units (CGUs) expected to benefit from the acquisition. The Group has identified three CGUs.

Goodwill is tested annually for impairment.

Further information is provided in notes 3 and 7.

## RESEARCH AND DEVELOPMENT COSTS (INTERNAL DEVELOPMENT)

Research costs are expensed as incurred.

Development costs are capitalised when the recognition criteria in IAS 38 are met, including demonstration of technical feasibility, intention and ability to complete the asset, and probable future economic benefits.

Capitalised development costs are amortised over their estimated useful lives once available for use.

External designers engaged in product development are generally compensated through royalty agreements based on product sales. Such royalties are recognised as operating expenses and are not capitalised.

## FINANCIAL ASSETS AND LIABILITIES

### Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

In accordance with IFRS 9, the Group classifies its financial assets based on the business model for managing the assets and the contractual cash flow characteristics.

The Group's financial assets are classified into the following categories:

- Financial assets measured at amortised cost
- Financial assets at fair value through profit or loss

Financial assets measured at amortised cost include cash and cash equivalents, trade receivables and other receivables. These assets are held to collect contractual cash flows and give rise to cash flows consisting solely of payments of principal and interest.

### Financial liabilities

Financial liabilities are classified into two categories in accordance with IFRS 9 Financial instruments:

- Financial liabilities measured at amortised cost
- Financial liabilities at fair value through profit or loss

Liabilities measured at amortized cost are interest-bearing loans and borrowings. If the effect of discounting is immaterial, the liabilities are measured at their nominal amount.

## TRADE RECEIVABLES AND PROVISIONS

Trade receivables are measured at amortized cost. On initial recognition, trade receivables are measured at the transaction price. Provisions are made using a simplified method for expected credit losses that is determined based on individual customer assessments and expected lifetime losses for the receivables.

## INVENTORIES

Inventories, including semi-fabricated products, is recognised at the lowest of cost price and net realisable value. Net realisable value refers to the net amount that is expected to be realized from the sale of inventory in the ordinary course of business. Costs are established using the FIFO method. The processed inventories include variable costs and fixed costs that can be allocated to goods based on normal capacity. Inventories are assessed for

obsolescence. Obsolescence arises when the inventories contain faulty components or components for products which are no longer for sale and thus do not represent any value to the Group. Provisions for obsolescence are reversed in those instances when the components are nonetheless able to be used in production.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise of cash at banks and on hand and short-term highly liquid deposits to meet short-term commitments, with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Flokk has established a group account system (cash pool system) of which Flokk Holding AS is the group account holder. The bank can settle each withdrawal and the available balance against each other such that the net balance represents the outstanding balance between the bank and Flokk Holding AS. The Group recognises the net balance of the accounts included in the group account system.

## CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

## INTEREST-BEARING LOANS

Interest-bearing loans are recognised at the fair value of the loan less directly attributable transaction costs. After initial recognition, interest-bearing loans are measured at amortised cost. Gains and losses are recognised in net financial items when the liabilities are derecognised as well as through the amortisation process. The upfront fees are part of the borrowing cost and are recognised as part of the interest. Borrowing costs are capitalized and distributed through the consolidated income statement in line with the loan's repayment period.

## PROVISIONS FOR OBLIGATIONS

Provisions are recognised when the Group has a present obligation as a result of past events, it is probable that the Group must fulfil the obligation, and the obligation has been reliably estimated.

## EQUITY

### Share capital

Ordinary shares are classified as equity. Expenses directly associated with the issuing of new shares or options, less deductions for tax, are recognised as a reduction in the received remuneration in equity.

### EXCHANGE RATE DIFFERENCES

Foreign currency transactions are translated at the exchange rate on the transaction date. Monetary items (debt or receivable) in foreign currency are translated into functional currency using the exchange rate on the statement of financial position date. Non-monetary items measured at historical rates expressed in foreign currency are translated into functional currency using the exchange rate at the time of the transaction. Non-monetary items that are measured at fair value expressed in foreign currency are translated at the exchange rate determined at the time of measurement. Exchange rate fluctuations are recognized in the consolidated income statement under financial income and expenses on an ongoing basis, except for exchange rate changes on foreign currency loans designated as effective hedging of a net investment in a foreign entity, or monetary items that are considered part of the net investment. These changes in exchange rates are recognized as part of other comprehensive income.

### TAXES

Current tax and deferred tax are recognised in accordance with IAS 12.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available.

Further information is provided in note 14.

## LEASES

### Recognition of leases and exemptions

At the lease commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets (less than NOK 50 thousand)

For these leases, the Group recognises the lease payments as other operating expenses in the consolidated income statement when they are incurred.

### Lease liabilities

The lease liability is recognised at the commencement date of the lease. The Group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The Group determines the lease term as the non-cancellable period of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to exercise the option, or any periods covered by an option to terminate the lease, if it is reasonably certain not to exercise the option.

The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Amount expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option, if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group does not include variable lease payments in the lease liability. Instead, the Group recognises these variable lease expenses in the consolidated income statement. The Group presents its lease liabilities as separate line items in the statement of financial position.

### Right-of-use assets

The Group measures the right-of-use assets at cost, less any accumulated depreciations and impairment losses, adjusted for any remeasurement of lease liabilities the cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability recognised

- Any lease payments made at or before the commencement date, less any incentives received
- Any initial direct costs incurred by the Group

The Group applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use assets, except that the right-of-use assets are depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use assets are impaired and to account for any impairment loss identified.

#### SALE OF GOODS

The Group sells furniture through independent retail chains, dealers, and importers. Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally at agreed place of delivery. The customers have no return rights if the delivery is according to the agreed specification and quality. Revenues are recognized based on the agreed price less any discounts.

The normal credit term is 30 days upon delivery.

The Group considers whether there are other conditions in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Such conditions could be variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer (if any). Refer also to warranty provisions above.

#### GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the grant reduces the carrying amount of the asset and is recognized in the consolidated income statement over the expected useful life of the asset as a reduction in the depreciation.

#### RELATED PARTIES

Parties are defined as related parties if one party has the ability, directly or indirectly, to control the other party or to

exercise significant influence over the other party in making financial and operational decisions. Parties are also related if they are subject to common control or common significant influence.

Consolidated companies have transactions with related parties. This is mainly purchase and sale of the Group's products, as well as administrative services. All transactions between related parties are based on the principle of "arm's length" (estimated market value).

#### EARNINGS PER SHARE

The Group presents earnings per share and diluted earnings per share. Earnings per share are calculated by dividing the profit for the year after non-controlling interests by the average number of outstanding shares during the period. The diluted earnings per share is the profit attributable to the equity holders of the parent divided by the average number of outstanding shares in the period, adjusted for any diluting effects.

#### NEW AND AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of the authorization of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

##### **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments**

The IASB has completed the post implementation review of the classification and measurement changes in IFRS 9. The review clarifies financial liability derecognition, ESG-linked financial asset assessment, and introduces new disclosure requirements.

The amendments clarify derecognition of financial liabilities on the settlement date, and introduces an option for early derecognition via electronic payment systems. Guidance on assessing contractual cash flow characteristics of ESG-linked financial assets and evaluating contingent features is also clarified. Further explanations for non-recourse loans and contractually linked instruments are provided, along with additional disclosure requirements in IFRS 7 for financial instruments with contingent features and equity instruments classified fair value through OCI.

The amendments will take effect for annual periods starting on or after 1 January 2026. Earlier application is permitted.

## WARRANTY PROVISIONS

The Group provides warranties for general repairs of defects that existed at the time of sale. Provisions related to these warranties are recognised when the product is sold. Initial recognition is based on historical data for service work and warranty repairs. The provisions expected to be incurred within one year are classified as current liabilities, while those expected to be incurred in more than one year are classified as non-current liabilities in the consolidated statement of financial position. The estimate of the warranty provision is revised annually. Warranty costs associated with repairs are recognised through consolidated income statement as costs of materials, while instalment costs are recognised through consolidated income statement as other operating costs.

## PENSIONS

The Group provides pension plans for all employees. The costs associated with the pension agreements appear as personnel expenses in the consolidated income statement. The Group's employees are members of collective defined contribution pension schemes. Payments linked to the contribution plans are recognised as a cost in the period to which the contributions relate.

Employees in Switzerland, and some employees in Norway with partial disability have a defined benefit scheme. The costs associated with these schemes are based on a linear carrying forward of pension earnings against probable accumulated liabilities at the time of accrual. A linear accrual model distributes the future accumulated liabilities linearly over the accrual period and regards the employees' accrued pensions' rights in the period as a pensions cost. Any new, or changes in existing benefits-based pension scheme results in changes to the pension liabilities. The introduction of new schemes or changes to existing schemes that appear with retrospective effect may impact the future pension liability. Any such changes are recognised through statement of comprehensive income immediately.

The effect of accrued pension benefits is divided over the remaining average accrual period. In the case of contribution plans, payments have been made to the insurance company. Once the contribution has been paid there are not further liabilities. Payments linked to the contribution plans are recognized as a cost in the period to which the contributions relate.

The AFP contractual pension scheme is a multi-employer defined benefit but is recognised as a defined contribution plan. Companies that participate in the AFP scheme are jointly responsible for two-thirds of the payable pension. Flokk recognises this as a cost on a current basis. The pension earning period coincides with the period of employment.

Remeasurement of defined benefit plans relate to changes in the basis data, estimates and changes in assumptions, and is recognized in other comprehensive income in the period in which it occurs. Plan changes are recognised in the income statement as a single event unless the change is conditional on the employees remaining in the company. In the event of the latter, the change is amortised over the remaining pension earning period.

## REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group enter into agreements with customers that includes terms for discount, volume bonus and delivery terms. The frame agreement part of these contracts is typically valid for 1 or 2 years, of which each specific product delivery has individual contract terms either covered by the main agreement or by separate agreement. Discount level is based on obtained sales through a bonus period, which is normally defined as a calendar year. For sales to customers without any written contracts, the terms are agreed in an order confirmation. Discount is recognized per sales order; volume bonus is estimated and accrued quarterly based on actual sales. On 31 December, the Group recognize the total volume bonus as discount in the consolidated income statement and as short-term liability in consolidated statement of financial position. Delivery terms varies from customer to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties. Revenues are not recognized before all conditions associated with the sale have been met.

## SALE OF GOODS

The Group sells furniture through independent retail chains, dealers and importers.

Revenue is recognised at the point in time when control of the goods is transferred to the customer, generally at the

agreed place of delivery or installation.

The transaction price is based on the agreed sales price, net of discounts, rebates and estimated volume bonuses.

Variable consideration, including volume bonuses and rebates, is estimated at contract inception and updated throughout the reporting period based on actual sales and expected future volumes.

The Group does not have significant non-cash consideration or significant financing components in its contracts.

The Group assesses whether contracts contain separate performance obligations; however, the sale of goods generally represents a single performance obligation.

#### **GOVERNMENT GRANTS**

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the grant reduces the carrying amount of the asset and is recognized in the consolidated income statement over the expected useful life of the asset as a reduction in the depreciation.

#### **RELATED PARTIES**

Parties are defined as related parties if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operational decisions. Parties are also related if they are subject to common control or common significant influence.

Consolidated companies have transactions with related parties. This is mainly purchase and sale of the Group's products, as well as administrative services. All transactions between related parties are based on the principle of "arm's length" (estimated market value).

#### **EARNINGS PER SHARE**

The Group presents earnings per share and diluted earnings per share. Earnings per share are calculated by dividing the profit for the year after non-controlling interests by the average number of outstanding shares during the period. The diluted earnings per share is the profit attributable to

the equity holders of the parent divided by the average number of outstanding shares in the period, adjusted for any diluting effects.

#### **NEW AND AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE**

Flokk has chosen not to early-implement new or changed standards in the financial statements for 2025 but will implement when they become effective. The Group is currently working to assess any effects that these will have on the financial reporting.

#### **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments**

The IASB has completed the post implementation review of the classification and measurement changes in IFRS 9. The review clarifies financial liability derecognition, ESG-linked financial asset assessment, and introduces new disclosure requirements.

The amendments clarify derecognition of financial liabilities on the settlement date and introduce an option for early derecognition via electronic payment systems. Guidance on assessing contractual cash flow characteristics of ESG-linked financial assets and evaluating contingent features is also clarified. Further explanations for non-recourse loans and contractually linked instruments are provided, along with additional disclosure requirements in IFRS 7 for financial instruments with contingent features and equity instruments classified fair value through OCI.

The amendments will take effect for annual periods starting on or after 1. January 2026.

#### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, ISAB issued IFRS 18 Presentation and disclosure in Financial Statements which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces a new and more prescriptive structure for presentation and information in the financial statements. The standard tightens the requirements for how the income statement must be set up, which subtotals and lines must be shown, and how income and costs must be aggregated and disaggregated.

IFRS 18 is effective for reporting periods beginning on or after 1 January 2027. The standard has not been early adopted by the Group. The Group will comply with the amendments and the new standard when they become effective.

IFRS 18 is expected to introduce substantial changes to the presentation and disclosure of the Group's consolidated income statement, financial position, and accompanying notes. The standard will require more detailed breakdowns of income and expense categories, including the separate disclosure of foreign exchange gains and losses. This additional detail will provide enhanced transparency regarding the effect of exchange rate fluctuations on the Group's financial performance, which is particularly relevant given the Group's exposure to multiple currencies through its international operations. Furthermore, IFRS 18 may require a more granular presentation or disclosure of certain items of income, expense, assets and liabilities. Key performance indicators disclosed under IFRS 18 may also be subject to tighter definitions and reconciliation requirements to the primary statements. As the Group continues its assessment of IFRS 18, any material impacts, including changes in the presentation of exchange rate effects, segment information, and management's analysis of performance, will be communicated in future financial statements once the standard is effective. IFRS 18 is effective from 1 January 2027.



## NOTE 3 – BUSINESS COMBINATIONS

### ACQUISITION IN 2025

On 11 February 2025, Flokk USA Holding LLC, a company controlled by Flokk Holding AS, acquired 100% of the shares in Via, Inc. (Via), a U.S.-based manufacturer of office furniture. Via is headquartered in Sparks, Nevada, where both its head office and manufacturing operations are located. Most of Via's sales are generated in the U.S. market.

Through the acquisition of Via, the Group has further strengthened its presence in the U.S., expanding its manufacturing footprint and adding a broader portfolio of collaborative furniture and task seating to its offering.

The agreed equity purchase price for the acquisition was NOK 197 million.

The calculated excess value to be allocated amounts to NOK 92 million, derived from the agreed equity purchase price less the pre-acquisition book value of equity.

### Purchase Price Allocation

The excess purchase price has been calculated as follows:

<b>(NOK millions)</b>	
Equity purchase price	197
Book value of equity pre-acquisition	(101)
<b>Allocated excess value</b>	<b>96</b>

Following the completion of the transaction, total identifiable net assets recognized amounted to NOK 105 million.

### Identification of cash generating units (CGU)

Goodwill, intangible/tangible assets and liabilities as of the transaction date are allocated to the CGU Americas.

During 2025, the Group reassessed its cash-generating unit (CGU) structure following increased operational integration, particularly within the U.S. platform. As a result, the number of CGUs has been reduced from four to three compared to the prior year.

The updated CGU structure better reflects how the Group's operations are managed, monitored, and generate cash flows, and is aligned with internal reporting and decision-making processes.

### Identification of tangible and intangible assets

The following intangible assets were identified and recognised separately:

- Order backlog
- Distribution network

The following intangible asset was identified but does not meet the recognition criteria for separate recognition under IAS 38 and is therefore included in goodwill:

- Assembled workforce

For all other assets and liabilities, book value was considered to represent fair value at the valuation date.

The excess of the cost of the acquired entity over the net of the amounts assigned to identifiable assets acquired and liabilities assumed is recognised as goodwill.

### Fair value of identifiable assets and liabilities at acquisition date

<b>NOK (thousands)</b>	<b>Fair Value</b>
Intangible assets	8 018
Deferred tax assets	4 311
Property, plant and equipment (note 12)	14 163
Inventory	77 929
Trade receivables	46 372
Other receivables	7 882
Cash	9 706
<b>Total assets</b>	<b>168 380</b>
Deferred tax liabilities	133
Long-term liabilities	3 626
Long-term debt	1 560
Trade payables	37 413
Short-term debt	20 446
<b>Total liabilities</b>	<b>63 179</b>

Total identifiable net assets at fair value amounted to NOK 105 million.

Goodwill was recognised with NOK 91,829 thousand.

<b>NOK (thousands)</b>	
Total identifiable net assets at fair value	105 202
Cash Payment	197 031
<b>Goodwill</b>	<b>91 829</b>

### Transaction costs

A total of NOK 11 million was expensed in acquisition costs in 2025 and is included in other operating expenses in the consolidated income statement.

### Analysis of cash flow on acquisition

<b>NOK (thousands)</b>	
Cash acquired	9 706
Cash payment	(197 031)
<b>Net cash flow</b>	<b>(187 326)</b>

### Contribution to the Group

Via contributed NOK 495 million to the Group's revenues and NOK 49 million to the Group's operating profit for the period 08.02.2025 – 31.12.2025.

If Via had been acquired as of 1 January 2025, the Group's consolidated revenues would have been NOK 539 million and operating profit NOK 46 million.

### ACQUISITIONS IN 2024

On 1 February 2024, Flokk USA Holding Inc., a company controlled by Flokk Holding AS, acquired 100% of the shares in Stylex Inc., a U.S.-based manufacturer of collaborative furniture. Stylex Inc. is headquartered in Delanco, New Jersey, where both its head office and manufacturing operations are located. The vast majority of Stylex's sales are generated in the U.S. market.

Through the acquisition of Stylex Inc., the Group has significantly strengthened its presence in the U.S., expanding its manufacturing footprint with capacity on both the East and West Coasts, and adding a broad portfolio of collaborative furniture to its offering.

The agreed equity purchase price for the acquisition was NOK 419.4 million, which includes an earn-out component. The earn-out is determined based on operating profits for FY2023 and FY2024, assessed separately for each year. The earn-out linked to FY2023 operating profit was paid during 2024. Based on the reported operating profit for FY2024, an additional earn-out obligation of NOK 53.7 million has been recognized and accrued in the statement of financial position as of 31 December 2024.



HÅG Minu

The calculated excess value to be allocated amounts to NOK 295.1 million, derived from the total agreed equity purchase price of NOK 419.4 million, less the pre-acquisition book value of equity of NOK 124.3 million.

Following the completion of the transaction, total assets recognized amount to NOK 419.4 million.

<b>Excess purchase price</b>	<b>(NOK millions)</b>
Equity purchase price	419.4
Minus: Book value of equity pre-acquisition	124.3
<b>Excess value to be allocated</b>	<b>295.1</b>

#### Identification of cash generating units

In the financial statements for 2024, Stylex was identified as a separate CGU, which goodwill, intangible/tangible assets, and liabilities were allocated to as of the transaction date. In 2025, the CGU has been reassessed to be part of the new CGU Americas.

#### Identification of tangible and intangible assets

We have identified the following assets that will be valued separately and recognised as intangible assets:

- Order backlog
- Off market contract
- Distribution network

Further, the following intangible assets have been identified, that will be valued separately and considered as part of goodwill:

- Assembled workforce

For all other assets and liabilities, book value is assumed to represent the fair value as of the valuation date.

The excess of the cost of an acquired entity over the net of the amounts assigned to assets acquired and liabilities assumed is referred to as goodwill.

The fair value of identifiable assets and liability in Stylex Inc. at the date of acquisition were:

<b>NOK (thousands)</b>	<b>Fair Value</b>
Intangible assets	28 820
Property, plant and equipment (note 12)	54 591
Right-of-use assets	49 727
Inventory	58 569
Trade receivables	25 853
Other receivables	4 119
Cash	48 643
<b>Total assets</b>	<b>270 322</b>
Deferred tax liabilities	11 304
Lease liability	49 727
Trade payable	20 740
Short-term-debt	42 729
<b>Total liabilities</b>	<b>124 500</b>
Total identifiable net assets at fair value	145 822
Cash Payment	365 719
Earn out accrual	53 717
<b>Goodwill</b>	<b>273 613</b>

Cash flows from Stylex are in United States Dollars (USD). Goodwill on 31 December is converted to the current closing rate. A total of NOK 15 848 thousand was expensed in acquisition cost in 2024 and is included in other operating expenses.

#### Analysis of cash flow on acquisition (in NOK thousands):

Cash holding in Stylex	48 643
Cash payment	(365 719)
<b>Net cash flow</b>	<b>(317 076)</b>

Stylex contributed NOK 531 million to the Group's revenues and NOK 65 million to the Group's operating profit for the period 01.02.2024 - 31.12.2024.

If Stylex was acquired as of 1 January 2024, this company would be included in the Group's financial statement with a total turnover of NOK 569 million and an operating profit of NOK 66 million.

## NOTE 4 – ESTIMATES, ASSUMPTIONS AND SIGNIFICANT JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as related disclosures.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant areas involving management judgement and estimation uncertainty are described below.

### BUSINESS COMBINATION AND ACQUISITION OF NON-CONTROLLING INTERESTS

In business combinations, identifiable assets and liabilities are recognised at fair value at the acquisition date.

The allocation of purchase consideration requires management to apply valuation techniques and make assumptions regarding, among other things:

- Forecasted cash flows
- Discount rates
- Customer attrition
- Useful lives of intangible assets

Goodwill represents the residual value after allocation to identifiable assets and liabilities including any deferred tax effects arising from fair value adjustments.

Further details are disclosed in note 3.

### GOODWILL

Goodwill is tested annually for impairment, or more frequently if indicators of impairment exist.

Goodwill is allocated to the Group's identified cash-generating units (CGUs), which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of each CGU is determined as the higher of value in use and fair value less costs of disposal.

Value in use calculations are based on discounted cash flow

models and require management to make assumptions regarding:

- Revenue growth
- Gross margins
- Operating cost development
- Long-term growth rates
- Discount rates (WACC)

Forecasts are based on approved budgets and strategic plans. Terminal growth rates reflect long-term expected inflation and market development.

Macroeconomic developments, including interest rates, inflation, currency movements and regional market conditions, may impact these assumptions.

Sensitivity analyses are performed for each CGU to assess the impact of reasonably possible changes in key assumptions. Based on these analyses, no impairment was identified.

The carrying amount of goodwill is NOK 5,721 million (NOK 5,836 million). Further details are disclosed in note 7.

### DEFERRED TAX ASSETS

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses carried forward can be utilised.

The recognition of deferred tax assets requires significant management judgement regarding:

- The level and timing of future taxable profits
- Reversal of taxable temporary differences
- Tax planning opportunities

Forecasts used in this assessment are consistent with those applied in goodwill impairment testing and the Group's approved strategic plans. The assessment includes consideration of jurisdiction-specific profitability, historical performance and expiry of tax loss carry forwards.

Changes in market conditions or deviations from forecasted performance may impact the recoverability of deferred tax assets.

The carrying amount of deferred tax assets is NOK 11 million (NOK 11 million). Further details are disclosed in note 14.

## NOTE 5 – MANAGEMENT OF CAPITAL AND FINANCIAL RISK

The Group manages its capital structure to ensure financial flexibility, maintain adequate liquidity and support ongoing operations and strategic initiatives.

The Group's capital structure consists of equity and interest-bearing debt.

### Objectives of capital management

The primary objectives of the Group's capital management are:

- To maintain sufficient liquidity to meet operational and investment requirements
- To ensure compliance with financial covenants
- To optimise the cost of capital within acceptable risk levels

Capital management decisions are based on the Group's funding needs, market conditions and covenant requirements.

The Group monitors its capital structure primarily through key ratios, including net interest-bearing debt to EBITDA and EBITDA to net finance charges, in accordance with financing agreements.

### Funding and liquidity

The Group maintains committed credit facilities to ensure adequate liquidity.

Interest-bearing debt primarily consists of floating-rate bank loans, which expose the Group to interest rate risk. See note 8 for further details regarding financial risk management.

### Foreign currency exposure

The Group is exposed to foreign currency risk through its international operations. Currency risk may be mitigated through natural hedging and, when considered appropriate, through the use of forward contracts.

Further details regarding financial risk management are provided in note 8.



HÅG Capisco

## NOTE 6 – SEGMENT INFORMATION

### OPERATING SEGMENTS

The Group Management team reviews the Group's operating performance and makes strategic decisions regarding resource allocations.

For management purposes, the Group monitors performance and allocates resources at a consolidated level. Although financial performance is reviewed by geographic regions, the Group operates an integrated business model with common product development, sourcing, manufacturing and brand management across regions.

Based on the internal reporting structure, the Group has determined that it operates as one reportable segment: development, production and distribution of seating solutions for office and workplace environments.

The measure of segment performance is operating profit. Operating profit includes depreciation but excludes finance income, finance costs and income tax.

Financing activities (including finance income and finance

costs) and income tax are managed on a Group basis and is not allocated to operating segments.

### GEOGRAPHICAL INFORMATION

For internal monitoring purposes, revenue performance is reviewed by geographic regions:

#### EUROPE

Includes Norway, Sweden, Denmark, Germany, France, United Kingdom, Switzerland, Poland, the Netherlands, Belgium, Austria, and Czech Republic.

#### AMERICAS & APAC

Includes the United States, Canada, Mexico, Australia, Singapore, Hong Kong, China and other international markets.

Transactions between regions are conducted on market terms.

### CUSTOMERS

The Group sells its products primarily through many independent dealers and distributors. No single customer represents 10% or more of total Group revenue.

Per 31.12.2025	Europe	Americas & Apac	Unallocated	Consolidated
Sales revenues	2 718 822	2 002 602		4 721 424
<b>Total operating income</b>	<b>2 718 822</b>	<b>2 002 602</b>		<b>4 721 424</b>
Operating costs	-	-	4 241 412	4 241 412
<b>Operating profit</b>				<b>480 012</b>

Per 31.12.2024	Europe	Americas & Apac	Unallocated	Consolidated
Sales revenues	2 887 938	1 391 567		4 279 505
<b>Total operating income</b>	<b>2 887 938</b>	<b>1 391 567</b>		<b>4 279 505</b>
Operating costs			3 780 572	3 780 572
<b>Operating profit</b>				<b>498 933</b>

### OTHER INFORMATION

Transactions between the regions are priced on market terms.

The Group's financing (including finance cost, finance income and other income) and income tax are managed on group basis are not allocated to operating segments.

## SALES REVENUES

The delivery obligation is generally considered to be fulfilled when the products are delivered at customers location or at place of instalment. Customers have no rights to return the products after they have been delivered. Standard credit time is 30 days after delivery. Income is recognized at the time of delivery only for the part of the consideration that the Group is ultimately entitled to. All fixed and variable discount is recognized upon delivery and retrospective volume bonus are included in the consolidated income statement and consolidated statement of financial position on 31 December.

## RECONCILIATION TO PROFIT FOR THE YEAR

NOK (thousands)	2025	2024
<b>Sum of regions and unallocated</b>	<b>480 012</b>	<b>498 933</b>
Financial income	883 942	1 071 387
Financial expenses	(1 281 750)	(1 575 886)
Income tax expense	(258 603)	(23 798)
<b>Profit for the year</b>	<b>(176 399)</b>	<b>(29 364)</b>

## GEOGRAPHIC INFORMATION

NOK (thousands)	2025	2024
<b>Revenues from external customers</b>		
USA	1 887 676	1 286 529
Germany	531 000	628 669
Norway	342 765	304 822
The Netherlands	258 389	267 101
United Kingdom	256 226	284 528
Sweden	240 971	221 674
Denmark	227 256	252 926
Poland	222 771	231 894
France	160 712	173 950
Switzerland	150 878	173 623
Belgium	123 845	134 586
Other countries	318 935	319 203
<b>Total sales revenues</b>	<b>4 721 424</b>	<b>4 279 505</b>

NOK (thousands)	2025	2024
<b>Distribution of revenue per brand</b>		
HÅG	960 653	971 852
Profim	850 565	882 380
9to5	672 285	682 837
Stylex	646 072	531 030
RH	638 102	698 673
Via	495 047	-
Giroflex	180 509	217 356
Malmstolen	130 688	121 843
Connection	108 883	125 333
Offecct	38 354	48 067
<b>Total revenue from the brands</b>	<b>4 721 158</b>	<b>4 279 372</b>
Other revenue	266	133
<b>Total</b>	<b>4 721 424</b>	<b>4 279 505</b>
<b>Fixed assets</b>		
Poland	394 972	420 699
USA	225 181	252 409
Norway	164 870	186 333
Sweden	86 639	85 181
United Kingdom	78 827	90 609
Switzerland	20 526	24 276
Germany	19 853	24 975
China	11 088	13 949
Denmark	9 915	11 338
France	8 776	10 377
The Netherlands	7 611	5 884
Belgium	7 022	7 132
Czech Republic	2 491	3 642
Australia	2 152	3 298
Singapore	281	872
Mexico	85	
<b>Total</b>	<b>1 040 288</b>	<b>1 140 935</b>

Included in fixed assets under geographic information are property, plant and equipment and right-of-use asset.



HÅG Tion mesh

## NOTE 7 - INTANGIBLE ASSETS

### ACCOUNTING PRINCIPLES

Intangible assets are initially recognised at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets, other than capitalised development costs meeting the recognition criteria of IAS 38, are expensed as incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives and tested for impairment when indicators exist. Useful lives and amortisation methods are reviewed at least annually.

Goodwill has an indefinite useful life and is not amortised. Goodwill is tested annually for impairment at the cash-generating unit (CGU) level.

See note 3 for details of intangible assets recognized in business combinations.

NOK (thousands)	Goodwill	Internal development	Other intangible assets	Total
<b>Fiscal Year 2024</b>				
Carrying amount 01.01.2024	5 352 755	101 171	1 129 793	6 583 719
Investments		25 114	12 999	38 113
Additions through acquisitions <sup>1)</sup>	283 030		29 560	312 591
Translation differences	200 239	3 863	14 776	218 878
Reclassifications		(2 720)	1 111	(1 609)
Depreciation/amortization	-	(13 947)	(37 792)	(51 739)
<b>Carrying amount 31.12.2024</b>	<b>5 836 024</b>	<b>113 480</b>	<b>1 150 448</b>	<b>7 099 953</b>
<b>Per 31.12.2024</b>				
Initial cost	5 836 024	319 180	1 234 277	
Accumulated depreciation /write-downs		(205 700)	(83 829)	
<b>Fiscal Year 2025</b>				
Carrying amount 01.01.2025	5 836 024	113 480	1 150 448	7 099 953
Investments		26 698	8 364	35 062
Additions through acquisitions <sup>1)</sup>	83 372			83 372
Translation differences	(198 793)	356	394	(198 043)
Reclassifications		4 475	3 638	8 113
Depreciation/amortization		(34 134)	(25 198)	(59 331)
<b>Carrying amount 31.12.2025</b>	<b>5 720 603</b>	<b>110 876</b>	<b>1 137 646</b>	<b>6 969 126</b>
<b>Per 31.12.2025</b>				
Initial cost	5 720 603	345 878	1 242 641	
Accumulated depreciation /write-downs		(235 003)	(104 994)	
Useful life	Indefinite	6-15 years	4 years - indefinite	

<sup>1)</sup> See note 3 for information on intangible assets in acquired companies.

## OTHER INTANGIBLE ASSETS

Other intangible assets primarily comprise:

- Customer relationships
- Distribution networks
- Technology
- Trademarks and brands

Finite-lived intangible assets are amortised over useful lives ranging from 4 to 15 years.

Brands assessed as having indefinite useful lives are not amortised but tested annually for impairment.

## DEVELOPMENT AND PUBLIC GRANTS

The Group performs research and development activities related to seating solutions. Development costs are capitalised when the recognition criteria in IAS 38 are met. The Group engages external designers in product development. In most cases, designers are compensated through royalty agreements based on sales of the individual product. Such royalties are recognized as operating expenses in the period in which the related sales occur and are not capitalized as intangible assets.

Capitalised development costs are amortised over their estimated useful lives once the asset is available for use.

The Group receives certain government grants related to research and development. Grants related to expenses are recognised in the income statement over the period in which the related costs are incurred.

Costs for ongoing Development activities as per 31 December are expected to have future earnings that exceed the value recognised in the statement of financial position and expected future costs.

As per 31 December 2025, the Group had 28 R&D projects ongoing of which 18 will be launched during 2026.

NOK (thousands)	2025	2024
Skattefunn (tax deduction of R&D)		
Training grant	477	582
Grant from EU	95	
<b>Sum</b>	<b>572</b>	<b>582</b>
Research and development recognized in the consolidated income statement	95 575	101 016

## GOODWILL

Goodwill distributed per enterprise purchase and CGU NOK (thousands)	Acquired in	Goodwill
Flokk Holding II AS	2023	926 327
Scandinavian Business Seating Holding AB	2014	524 928
Scandinavian Business Seating Holding AS	2014	1 111 592
BMA Ergonomics BV	2015	38 773
Giroflex AG	2017	16 738
OFFECCT AB	2017	57 315
Flokk Sp. Z.o.o.	2018	620 937
Connection Seating Ltd.	2022	53 489
<b>Flokk</b>		<b>3 350 100</b>
<b>Malmstolen</b>	<b>2017</b>	<b>442 575</b>
9to5	2019	1 578 387
Stylex	2024	266 169
Via	2025	83 372
<b>Americas</b>		<b>1 927 928</b>
<b>Total goodwill</b>		<b>5 720 603</b>

The group has accumulated goodwill of NOK 5 720 million.

### Allocation of goodwill

Goodwill represents the excess of consideration transferred over the fair value of identifiable net assets acquired in business combinations.

Goodwill is allocated to the Group's identified cash-generating units (CGUs), which represent the lowest level at which goodwill is monitored for internal management purposes.

The Group has identified three CGUs:

- Flokk (fully integrated brands HÅG, RH, Giroflex, Offecct, Profim and Connection)
- Malmstolen
- Americas (9to5, Stylex and Via)

Flokk's CGU represents fully integrated operations for which separate cash flows cannot be identified at brand level.

### IMPAIRMENT TESTING

Goodwill is tested for impairment annually and when indicators of impairment exist.

The recoverable amount of each CGU is determined as the higher of:

- Value in use, and
- Fair value less costs of disposal

The Group applies value in use calculations using discounted cash flow models.

Cash flow projections are based on approved budgets and strategic plans covering a period of 5 years, followed by a terminal value calculation.

#### KEY ASSUMPTIONS

The most sensitive assumptions used in impairment testing are:

- Revenue growth
- Gross margins
- Long-term growth rate
- Discount rate (pre-tax WACC)

Revenue projections reflect approved budgets and strategic plans. Terminal growth rate is set at 2%, reflecting long-term expected inflation and market conditions.

Gross margin assumptions reflect historical performance and expected operational improvements.

The discount rates applied reflect country-specific risk factors and market-based inputs, including risk-free rate, market risk premium, beta and company-specific adjustments.

Pre-tax discount rates applied:

Norway	9.57%
United States	10.33%
Sweden	7.88%

As a result of the impairment test performed in 2025, no impairment has been recognised. It is the management's opinion that the assumptions used in the tests are the best estimate for long term market development combined with the development of the Group.

#### SENSITIVITY ANALYSIS

Sensitivity analyses were performed for each CGU by:

- Increasing WACC by 2 percentage points
- Reducing terminal growth rate to 0%

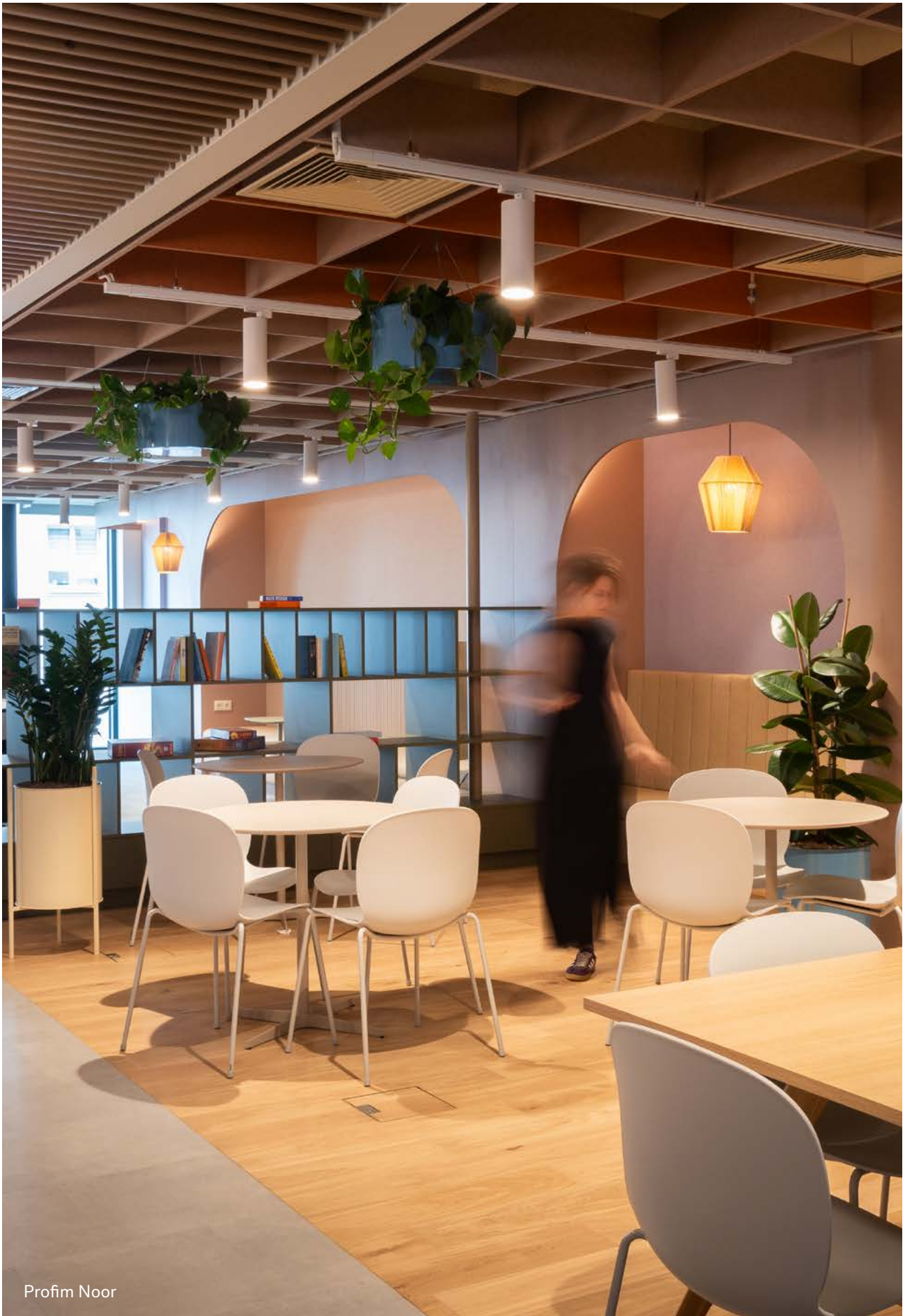
The CGU Flokk has a negative headroom when the above scenarios are applied and is dependent on a continued growth, however the current headroom in the impairment test is satisfactory.

The Americas CGU shows the lowest headroom in the impairment test, but recoverable amounts continue to exceed carrying amounts in both scenarios.

#### CLIMATE-RELATED CONSIDERATIONS

In preparing cash flow forecasts, management has considered potential climate-related risks and transitional factors, including regulatory developments and shifts in customer demand.

Based on current assumptions, no material impact on recoverable amounts has been identified. Climate-related developments are monitored as part of ongoing impairment assessments.



Profim Noor

## NOTE 8 – FINANCIAL INSTRUMENTS AND RISKS

The Flokk Group has a centralised finance function responsible for financing and cash management, and managing foreign currency risk, interest rate risk and credit risk. The Group has established guidelines for interest rates, currency and credit set out in policies.

### Price risk

The Flokk Group works proactively with the risk of major changes in raw material prices. The group-wide Sourcing and Procurement process is actively structured to have dual sourcing, globally indexed priced raw material and to work closely with its suppliers as business partners in a joint effort for common value creation.

The Group has business activities in the United States and is affected by tariff charges between the United States and other trading partners. The tariff situation is monitored closely by the Group, and while tariffs may have an impact on the Group's cost structure, the effects in 2025 largely have been mitigated through price adjustments in the market.

### Effects of increase/reduction in selling prices and rebates:

If the group's net selling prices were 1% higher or lower in 2025 and other variables remained constant, it would have resulted in a higher or lower operating profit of NOK 47 million (NOK 43 million). If rebates on gross sales were 1% lower or higher in 2025 and other variables remained constant, it would have resulted in an increase or reduction in the operating profit of NOK 96 965 thousand (NOK 81 907 thousand). This is based on the managements estimates for reasonably possibly for change.

### Foreign currency risk

NOK 4 379 million (NOK 3 975 million) of the Group's sales revenues are denominated in foreign currency. The Group has an even flow of revenues, and its sales are not generally based on a few large individual orders generating a large share of the sales. The Group invoices the customer in the customer's own currency. This means that the Group has financial risk in relation to changes in foreign currency rates, especially in SEK, DKK, GBP, EUR, PLN, and USD.

### Effects of increase/reduction in foreign currency rates:

A reasonably possible change in exchange rates of  $\pm 5\%$  against NOK at 31 December 2025, applied to the Group's net monetary items denominated in EUR and USD (the most material foreign currency activities), would have resulted in an increase/decrease in profit before tax of approximately NOK 9 million (NOK 19 million), assuming all other variables remain constant.

The sensitivity reflects translation of monetary assets and liabilities and does not include the effect of forecast sales and purchases or intra-group funding that is eliminated on consolidation.

Normally, between 50-70% of expected net foreign currency exposure is secured through use of derivatives, but no derivatives have been entered into as per end of 2025. The Group has investments in subsidiaries in foreign currency where the net investments are exposed for currency risks by conversion. The Group has trade receivables, trade payables and external loans in foreign currency that are exposed for currency risk by conversion to the functional currency NOK. Some fluctuations in exchange rate are treated as ordinary course of business, but a change in foreign currency rates vs. NOK above 5% will be monitored closely by the management

### Interest rate risk

The Group's interest rate risk is primarily connected to long-term liabilities. As the net interest-bearing liabilities per 31 December 2025 was 38.0% (32.5% in 2024) of the consolidated statement of financial position, the profit for the year is considerably exposed to the interest level. The liabilities primarily consist of floating-rate loans. In 2025, the Group's floating-rate loans have been in EUR and USD. With net interest-bearing liabilities of NOK 3 732 million (3 491 million), the level of interest rates significantly affects the financial expenses.

### Effects of increase/reduction in interest:

If the interest was 1% weaker/stronger as per 31 December 2025 and all other variables were unchanged, this would have resulted in higher/lower profit before taxes of NOK 44 million (NOK 44 million). This is based on the management estimate for reasonably possibly for change in interest.

## CREDIT RISK

The credit risk represented by contracting parties not being able to meet their obligations is regarded as low. The majority of the Group's sales are in Northern/Central Europe and North America, with the company selling to dealers and importers with whom it has a long-standing business relationship. The Group has guidelines to ensure that outstanding accounts conform to fixed credit limits. The Group has no major credit risk linked to one particular contracting party or several contracting parties who can be regarded as a group by virtue of similarities in the credit risk. The Group has guidelines to ensure that sales are only made to customers who have not previously had significant problems with payment and outstanding accounts do not exceed fixed credit limits.

## MAXIMAL EXPOSURE FOR CREDIT RISK AS PER 31.12. OF FINANCIAL INSTRUMENT:

NOK (thousands)	2025	2024
Gross trade receivables (note 16)	517 656	498 272
Other receivables	93 296	114 066
Cash and cash equivalents	705 597	1 073 909
<b>Total</b>	<b>1 316 548</b>	<b>1 686 247</b>

## LIQUIDITY RISK

The Group's activities are not capital intensive and the past years, the annual investment represents 3-6% of the Group's sales. The Group regards its liquidity as good. Attention is given to the Group's liquidity throughout the year, in terms of both working capital elements and operational activities. The working capital elements have been in focus for several years and the Group has strategies, key figures and action plans that are continuously

## THE GROUP'S LIABILITIES AND MATURITY PROFILE

NOK (thousands)	31.12.2025	Total maturity	2026	2027	2028	2029	2030 and later
<b>Interest-bearing liabilities</b>							
Bank loans	4 437 980	4 437 980				4 437 980	
Interest on bank loans		1 031 339	317 670	317 670	317 670	78 330	
Lease liabilities <sup>*)</sup>	382 148	382 148	117 333	81 886	60 686	51 086	71 157
<b>Sum of interest-bearing liabilities</b>	<b>4 820 128</b>	<b>5 851 467</b>	<b>435 003</b>	<b>399 556</b>	<b>378 356</b>	<b>4 567 396</b>	<b>71 157</b>
<b>Non-interest-bearing liabilities</b>							
Trade payables	297 133	297 133	297 133				
Other short term liabilities and provisions	402 936	402 936	402 936				
Other long term liabilities	(20)	(20)	(20)				
<b>Sum of non interest-bearing liabilities</b>	<b>700 049</b>	<b>700 049</b>	<b>700 049</b>				
<b>Total</b>	<b>5 520 177</b>	<b>6 551 516</b>	<b>1 135 052</b>	<b>399 556</b>	<b>378 356</b>	<b>4 567 396</b>	<b>71 157</b>

NOK (thousands)	31.12.2024	Total maturity	2025	2026	2027	2028	2029 and later
<b>Interest-bearing liabilities</b>							
Bank loans	4 563 729	4 563 729			4 563 729		
Interest on bank loans		816 649	363 508	363 508	89 633		
Lease liabilities <sup>*)</sup>	451 010	451 010	128 350	96 642	71 621	60 292	94 105
<b>Sum of interest-bearing liabilities</b>	<b>5 014 739</b>	<b>5 831 388</b>	<b>491 858</b>	<b>460 150</b>	<b>4 724 983</b>	<b>60 292</b>	<b>94 105</b>
<b>Non-interest-bearing liabilities</b>							
Trade payables	306 591	306 591	306 591				
Other short term liabilities and provisions	482 038	482 038	482 038				
Other long term liabilities	(22)	(22)	(22)				
<b>Sum of non interest-bearing liabilities</b>	<b>788 607</b>	<b>788 607</b>	<b>788 607</b>				
<b>Total</b>	<b>5 803 346</b>	<b>6 619 995</b>	<b>1 280 465</b>	<b>460 150</b>	<b>4 724 983</b>	<b>60 292</b>	<b>94 105</b>

<sup>\*)</sup> See note 22 for further reconciliation of lease liabilities.

followed up on during the year. The Group carefully considers the effects on liquidity of operational activities, projects, and investments before these are initiated, to retain predictability in liquidity development. The Group's focus on operational effectiveness in all parts of the value chain and close follow-up on working capital ensure that there is satisfactory liquidity for further investment in product development and market development and for servicing debt. No decision has been made to implement any measures that will change the liquidity risk.

#### USE OF FAIR VALUE

The value of cash and overdraft facility recognised in statement of financial position is approximated to fair value based on such instruments having a short repayment period. Similarly, the book value of trade receivables and trade payables is approximated to the fair value as they are included on normal conditions.

The Group does not practice hedge accounting. Financial derivatives are recognized at fair value.

#### FAIR VALUE HIERARCHY

NOK (thousands)	Category	Fair value	Book value	Fair value	Fair value level *
<b>2025</b>					
<b>Non-current assets</b>					
Shares in other companies	B		267	267	3
<b>Total</b>			<b>267</b>	<b>267</b>	
<b>Current assets</b>					
Trade receivables	A		509 744	509 744	
Cash and cash equivalents			705 597	705 597	
<b>Total</b>			<b>1 215 341</b>	<b>1 215 341</b>	
<b>Long-term liabilities</b>					
Long-term interest-bearing loans	A		4 437 980	4 437 980	
<b>Total</b>			<b>4 437 980</b>	<b>4 437 980</b>	
<b>Short-term liabilities</b>					
Short-term interest-bearing loans	A		35	35	
Trade payable	A		297 133	297 133	
<b>Total</b>			<b>297 168</b>	<b>297 168</b>	
<b>2024</b>					
<b>Non-current assets</b>					
Shares in other companies	B		115	115	3
<b>Total</b>			<b>115</b>	<b>115</b>	
<b>Current assets</b>					
Trade receivables	A		489 372	489 372	
Cash and cash equivalents			1 073 909	1 073 909	
<b>Total</b>			<b>1 563 281</b>	<b>1 563 281</b>	
<b>Long-term liabilities</b>					
Long-term interest-bearing loans	A		4 564 805	4 564 805	
<b>Total</b>			<b>4 564 805</b>	<b>4 564 805</b>	
<b>Short-term liabilities</b>					
Short-term interest-bearing loans	A		51	51	
Trade payable	A		306 591	306 591	
<b>Total</b>			<b>306 642</b>	<b>306 642</b>	

Category:

A: Assets/liabilities at amortised cost

B: Assets/liabilities at fair value through profit and loss

\*) The following hierarchy is used for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

## NOTE 9 – LOANS, MORTGAGES AND GUARANTEES

NOK (thousands)	2025	2024
<b>Long-term interest-bearing loans</b>		
Bank loans	4 437 980	4 564 805
Borrowing costs	(29 656)	(23 454)
<b>Total</b>	<b>4 408 324</b>	<b>4 541 351</b>
<b>Short-term interest-bearing loans</b>		
Bank loans	35	51
Prepaid loan costs	(22 985)	(12 160)
<b>Total</b>	<b>(22 950)</b>	<b>(12 109)</b>
<b>Maturity dates down payment, interests and borrowing costs</b>		
Within 1 year	317 670	363 508
From 2 to 5 years	5 151 598	5 016 870
Interest rate and currency rates as per 31.12. is used for calculating future amortisation and interests.		
<b>Carrying amount of loans per currency:</b>		
EUR	3 428 815	3 429 539
USD	1 009 113	1 134 190
<b>Total long-term</b>	<b>4 437 928</b>	<b>4 563 729</b>
GBP	88	1 076
CZK		51
<b>Total</b>	<b>4 438 016</b>	<b>4 564 856</b>
<b>Changes interest-bearing liabilities</b>		
Per 01.01.	5 014 739	4 226 361
Down payments	(1 150)	(411 178)
Drawdown of short term and long-term debt		759 075
Changes in leasing liabilities	(68 861)	166 277
Exchange differences on translation of loans in foreign currency	124 600	(347 897)
<b>Per 31.12.</b>	<b>4 820 128</b>	<b>5 014 739</b>

Per 31 December 2025, the loan is drawn in EUR and USD. In December 2025, an amendment and restated loan agreement entered into force by extending the maturity of all existing facilities by two years and introducing a new EUR 40 million term facility for the purpose of acquisition financing. Maturity date on all bank loans is end of March 2029. The borrowing costs are capitalised and expensed over the lifetime of the loan.

The assets pledged as security are all shares in some subsidiaries, and in addition, some properties are pledged.

The loan interests are floating and have in 2025 been tied for three months at a time. The average interest rates in 2025 before margin was for the EUR-loan 2.31% and USD-loan 4.48%. The interest rates correspond to the sum of relevant IBOR, and an interest margin based on the key figure NIBD/EBITDA and EBITDA/Total Net Finance

Charges. The margin is set every quarter according to an incremental scale in relation to key performance indicators (covenants) achieved.

At the end of 2025, the Group had a total credit facility of NOK 4 805 million (NOK 4 932 million), consisting of bank debt of NOK 4 438 million (NOK 4 565 million) and an unused bank overdraft limit of NOK 367 million (NOK 367 million).

The bank overdraft facility is NOK 400 million. Of this, NOK 33 million has been converted into a guaranteed framework. Available funds in the form of unused credit facilities of NOK 367 million and cash at bank per 31 December 2025 of NOK 706 million, amounted to NOK 1 073 million (NOK 1 441 million), which constitutes about 23% of the sales revenues. The Group is currently experiencing sound profitability. The external borrowing

carried out in the Group is based on the Group continuing to be profitable and solid. One goal is therefore to maintain the Group's profitability, and measures are continuously implemented to adapt cost levels to the changing income picture.

Besides the Group's strategy for future growth and profitability, the management specifically follows up the specific requirements stipulated in the agreement with the Group's main banker. Those parts of the business that particularly influence the development of these requirements (covenants) are subject to special follow up. In case of a decline in demand for Flokk's products, the Group has processes and contingency plans for rapid changes the activity levels, investments, and general

expenses to secure covenant levels. Forecasts are reviewed frequently. The bank covenants are the ratios NIBD/EBITDA and EBITDA/Total Net Finance Charges. Bank covenants are calculated at the end of every quarter but monitored monthly. We have no reason to believe that we are in breach with the covenants.

## NOTE 10 – PERSONNEL EXPENSES AND AUDITOR'S FEES

NOK (thousands)	2025	2024
<b>Personnel expenses</b>		
Salaries	1 055 706	957 240
Social security contributions	121 243	110 232
Pension expenses, see note 11		105 195
Other benefits	140 941	16 768
<b>Total personnel expenses</b>	<b>1 317 890</b>	<b>1 189 435</b>
Average number of full-time equivalent employees	1 874	1 809
<b>Loan to employees</b>		
No loans have been provided to employees in the Group as of 31 December 2025		
<b>Audit fee - NOK (thousands)</b>		
<b>Parent company</b>		
Statutory audit	462	
Other attest services		62
Tax consultancy services		
Other non-audit services		1 158
<b>Group</b>		
Statutory audit	8 150	7 234
Other attest services	60	413
Tax consultancy services	276	354
Other non-audit services	162	1 158
<b>Total fees to EY</b>		<b>9 159</b>
Statutory audit fees to other auditors	563	1 761



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## NOTE 11 – PENSIONS

The Group provides pension plans for all employees. The pension schemes of the Norwegian companies in the Group follow the requirements in the Act on Mandatory company pensions.

On 01.12.2012, the pension agreements of all Norwegian employees were changed from a defined benefit plan to a defined contribution plan. As of 01.12.2012, employees with partial disability still have a defined-benefit scheme, the main elements of which are 60% of final pay and a 30-year earning period. The scheme also covers survivors and full disability pension. As of 31.12.2025, the defined benefit plan covered no active and 15 retired members. The Group has not provided any guarantees to employees should National Insurance benefits change. The defined benefit plan has been funded by the accumulation of funds with an insurance company. The fund invests in shares, bonds, the capital market, real estate, and hedge funds. Future return is estimated based on historical return on these investments. The future return is uncertain and is dependent of interest level, development on the stock exchange and administration of the risks. The pension liability has been calculated using a straight-line pension-earning basis. Unrealised gains and losses resulting from changes in actuarial assumptions are distributed over the estimated remaining average pension-earning period.

AFP is a benefit-based multi-employer plan in which the financing share attached to the premium is included as a defined contribution scheme. The own share linked to the scheme is booked as a cost on a current basis. The pension earning period coincides with the period of employment. The discount rate tracks the interest rate for government bonds.

The Group's employees in Switzerland have a pension scheme that falls under the provisions for defined benefit pension in accordance with IAS 19. The scheme includes all employees of Flokk AG. Pension funds are managed by a private pension fund which is independent of the companies. Following the closure of the Switzerland production site in Koblenz in December 2021, the assets and liabilities were transferred to a public pension insurance company. As of 31.12.2025, this scheme had 11 active, and none retired members.

For the Group's companies in other countries, defined contribution pension plans for all employees are established. Provisions have been made for the group's share of under-coverage of the old occupational pension scheme.

### ASSUMPTIONS USED TO DETERMINE DEFINED BENEFIT OBLIGATIONS AS OF 31 DECEMBER

NOK (thousands)	2025		2024	
	CH	NO	CH	NO
Discount rate	1.25%	4.00%	1.00%	3.90%
Future salary increase	2.00%	4.00%	2.00%	4.00%
Future increase in G-multiplier	1.00%	3.75%	1.00%	3.75%
Future pension increases	0.00%	2.70%	0.00%	2.40%
Return on plan assets	1.75%	4.00%	1.25%	3.90%

Parameters such as salary growth, increase in the basic amount (G) and inflation are determined in accordance with recommendations in the different countries. The mortality estimate is based on tables for the different countries that are as up to date as possible. In Norway, the K2013 life table is used. In Switzerland, the BVG2020 GT is used. The actuarial gains and losses are recognized in other comprehensive income and are essentially related to changes in economic assumptions. Return on pension funds are expected to be on same level in 2026 as in 2025. Future returns are uncertain and dependent on interest rates, stock market fluctuations and risk management. Contributions to the pension scheme for 2026 are calculated to NOK 1 639 thousand.

## COMPONENTS OF NET PENSION COST

NOK (thousands)	2025		2024	
	Covered	Not covered	Covered	Not covered
Pension costs defined-contribution plan	112 478		103 124	
Pension costs defined benefit plan	2 361		2 071	
<b>Net pension costs</b>	<b>114 840</b>		<b>105 195</b>	
<b>Changes in gross pension obligation</b>				
Pension obligations 1 January	56 474		51 367	
Interest expenses on pension obligations	808		950	
Net change in social security expenses	(91)		(23)	
Contribution by plan participants	1 196		1 313	
Benefits paid during the year	(16 899)		(4 011)	
Administration costs	1 718		1 606	
Other	621		1 479	
Actuarial gains/losses	(5 123)		3 793	
(Gains) and losses on settlement				
<b>Pension obligations 31 December</b>	<b>38 704</b>		<b>56 474</b>	
<b>Changes in gross pension fund assets</b>				
Pension plan assets (fair value) 1 January	40 236		39 056	
Return on pension plan asset	591		723	
Premium payments	3 071		3 333	
Benefits paid during the year	(16 899)		(4 011)	
Other	434		1 369	
Actuarial gains/losses	1 203		(234)	
<b>Pension plan assets (fair value) 31 December</b>	<b>28 637</b>		<b>40 236</b>	
<b>Net pension plan assets/(-obligations)</b>	<b>(10 068)</b>		<b>(16 238)</b>	

## WEIGHTED AVERAGE ASSET ALLOCATIONS AS OF 31 DECEMBER, BY ASSET CATEGORY

NOK (thousands)	2025
Cash	7%
Equity instruments	21%
Debt instruments	20%
Real estate	44%
Other	8%
<b>Total</b>	<b>100%</b>

## NOTE 12 – PROPERTY, PLANT AND EQUIPMENT

### ACCOUNTING PRINCIPLES

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes directly attributable costs necessary to bring the asset to the location and condition necessary for it to operate as intended.

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs

are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

- Land, buildings and other property: 10–25 years
- Machinery and equipment: 6–8 years
- Furniture and fittings (including production tools): 3–10 years

Residual values, useful lives and depreciation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

NOK (thousands)	Land, buildings and other property	Machinery and equipment	Furniture and fittings <sup>1)</sup>	Assets under construction	Total
<b>Fiscal year 2024</b>					
Carrying amount 01.01.24	280 996	97 417	133 707	102 770	614 890
Investments	2 909	3 775	21 495	72 776	100 955
Acquisitions through business combinations	24 280	15 978	15 736		55 993
Disposals	328	(273)	(2 913)		(2 859)
Transferred assets under construction		9 246	20 884	(32 104)	(1 973)
Reclassifications	579	1 547	(318)	(640)	1 168
Recognised as an expense	(22)		(6 522)	(1 905)	(8 449)
Depreciation	(19 538)	(25 410)	(42 661)		(87 609)
Translation differences	21 057	6 186	9 154	4 489	40 886
<b>Carrying amount 31.12.24</b>	<b>310 588</b>	<b>108 466</b>	<b>148 563</b>	<b>145 386</b>	<b>713 002</b>
<b>Per 31.12.2024</b>					
Initial cost	563 378	441 922	809 568	145 386	1 960 253
Accumulated depreciation /write-downs	(252 790)	(333 456)	(661 004)		(1 247 251)
<b>Carrying amount 31.12.24</b>	<b>310 588</b>	<b>108 466</b>	<b>148 563</b>	<b>145 386</b>	<b>713 002</b>
<b>Fiscal year 2025</b>					
Carrying amount 01.01.25	310 587	108 466	148 563	145 386	713 002
Investments	19 133	5 147	14 809	26 784	65 874
Acquisitions through business combinations	887	7 714	3 490	1 486	13 576
Disposals	(28)	(1 392)	(892)		(2 312)
Transferred assets under construction	4 130	8 271	86 395	(105 583)	(6 788)
Reclassifications			35		35
Recognised as an expense	(191)		(2 859)	452	(2 597)
Depreciation	(20 772)	(27 289)	(53 868)		(101 929)
Translation differences	(1 112)	(1 495)	1 601	521	(485)
<b>Carrying amount 31.12.25</b>	<b>312 634</b>	<b>99 421</b>	<b>197 275</b>	<b>69 046</b>	<b>678 376</b>
<b>Per 31.12.2025</b>					
Initial cost	588 503	479 926	926 208	69 046	2 063 683
Accumulated depreciation /write-downs	(275 869)	(380 505)	(728 933)		(1 385 307)
<b>Carrying amount 31.12.25</b>	<b>312 634</b>	<b>99 421</b>	<b>197 275</b>	<b>69 046</b>	<b>678 376</b>
Useful life	10-25 years	6-8 years	3-10 years		

The Group has property, plants and equipment in use that are fully depreciated.

<sup>1)</sup> In furniture and fittings, tools and fixtures for the production of the Group's products are included.

## RECLASSIFICATIONS

Assets under construction are transferred to the relevant asset category when the asset is ready for its intended use. Transfers from assets under construction represent internal reclassifications and do not affect total property, plant and equipment.

## DEPRECIATION

Depreciation expense for the year recognised in the consolidated income statement is presented in this note.

Total depreciation and amortisation recognised in the consolidated income statement comprises:

- Depreciation of property, plant and equipment (this note)
- Amortisation of intangible assets (note 7)
- Depreciation of right-of-use assets (note 22)

## NOTE 13 - OTHER OPERATING EXPENSES

NOK (thousands)	2025	2024
Premises expenses	107 799	91 146
Marketing expenses	81 709	71 758
Travelling expenses	33 173	28 694
Fees	99 635	90 576
Sales commission	216 013	161 104
External freight expenses	280 689	239 441
Royalty	60 040	56 672
Car expenses	5 419	14 487
IT-expenses	90 965	77 254
Other operating expenses	44 242	40 588
<b>Total other operating expenses</b>	<b>1 019 683</b>	<b>871 720</b>

## NOTE 14 - TAXES

The major components of income tax expense are:

NOK (thousands)	2025	2024
Taxes payable on this year's result, Norway		1 610
Taxes payable on this year's result, abroad	78 398	64 185
Changes in deferred tax and deferred tax benefit, Norway	87 678	(47 831)
Changes in deferred tax and deferred tax benefit, abroad and Group	84 249	9 897
Taxes previous years	8 279	(4 064)
<b>Income tax expense reported in the income statement</b>	<b>258 603</b>	<b>23 798</b>

### Reconciliation of the Group's tax rate.

In the following table, reported taxes are reconciled with the tax expense based on the Norwegian tax rate of 22%.

The main components are:

Profit before tax	82 204	(5 566)
Norwegian tax rate (22%)	18 085	(1 225)
Change of assessment previous years <sup>1)</sup>	86 243	(9 961)
Permanent differences	6 226	10 126
Effect of change in tax rate		(367)
Deferred tax not recognized	142 182	21 075
Other: differences in tax rates, currency etc.	5 868	4 148
<b>Income tax expense</b>	<b>258 603</b>	<b>23 798</b>
<b>Effective tax rate</b>	<b>315%</b>	<b>(428%)</b>

<sup>1)</sup> The amount consists of changes in Income tax expenses, deferred tax and expired tax loss carry forward.

Tax rates outside Norway that deviate from 22%:  
The largest effects are related to 9to5 Seating LLC. (US 29.8%) and Flokk GmbH (Germany 31%) which have

higher nominal tax rates than the nominal tax rate in Norway, while Flokk AG (Switzerland 19%) and Flokk Sp. Z.o.o. (Poland 19%) have lower nominal tax rates.

## TAX EFFECT OF TEMPORARY DIFFERENCES AND TAX LOSS CARRIED FORWARD AS OF 31 DECEMBER

NOK (thousands)	2025		2024	
	Temporary Difference	Deferred tax recognised in the income statement	Temporary Difference	Deferred tax recognised in the income statement
Property, plant and equipment	(615 872)	(27 748)	(692 024)	32 503
Intangible assets	(1 244 393)	(2 802)	(1 382 418)	32 548
Current assets	(5 084)	(192)	(9 636)	(155)
Liabilities and other differences	951 495	(3 930)	879 044	(58 020)
Tax loss carried forward	643 913	67 493	873 598	(57 346)
Pension obligations not covered	9 130	1 037	14 680	(707)
Not recognized in the statement of financial position	(1 117 474)	138 070	(474 245)	13 243
<b>Total</b>	<b>(1 378 285)</b>	<b>171 926</b>	<b>(791 001)</b>	<b>(37 933)</b>

Comparative figures for 2024 have been restated to reflect a change in presentation, whereby deferred tax assets and deferred tax liabilities are offset within each tax jurisdiction.

Deferred tax asset	11 359	10 601
Deferred tax	(365 960)	(202 175)
<b>Net deferred tax</b>	<b>(354 601)</b>	<b>(191 573)</b>

Deferred tax assets are mainly linked to temporary differences in non-current assets, intangible assets and tax losses carried forward. No recognized tax loss carried forward is due in 2026. Deferred tax assets on tax losses carried forward are only capitalized to the extent that it is probable that there will be sufficient future taxable profit for the tax asset to be used. If it is unlikely that future profits will be sufficient to absorb the tax-reducing temporary differences, deferred tax assets are not recognized. For the Group, all tax-reducing temporary differences have been recognized. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets

and deferred tax liabilities relate to income taxes levied by the same tax authority.

In 2024 an amount of NOK 17 million in deferred tax for non-deductible interest was not capitalized, hence included in income tax expenses in the consolidated income statement.

In 2025, deferred tax assets related to non-deductible interest amounting to NOK 40 million were not recognized. In addition, deferred tax assets of NOK 102 million were derecognized. Both amounts have been recognized as part of income tax expense in the consolidated income statement.

NOK (thousands)	2025	2024
<b>Reconciliation of deferred tax</b>		
Opening net balance as of 01.01.	(191 573)	(215 588)
Deferred tax acquired in business combinations	(134)	(11 629)
Tax expense during the period recognized in consolidated income statement	(171 926)	37 934
Tax expense during the period recognized in OCI	(933)	755
Other: differences in tax rates, currency etc.	9 965	(3 045)
<b>Closing net balance 31.12.</b>	<b>(354 601)</b>	<b>(191 573)</b>
<b>Reconciliation of taxes payable for the year ended 31.12.</b>		
Current income tax charge	78 397	65 795
Tax payment, not settled	26 101	48 004
Prepaid income tax	(74 121)	(60 327)
Other changes	2 437	188
<b>Closing balance 31.12.</b>	<b>32 815</b>	<b>53 660</b>

## NOTE 15 – INVENTORIES

The Group's total inventories include the following:

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Raw materials	355 708	354 203
Work in progress	43 645	35 943
Finished products	76 638	86 921
<b>Total inventories</b>	<b>475 991</b>	<b>477 067</b>
Provision for obsolete inventories	1 657	6 878

## NOTE 16 – TRADE RECEIVABLES AND OTHER RECEIVABLES

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Carrying amount	517 656	498 272
Provisions for bad debt	7 911	8 899
<b>Total trade receivables</b>	<b>509 744</b>	<b>489 372</b>
Prepaid expenses	37 972	73 343
Deposits	8 712	4 261
Other receivables	46 612	36 462
<b>Total other receivables per 31.12</b>	<b>93 296</b>	<b>114 066</b>
<b>Total receivables per 31.12</b>	<b>603 040</b>	<b>603 439</b>
<b>Change in provision for bad debt:</b>		
Provision per 01.01.	8 899	9 071
Change in provision during the year	(988)	(172)
<b>Provision per 31.12.</b>	<b>7 911</b>	<b>8 899</b>
Realized losses	2 363	3 076

### BREAKDOWN OF TRADE RECEIVABLES BY DUE DATE:

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Trade receivables not due	444 223	397 266
Overdue receivables 1-30 days	56 192	67 290
Overdue receivables 31-60 days	5 454	18 515
Overdue receivables over 60 days	3 876	6 302

Provisions are made for expected losses on receivables based on relevant information available at the time of reporting, including historical, current and future information in accordance with a simplified expected loss model. The provision is to be based on objective criteria.

Further, the Group utilizes external and internal credit ratings, as well as a comprehensive assessment of each individual customer.

## NOTE 17 – FINANCIAL ITEMS

NOK (thousands)	2025	2024
<b>Financial income</b>		
Interest income	40 972	54 317
Foreign exchange gain derivatives	22 649	48 154
Other foreign exchange gain <sup>1)</sup>	823 261	968 745
Other financial income	(2 940)	171
<b>Total</b>	<b>883 942</b>	<b>1 071 387</b>
<b>Financial expenses</b>		
Interest expenses	365 114	409 094
Interest expense on lease liabilities	9 708	9 708
Foreign exchange loss derivatives	30 544	37 815
Other foreign exchange loss <sup>1)</sup>	844 530	1 070 158
Other financial expenses	31 853	49 112
<b>Total</b>	<b>1 281 750</b>	<b>1 575 886</b>
<b>Net financial income/(expenses)</b>	<b>(397 808)</b>	<b>(504 499)</b>

1) Includes currency deviation on loan in foreign currency, see note 9.

## NOTE 18 – LIST OF GROUP COMPANIES

The following companies have been consolidated:

Company	Country of origin	Ownership%	Voting rights
Flokk Holding AS	Norway		
Flokk AS	Norway	100%	100%
Flokk USA Holding AS	Norway	100%	100%
Sundveien AS	Norway	100%	100%
Malmstolen AS	Norway	100%	100%
Trispin Acquico AB	Sweden	100%	100%
Flokk AB	Sweden	100%	100%
Fastighets AB Stolhuset	Sweden	100%	100%
Malmstolen AB	Sweden	100%	100%
Flokk A/S	Denmark	100%	100%
Flokk Holding ApS	Denmark	100%	100%
Flokk GmbH	Germany	100%	100%
Flokk Holding GmbH	Germany	100%	100%
Flokk B.V.	the Netherlands	100%	100%
Flokk Limited	UK	100%	100%
Flokk Sarl	France	100%	100%
Flokk AG	Switzerland	100%	100%
Flokk NV	Belgium	100%	100%
Flokk Sp. Z o.o.	Poland	100%	100%
Flokk Česko s.r.o.	Czech Republic	100%	100%
Flokk Austria GmbH	Austria	100%	100%
Flokk Asia Pte Ltd	Singapore	100%	100%
Flokk Asia Pte Ltd, Hong Kong Branch	Hong Kong	100%	100%
Habitat Ltd	Hong Kong	100%	100%
Flokk Trading (Shanghai) Co., Ltd	China	100%	100%
Flokk Furniture (Zhongshan) Co., Ltd	China	100%	100%
Flokk Australia Pty Ltd	Australia	100%	100%
Flokk USA, Inc.	USA	100%	100%
Flokk USA Holding II Inc.	USA	100%	100%
Flokk USA Holding LLC	USA	100%	100%
9to5 Seating LLC	USA	100%	100%
Flokk USA Holding Inc.	USA	100%	100%
Stylex Inc.	USA	100%	100%
Via, Inc.	USA	100%	100%
Flokk Furniture Inc.	Canada	100%	100%
ManufacturingCo MX510, S. DE R.L. de C.V.	Mexico	100%	100%

## NOTE 19 – SHARE CAPITAL

As of 31 December 2025, Flokk Holding AS had a share capital of NOK 60 thousand, divided into 1 000 ordinary shares with a nominal value of NOK 60 per share.

All shares carry equal voting rights. There are no restrictions on the transfer of shares.

Overview of shareholder and number of shares outstanding in Flokk Holding AS as per 31 December 2025:

Shareholder	Share capital	No. of shares
Flokk Holding IV AS	NOK 60 000	1 000
No. of outstanding shares per 31.12.25		1 000

### OWNERSHIP STRUCTURE

As of 31 December 2025, Flokk Holding IV AS owned 100% of the shares in Flokk Holding AS.

Management and Board of Directors are shareholders in Spinnaker Bidco 2 S.à.r.l. through their ownership in the companies Spinnaker Norway MipCo AS, Spinnaker Norway Mipco 2 AS and Spinnaker MipCo 3 S.à.r.l.

Flokk Holding IV AS is owned by Spinnaker Bidco 2 S.à.r.l.

Overview of shareholders in Flokk Holding IV AS as per 31 December 2025:

Shareholder	No. of shares
Spinnaker Bidco 2 S.à.r.l.	1 000

## NOTE 20 – EARNINGS PER SHARE

NOK (thousands)	2025	2024
Earnings per share	(176)	(29)
Diluted earnings per share	(176)	(29)
Profit for the year attributable to equity holders of the parent	(176 399)	(29 364)
Weighted average number of shares outstanding	1 000	1 000
Weighted average number of shares outstanding (diluted)	1 000	1 000

## NOTE 21 – RELATED PARTIES

Information about the Group's subsidiaries is provided in note 18. Information about share capital and the direct shareholder of Flokk Holding AS is provided in note 19.

Flokk Holding IV AS has pledged its shares in Flokk Holding AS as security for the Group's financing arrangements.

Transactions between Group entities have been eliminated in the consolidated financial statements and therefore do not represent related party transactions.

Information regarding compensation to key management personnel is disclosed in note 25.

## NOTE 22 - LEASES

The Group's lease agreements mainly relate to the lease of buildings, machinery and equipment and vehicles.

### RIGHT-OF-USE ASSETS

The Group leases several assets such as offices and other facilities, machinery and equipment and vehicles.

land surrounding the production facility in Poland has a remaining lease term of 71 years.

Management has assessed whether the Polish lease arrangement is, in substance, a purchase of land. Based on contractual terms, absence of transfer of ownership and lack of purchase option, the arrangement is accounted for as a lease under IFRS 16.

The Group's right-of-use assets are categorized and presented in the table below:

<b>NOK (thousands)</b>				
<b>Right-of-use assets</b>	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Vehicles</b>	<b>Total</b>
<b>Fiscal year 2024</b>				
<b>Carrying amount of right-of-use assets 01.01.2024</b>	<b>237 132</b>	<b>1 753</b>	<b>29 874</b>	<b>268 760</b>
Additions	58 934	88	20 992	80 014
Depreciation for the year	(80 143)	(1 215)	(16 517)	(97 875)
Adjustments	154 174	40	1 030	155 244
Translation differences	20 554	9	1 225	21 788
<b>Carrying amount of right-of-use assets 31.12.2024</b>	<b>390 651</b>	<b>675</b>	<b>36 605</b>	<b>427 931</b>
Lower of lease term or useful life	0-72 years	0-5 years	0-5 years	
Depreciation method	Linear	Linear	Linear	
<b>Fiscal year 2025</b>				
<b>Carrying amount of right-of-use assets 01.01.2025</b>	<b>390 651</b>	<b>675</b>	<b>36 605</b>	<b>427 931</b>
Addition through acquisition	55 745	657	219	56 621
Additions	346		11 990	12 336
Depreciation for the year	(93 432)	(289)	(27 255)	(120 976)
Adjustments	344		(978)	(634)
Translation differences	(12 840)	(1)	(525)	(13 366)
<b>Carrying amount of right-of-use assets 31.12.2025</b>	<b>340 813</b>	<b>1 042</b>	<b>20 057</b>	<b>361 912</b>
Lower of lease term or useful life	0-72 years	0-5 years	0-5 years	
Depreciation method	Linear	Linear	Linear	

Lease term of useful life of buildings are normally in the range of 5-10 years. The Group's production facility in Poland has a long-term leasing agreement with a remaining life of 71 years.

<b>Lease liabilities</b>	<b>2025</b>	<b>2024</b>
<b>Maturity analysis contractual undiscounted cash flows</b>		
Less than 1 year	117 333	128 350
1-5 years	233 204	283 585
More than 5 years	68 059	89 215
<b>Total undiscounted lease liabilities at 31.12.</b>	<b>418 595</b>	<b>501 150</b>
Discounting effect	(36 447)	(50 140)
<b>Lease liabilities at 31.12.</b>	<b>382 148</b>	<b>451 010</b>
<b>Summary of the lease liabilities</b>		
Total lease liabilities at 01.01.	451 010	284 732
New lease liabilities recognized in the year	68 957	235 214
Cash payments for the principal portion of the lease liability	(129 943)	(100 504)
Interest expense on lease liabilities	12 385	9 708
Currency translation differences	(20 260)	21 860
<b>Total lease liabilities at 31.12.</b>	<b>382 148</b>	<b>451 010</b>
Current lease liabilities	109 037	126 197
Non-current lease liabilities	273 112	324 812
<b>Total cash outflows for leases</b>	<b>129 943</b>	<b>100 504</b>

The leases do not contain any restrictions on the Group's dividend policy or financing.  
The Group does not have significant residual value guarantees related to its leases to disclose.

#### **Summary of other lease expenses recognised in the consolidated income statement**

Payments of variable, short term and low value leases	22
<b>Total lease expenses included in other operating expenses</b>	<b>22</b>

## OTHER LEASE DISCLOSURES

### PRACTICAL EXPEDIENTS

The Group applies the recognition exemptions permitted under IFRS 16 for:

- Short-term leases (lease term of 12 months or less), and
- Leases of low-value assets (e.g. personal computers and small IT equipment)

For such leases, lease payments are recognised as an expense in the consolidated income statement on a straight-line basis over the lease term. No lease liability or right-of-use asset is recognised.

### VARIABLE LEASE PAYMENTS

Certain lease agreements include variable lease payments, primarily linked to index adjustments or usage. Variable lease payments are recognised in the income

statement in the period in which the obligation is incurred and are not included in the measurement of lease liabilities.

### EXTENSION OPTIONS

Some building leases include extension options. The lease term includes periods covered by extension options when management is reasonably certain that the option will be exercised. The assessment of whether such options are exercised is reviewed if significant events or changes in circumstances occur.

### PURCHASE OPTIONS

The Group's leases of machinery, equipment and vehicles generally do not contain purchase options. Where purchase options exist, they are included in the lease liability only when it is reasonably certain that the option will be exercised.

## NOTE 23 – WARRANTY PROVISIONS

NOK (thousands)	2025	2024
Balance 01.01.	17 414	10 704
Purchase of company	3 333	
Provisions arising during the year	5 655	13 731
Provisions used	(7 317)	(7 609)
Translation difference	157	588
<b>Balance 31.12.</b>	<b>19 242</b>	<b>17 414</b>

The warranty provision relates to expected future costs for repair or replacement of products sold under warranty.

Estimates are reviewed annually and adjusted where necessary.

Warranty claims are generally expected to be settled over a period of up to five years from the date of sale.

Approximately 40% of the provision is expected to be settled within 12 months and is therefore classified as current.

The Group's products are sold with varying warranty periods depending on product type and market. Warranty terms typically range from three to ten years. Certain product categories include extended or lifetime warranties.

## NOTE 24 – OTHER SHORT-TERM LIABILITIES

NOK (thousands)	2025	2024
Accrued salary expenses	128 699	109 830
Other accrued expenses	174 882	257 808
<b>Total other short-term liabilities</b>	<b>303 581</b>	<b>367 638</b>

## NOTE 25 – REMUNERATION TO EXECUTIVE MANAGEMENT AND THE BOARD OF DIRECTORS

NOK (thousands)	CEO <sup>2)</sup>	Other members of Group Management <sup>1)</sup>	Board	Total
<b>2025</b>				
Board of Directors fee			2 394	2 394
Salaries	4 129	27 418		31 547
Bonuses	245	993		1 238
Other benefits	288	1 592		1 880
Pension expenses	191	1 845		2 036
1) Lillevi Ivarson, Frederik Fogstad, Patrik Röstlund, Rene Sitter, Jonas Allers Wismer, Rolf Lindbäck, Christian Lodgaard (until 30 April 2025), Trond Langeland (until February 2025), Elisabeth Barrie (from 1 May)				
<b>2024</b>				
Board of Directors fee			1 913	1 913
Salaries	7 868	22 485		30 353
Bonuses	2 250	6 443		8 693
Other benefits	409	1 464		1 873
Pension expenses	255	1 771		2 026
1) Lillevi Ivarson, Christian Lodgaard, Frederik Fogstad, Patrik Röstlund, Trond Langeland, Rene Sitter, Jonas Allers Wismer, Henning Karlsrud (until 30 September 2024), Rolf Lindbäck, Elisabeth Barrie (from 1 May 2025) 2) Lars I. Røiri (until 30 September 2024), Henning Karlsrud (from 1 October 2024).				

### TERMINATION BENEFITS

The CEO is entitled to salary continuation for up to 12 months in the event of termination initiated by the company.

The former CEO is entitled to salary continuation for 24 months. As of 31 December 2024, the Group has recognised an accrual of NOK 13 750 thousand related to this obligation.

The Group has an accrual for severance pay to a former member of Group management of NOK 750 thousand in the consolidated income statement as of 31 December 2025.

There are no agreements providing remuneration to the Chair of the Board upon termination.

### BONUS ACCRUAL

Under the current bonus scheme for executive management, the Group has recognised an accrual of NOK 4 242 thousand as of 31 December 2025. The bonus is expected to be paid in 2026.

### SHARE-BASED ARRANGEMENTS

The Group does not have any share-based payment arrangements or option programmes. Management's ownership interests in the Group are held indirectly through investment entities. The shares have been acquired at market terms and are not subject to employment-related vesting conditions. Accordingly, these arrangements are not within the scope of IFRS 2 Share-based Payment.

Shares owned by management and board members in Flokk through the company Spinnaker Norway MipCo AS per 31.12.25:	Ordinary shares	Preference shares
<b>Board</b>		
Røiri Invest AS (Lars Ivar Røiri)	80 000	2 000
<b>Group Management</b>		
Tunset AS (Lillevi Ivarson)	80 000	2 000
Patrik Röstlund	40 000	1 000
René Sitter	40 000	1 000
Frederik Fogstad	8 000	200

Shares owned by management and board members through the company Spinnaker Norway MipCo 2 AS per 31.12.25:	Ordinary shares	Preference shares
<b>Board</b>		
Røiri Invest AS (Lars Ivar Røiri)	28 085	539
Pernille Bonser	17 000	300
Kristine Landmark	7 095	558
<b>Group Management</b>		
Frederik Fogstad	108 375	1 912
Zoute Invest GmbH (Rene Sitter)	83 139	1 791
Aiguille AS (Henning Karlsrud)	80 203	1 728
Patrik Röstlund	70 213	1 347
Jonas Allers Wismer	21 250	375

Shares owned by management and board members in Flokk through the company Spinnaker MipCo 3 SARL per 31.12.25:	Ordinary shares
<b>Board</b>	
Røiri Invest AS (Lars Ivar Røiri)	21 785
<b>Group Management</b>	
Willa AS (Rolf Lindbäck)	31 240
Aiguille AS (Henning Karlsrud)	25 690
Patrik Röstlund	20 550
Zoute Invest GmbH (Rene Sitter)	20 550
Badubas AS (Frederik Fogstad)	10 280
Tunset AS (Lillevi Ivarson)	7 710
Mikoli AS (Jonas Allers Wismer)	7 710

## NOTE 26 – EVENTS AFTER THE REPORTING DATE

No events have occurred after the balance sheet date, with or without accounting consequences, which are of such significance they could affect the presented accounts.

On April 17th, the Group entered into an agreement to acquire 100% of the shares and voting rights in Spec Furniture Inc. ("Spec"), a Canada-based company. Spec annual revenues amount to CAD 60 million (approximately NOK 400 million) and employs approximately 180 employees. The company will continue to operate as an independent brand within the Flokk portfolio, retaining its existing management team, production facility, and sales and distribution organisation.

The agreed purchase price represents an enterprise value of approximately NOK 330 million, including an earnout based on the 2026 operating profit.

The preliminary calculated value of net assets was NOK 189 million. Net cash impact on closing of the transaction was payment of NOK 299 million. Excess value of NOK 118 million was allocated to goodwill awaiting final PPA, outlining fair market value per category of assets and liabilities. Management business case support preliminary allocation to goodwill. Estimated transaction cost was NOK 14 million and will be recognized in the consolidated income statement for 2026.

The Group continuously monitors geopolitical developments. The ongoing conflict in Iraq contributes to increased global uncertainty, including potential impacts on supply chains, energy prices, and macroeconomic conditions. The Group has no assets or employees in Iraq and does not have direct suppliers in the country.

## Flokk Holding AS – Income Statement

1 January 2025 - 31 December 2025

NOK (thousands)	Notes	2025	2024
Personnel expenses	2	1 185	
Other operating expenses	2, 3	3 005	374
<b>Total operating expenses</b>		<b>4 190</b>	<b>374</b>
<b>Operating profit</b>		<b>(4 190)</b>	<b>(374)</b>
Financial income	4	1 142 105	755 532
Financial expense	4	1 069 238	947 190
<b>Net financial income/(expense)</b>		<b>72 867</b>	<b>(191 658)</b>
<b>Profit before tax</b>		<b>68 678</b>	<b>(192 032)</b>
Taxes	5	98 852	(42 247)
<b>Profit for the year</b>		<b>(30 174)</b>	<b>(149 785)</b>
Information concerning:			
Allocated to share premium		(30 174)	(149 785)
Total distribution		(30 174)	(149 785)

# Flokk Holding AS – Balance Sheet

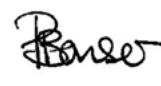
31 December 2025

NOK (thousands)	Notes	2025	2024
<b>Assets</b>			
Deferred tax asset	5		42 247
<b>Total non-current assets</b>			<b>42 247</b>
Shares in subsidiaries	6	6 200 500	6 570 686
Loan to subsidiaries	7	2 911 433	2 365 663
<b>Total non-current assets</b>		<b>9 111 932</b>	<b>8 978 597</b>
Group receivables	7	159 127	77 818
Cashpool receivables	7	121 595	632 362
Other receivables		42 487	14 735
<b>Total receivables</b>		<b>323 208</b>	<b>724 915</b>
Cash and cash equivalents		408 506	775 896
<b>Total current assets</b>		<b>731 714</b>	<b>1 500 811</b>
<b>Total assets</b>		<b>9 843 646</b>	<b>10 479 407</b>
<b>Equity and Liabilities</b>			
Share capital	8	60	60
Share premium	8	4 020 227	4 226 036
<b>Total paid-in equity</b>		<b>4 020 287</b>	<b>4 226 096</b>
Retained earnings	8		
<b>Total equity</b>		<b>4 020 287</b>	<b>4 226 096</b>
Long-term interest-bearing loans	9	4 436 725	4 563 729
Deferred tax	5	9 094	
<b>Total long-term liabilities</b>		<b>4 445 819</b>	<b>4 563 729</b>
Taxes payable	10		
Trade payable	10	14	3 522
Value added taxes			1 771
Cashpool liabilities	7,10	1 333 721	1 036 281
Group payable	7,10	9 380	604 053
Other short-term liabilities	10	34 425	43 955
<b>Total current liabilities</b>		<b>1 377 540</b>	<b>1 689 582</b>
<b>Total liabilities</b>		<b>5 823 359</b>	<b>6 253 311</b>
<b>Total equity and liabilities</b>		<b>9 843 646</b>	<b>10 479 407</b>

Oslo, April 30, 2026

  
Lars Ivar Røiri  
Chair of the Board

  
Thomas Hofvenstam  
Board Member

  
Pernille Bonser  
Board Member

  
Joachim Espen  
Board Member

  
Kristine Landmark  
Board Member

  
Henning Karlsrud  
CEO

# Flokk Holding AS – Cash Flow Statement

1 January 2025 - 31 December 2025

NOK (thousands)	2025	2024
Profit before tax	68 678	(192 032)
Group contribution	(9 143)	-
Unrealised exchange rate differences	39 230	41 622
Change in cashpool receivables	510 767	(632 362)
Change in cashpool liabilities	297 440	1 036 281
Change in receivables	(93 379)	(92 553)
Change in payables	(11 363)	10 927
Change in other provisions	(13 531)	45 521
<b>Cash flow from operating activities</b>	<b>788 698</b>	<b>217 403</b>
Acquisition of subsidiaries <sup>1)</sup>	(262 579)	
<b>Cash flow from investing activities</b>	<b>(262 579)</b>	
Capital increase		170 000
Short or long term borrowing	(190 323)	759 075
Down payment of interest-bearing loans		(370 582)
Dividend/Group contribution received	83 830	
Dividend/Group contribution paid	(175 635)	
<b>Cash flow from financing activities</b>	<b>(282 128)</b>	<b>558 493</b>
Cash flow for the year	243 991	775 896
Cash and cash equivalents at 01.01. <sup>2)</sup>	164 515	
<b>Cash and cash equivalents and cashpool deposit at 31.12</b>	<b>408 506</b>	<b>775 896</b>
Specification:		
Bank deposits at 31.12	(803 620)	371 977
Cash pool deposits at 31.12	1 212 126	403 919

## Notes – Flokk Holding AS

### NOTE 1 – ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the provisions of the Accounting Act and good accounting practices in Norway. The company was incorporated on the 01.11.2023. As part of a restructuring process of the Flokk Group, the company was acquired by Flokk Holding IV AS on the 12.03.2024. During 2025, Flokk Holding III AS was merged into Flokk Holding AS. Prior to this merger, all assets and liabilities of Flokk Holding II AS and the former Flokk Holding AS had been merged through simplified parent-subsiary mergers.

The mergers were carried out in accordance with applicable company law and other relevant regulations and

were accounted for as mergers between entities under common control.

### USE OF ESTIMATES

The management has used estimates and assumptions that have affected the income statement and the valuation of assets and liabilities, as well as assets and liabilities that are uncertain on the balance sheet date, in the preparation of the annual accounts pursuant to good accounting practice.

### CURRENCY

Transactions in foreign currencies are translated at the exchange rate at the time of the transaction. Monetary items in foreign currencies are translated to NOK at the exchange rate on the balance sheet date. Non-monetary

items measured at the historic exchange rate expressed in foreign currency are translated to NOK using the exchange rate at the time of the transaction. Non-monetary items that are measured at fair value expressed in foreign currency are translated at the exchange rate set on the balance sheet date. Foreign currency changes are recognised through profit and loss during the accounting period.

#### **TAX**

Tax consists of payable tax and changes in deferred tax. Deferred tax/tax assets are calculated for all differences between the accounting and tax related values of assets and liabilities. Deferred tax is calculated using 22% of the basis of the temporary differences that exist between accounting and tax related values, as well as the tax related deficit that can be carried forward at the end of the accounting year. Net deferred tax assets are recognised to the extent it is probable they can be used in the future.

Payable tax and deferred tax are recognised directly against equity to the extent that the tax items relate to equity transactions.

#### **CLASSIFICATION AND STATING OF BALANCE SHEET ITEMS**

Current assets and current liabilities encompass items that fall due for payment within one year of the acquisition date, and items linked to the product cycle. Other items are classified as non-current assets/non-current liabilities.

Current assets are stated at the lower of cost and fair value. Current liabilities are recognised at their nominal amount on the date they were established.

Non-current assets are stated at acquisition cost less depreciation and write-downs. Non-current liabilities are recognised in the balance sheet at their nominal amount on the date they were established.

#### **SUBSIDIARIES/ASSOCIATED COMPANIES**

Subsidiaries and associated companies are valued in accordance with the cost method in the financial statements. Investments are stated at the cost of the shares unless they have had to be written down. They are written down to fair value when the fall in value is due to causes that it cannot be assumed will be transient and this is regarded as necessary pursuant to good accounting

practice. Impairment charges are reversed when the basis for impairment no longer exists.

Dividends, group contributions and other contributions are recognised in the same year they are allocated in the subsidiary. If dividends/group contributions exceed the post-acquisition retained share of earnings, the excess amount represents repaid invested capital and distributions are deducted from the value of the investment recognised in the balance sheet of the parent company.

#### **RECEIVABLES**

Trade and other receivables are stated in the balance sheet at their nominal value less provisions for expected bad debts. Bad debt provisions are made on the basis of individual assessments of the individual receivables. In addition to this an unspecified provision is made to cover expected bad debts from other trade receivables.

#### **CASH FLOW STATEMENT**

The cash flow statement was prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid placements.

The Group has a group account system where Flokk Holding AS is the group account holder. The bank can settle each move and balance against each other so that the net position represents the balance between the bank and Flokk Holding AS.

The entire amount in the group account system is presented as cash and cash equivalents. The subaccount holders' deposits/deductions are presented as cash pool receivables and cash pool liabilities. In the cash flow, this is separated out on a separate line.

#### **CONSOLIDATION**

Flokk Holding AS is 100% owned by Flokk Holding IV AS. The group's ultimate parent company is Triton IV Continuation Fund SCSp, an investment company registered in Luxembourg. Flokk Holding presents the consolidated financial statements for the group. The consolidated financial statements can be obtained upon request to Flokk Holding, Drammensveien 145, 0277 Oslo.

## NOTE 2 – PERSONNEL AND OTHER OPERATING EXPENSES

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Fees auditor	1 940	66
Fees consultancy	77	
Financial and legal consultancy	410	
Provision directors' fee	1 185	
Other operating expenses	577	309
<b>Total operating expenses</b>	<b>4 190</b>	<b>374</b>

## NOTE 3 – AUDIT FEES AND DIRECTORS' FEE

There are no employees in Flokk Holding AS. The company is not obliged to have compulsory collective pension plans according to the Norwegian law of compulsory collective pension.

<b>Auditor</b>		
<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Audit fee (Incl. VAT)	1 764	
Other assurance fees (Incl. VAT)	176	62
Tax consultancy fee		
Other fees (Incl. VAT)		1 158

<b>Directors' fee</b>		
<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Directors' fee paid out	2 394	

## NOTE 4 – FINANCIAL INCOME/EXPENSE

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Financial income</b>		
Interest income	171 558	139 555
Foreign exchange gain	698 826	615 977
Group contribution	271 722	
Other financial income		
<b>Total</b>	<b>1 142 105</b>	<b>755 532</b>
<b>Financial expense</b>		
Interest expense	353 810	274 430
Foreign exchange loss	696 461	648 534
Other financial expenses	18 967	24 225
<b>Total</b>	<b>1 069 238</b>	<b>947 190</b>

## NOTE 5 – TAXES

NOK (thousands)	2025	2024
<b>Income tax expense</b>		
Taxes payable this years result		
Change deferred tax	98 852	
Change previous years		
<b>Income tax expense</b>	<b>98 852</b>	
Profit before tax	68 678	(192 032)
Permanent differences		
Received dividend	(262 579)	
Change previous years		
Tax loss carried forward		206 768
Change temporary differences	(449 327)	(14 735)
Interest deduction carried forward		
Basis for taxes payable	(643 229)	(0)
<b>22% taxes payable</b>		
Profit before tax	68 678	(192 032)
22% taxes	15 109	(42 247)
<i>Taxes due to:</i>		
Permanent differences		
Received dividend	(57 767)	
Not recognized tax assets	141 510	
Change in tax rate		
Change in interest deductibility		
<b>Income tax expense reported in the income statement</b>	<b>98 852</b>	<b>(42 247)</b>
<b>Specification of the basis of deferred taxes</b>		
Temporary differences included in the provision for deferred taxes:		
Borrowing costs	(41 337)	(14 735)
Trademarks		206 768
Unutilized interest deductibility		
<b>Total temporary differences</b>	<b>(41 337)</b>	<b>192 032</b>
<b>Net deferred tax asset</b>	<b>(9 094)</b>	<b>42 247</b>
Deferred tax booked as net value in the balance sheet statement.		
Deferred tax benefit		42 247
Deferred tax	(9 094)	
<b>Total</b>	<b>(9 094)</b>	<b>42 247</b>
Group contribution received	9 143	

Flokk Holding AS is a holding company that receives Group contribution.

Deferred tax benefit is capitalized and will be utilized against future Group contributions.

## NOTE 6 – SHARES IN SUBSIDIARIES

Company	Business location	Time of acquisition	Ownership	Company's share	Booked value	Equity	Profit for the year
Flokk AS	Oslo	2025	100 %	100 %	4 468 922	1 173 166	81 839
Flokk USA Holding II Inc.	Hawthorne	2025	100 %	100 %	4 721	2 499	2 577
Trispin Acquico AB	Stockholm	2025	100 %	100 %	1 726 857	92 134	31 691
<b>Total</b>					<b>6 200 500</b>		

Equity and profit for the year are from the last approved annual accounts. The profit is after tax and group contribution.

Booked equity and net income for Flokk USA Holding II Inc. is based on the annual accounts per 31 December 2025.

On November 25 2025, Flokk Holding III AS was merged with Flokk Holding AS.

## NOTE 7 – RECEIVABLES AND DEBTS WITH COMPANIES WITHIN THE SAME GROUP AND WITH RELATED COMPANIES

### RECEIVABLES

NOK (thousands)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Flokk AS		Flokk Holding GmbH		Flokk Sarl		Flokk Holding Limited		Flokk Limited	
Loan to subsidiaries	299 508	299 553	128 236	128 263					95 150	95 170
Accrued interest loan	10 034	11 949	4 262	5 085					538	3 761
Group receivables										
Cashpool receivables					5 805	9 826		4 489		
Group contribution										
<b>Total</b>	<b>309 541</b>	<b>311 503</b>	<b>132 498</b>	<b>133 348</b>	<b>5 805</b>	<b>9 826</b>		<b>4 489</b>	<b>95 688</b>	<b>98 931</b>
	Flokk Holding ApS		Flokk USA Holding AS		Flokk USA Holding LLC		Flokk USA Holding Inc.		Malmstolen AS	
Loan to subsidiaries	118 320	118 491			1 400 953	850 643	297 333	334 586		
Accrued interest loan	3 920	4 683			112 330	31 069				
Group receivables										
Cashpool receivables	17 099	3 780		896			98 691			
Group contribution									3 033	
<b>Total</b>	<b>139 339</b>	<b>126 954</b>		<b>896</b>	<b>1 513 283</b>	<b>881 712</b>	<b>396 024</b>	<b>334 586</b>	<b>3 033</b>	
	Sundveien AS		Trispin Acquico AB		Flokk Holding AS		Flokk Holding IV AS		Total	
Loan to subsidiaries			571 933	538 957					2 911 433	2 365 663
Accrued interest loan			18 899	21 245					149 983	77 793
Group receivables								24		24
Cashpool receivables						613 371			121 595	632 362
Group contribution	6 110								9 143	
<b>Total</b>	<b>6 110</b>		<b>590 833</b>	<b>560 203</b>		<b>613 371</b>		<b>24</b>	<b>3 192 154</b>	<b>3 075 843</b>

### LIABILITIES

NOK (thousands)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Flokk AS		Flokk BV		Flokk GmbH		Flokk Holding GmbH		Flokk Furniture Inc.	
Group payable	4 760	971								
Cashpool liabilities	89 028	81 760	232 316	236 897	66 866	97 106	112 796	72 534	1 417	
<b>Total</b>	<b>93 788</b>	<b>82 731</b>	<b>232 316</b>	<b>236 897</b>	<b>66 866</b>	<b>97 106</b>	<b>112 796</b>	<b>72 534</b>	<b>1 417</b>	
	Flokk NV		Flokk AB		Flokk Sarl		Flokk Limited		Flokk A/S	
Group payable										
Cashpool liabilities	4 093	26 066	82 352	48 726			49 161	128 504	22 248	41 448
<b>Total</b>	<b>4 093</b>	<b>26 066</b>	<b>82 352</b>	<b>48 726</b>			<b>49 161</b>	<b>128 504</b>	<b>22 248</b>	<b>41 448</b>
	Flokk Holding ApS		Flokk USA Holding AS		Flokk USA Holding LLC		9TO5 Seating LLC		Stylex Inc.	
Group payable					4 435		185			
Cashpool liabilities			118		31 506		109 256		124 831	
<b>Total</b>			<b>118</b>		<b>35 941</b>		<b>109 441</b>		<b>124 831</b>	
	Malmstolen AB		Malmstolen AS		Flokk SP. Z.o.o.		Sundveien AS		Fastighet AB Stolhuset	
Group payable										
Cashpool liabilities	61 657	62 583	4 090	2 097	186 693	97 639	17 050	16 372	17 030	14 890
<b>Total</b>	<b>61 657</b>	<b>62 583</b>	<b>4 090</b>	<b>2 097</b>	<b>186 693</b>	<b>97 639</b>	<b>17 050</b>	<b>16 372</b>	<b>17 030</b>	<b>14 890</b>
	Flokk Holding AS		Trispin Acquico AB		Total					
Group payable		603 082			9 380	604 053				
Cashpool liabilities			121 213	109 660	1 333 721	1 036 281				
<b>Total</b>		<b>603 082</b>	<b>121 213</b>	<b>109 660</b>	<b>1 343 101</b>	<b>1 640 334</b>				

The Group has a group account system where Flokk Holding AS is the group account holder. The bank can settle each move and balance against each other so that the net

position represents the balance between the bank and Flokk Holding AS.

## NOTE 8 - EQUITY

<b>NOK (thousands)</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
<b>Incorporation 01.11.23</b>	<b>30</b>			<b>30</b>
Capital increase	30	4 375 827		4 375 857
Incorporation expenses		(6)		(6)
Profit for the year		(149 785)		(149 785)
<b>Equity per 31.12.24</b>	<b>60</b>	<b>4 226 036</b>		<b>4 226 096</b>
Dividend		(175 635)		(175 635)
Profit for the year		(30 174)		(30 174)
<b>Equity per 31.12.25</b>	<b>60</b>	<b>4 020 227</b>		<b>4 020 287</b>

The share capital is NOK 60 000, divided into 1 000 shares with a nominal value of NOK 60. Flokk Holding AS has one class of shares and each share carries one vote.

At the extraordinary general meeting on the 25.03.24, the share capital was increased by NOK 30 000, from NOK 30 000 to NOK 60 000, through increase of the nominal value of each of the Company's 1 000 shares with NOK 30 to NOK 60.

The subscription price per existing share was ca. NOK 4 375 856.97, of which NOK 30 per existing share comprises share capital and ca. NOK 4 375 826.97 per existing share comprises share premium. Thus,

the aggregate subscription amount in the share capital increase is NOK 4 375 856 969.19, of which NOK 30 000 comprises share capital and NOK 4 375 826 969.19 comprises share premium.

The contribution in kind was settled by Flokk Holding IV AS transferring all shares in Flokk Holding III AS (reg.no 930 819 794) and a cash contribution of EUR 14 792 899.41 equal to NOK 170 000 000.

<b>Shareholders in Flokk Holding AS at year end</b>	<b>No. of shares</b>
Flokk Holding IV AS	1 000

## NOTE 9 – RECEIVABLES AND LIABILITIES

NOK (thousands)	2025	2024
<b>Long-term liabilities with maturity later than 1 year</b>		
Bank loan	4 436 725	4 563 729
<b>Total</b>	<b>4 436 725</b>	<b>4 563 729</b>
Loans secured by mortgage		
<b>Assets mortgaged</b>		
Shares	6 200 500	6 570 686

Per 31 December 2025, the loan is drawn in EUR and USD. In December 2025, an amendment and restated loan agreement entered into force by extending the maturity of all existing facilities by two years and introducing a new EUR 40 million term facility for the purpose of acquisition financing. Maturity date on all bank loans is end of March 2029. The borrowing costs are capitalised and expensed over the lifetime of the loan.

The loan interests are floating and have in 2025 been tied for three months at a time. The average interest rates in 2025 before margin was for the EUR-loan 2.31% and

USD-loan 4.48%. The interest rates correspond to the sum of relevant IBOR, and an interest margin based on the key figure NIBD/EBITDA and EBITDA/Total Net Finance Charges. The margin is set every quarter according to an incremental scale in relation to key performance indicators (covenants) achieved. The company fulfilled the covenants in the loan agreement per 31.12.2025.

At the end of 2025, the company had a total credit line of NOK 4 803.7 million, consisting of bank loan of NOK 4 436.7 million and an unused bank overdraft limit of NOK 367.0 million.

## NOTE 10 – CURRENT LIABILITIES

NOK (thousands)	2025	2024
Group payable	9 380	604 053
Cashpool liabilities	1 333 721	1 036 281
Trade payable	14	3 522
Value added taxes		1 771
Taxes payable		
Other short-term liabilities	34 425	43 955
<b>Total current liabilities</b>	<b>1 377 540</b>	<b>1 689 582</b>

## NOTE 11 – EVENTS AFTER THE REPORTING DATE

No events have occurred after the balance sheet date, with or without accounting consequences, which are of such significance they could affect the presented accounts.

The annual financial statements were approved by the Board of Flokk Holding AS on the 30.04.2026.

Referring also to note 26 in the consolidated financial statements.

To the General Meeting in Flokk Holding AS

## INDEPENDENT AUDITOR'S REPORT

### Opinion

---

We have audited the financial statements of Flokk Holding AS (the Company), which comprise:

- The financial statements of the Company, which comprise the statement of balance sheet as at 31 December 2025, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements of the Group give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

### Basis for opinion

---

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other 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 opinion.

### Other information

---

The Board of Directors and CEO (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report



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and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

## Responsibilities of management for the financial statements

---

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

---

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



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evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 6 May 2026  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Anja Maan  
State Authorised Public Accountant (Norway)

# Definitions

## ALTERNATIVE PERFORMANCE MEASURES

Flokk Group's financial information is prepared in accordance with International Financial Reporting standards (IFRS). In addition, it is management's intent to provide alternative performance measures that are regularly reviewed by management to enhance the understanding of Flokk's performance, but not instead of the financial statements prepared in accordance with IFRS.

The alternative performance measures presented may be determined or calculated differently by other companies.

The principles for measurement of the alternative performance measures are in accordance with the internal reporting to Group Management (chief operating decision makers) and are consistent with financial information used for assessing performance and allocating resources.

## ORGANIC SALES GROWTH

Organic revenue growth is defined as revenue adjusted for the effects of mergers, acquisitions, disposal of operations and currency effects. Organic growth is measured by eliminating sales by acquired business in the year of acquisition and then add whole year revenue by use of proforma when measuring growth to the following year.

We believe that the measure provides useful and necessary information to stakeholders for the following reasons:

- it provides additional information on underlying growth of the business without the effect of certain factors unrelated to its operating performance
- it is used for internal performance analysis, and
- it facilitates comparability of underlying growth with other companies (although the term "organic" is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies)

## RECONCILIATION

NOK (thousands)	2025	2024	Change	Change YoY
Revenue growth	4 721 424	4 279 505	441 919	10%
Impact of using exchange rates for 2025		(10 054)	10 054	
M&A	(495 047)	37 561	(532 608)	
<b>Organic revenue growth</b>	<b>4 226 377</b>	<b>4 307 011</b>	<b>(80 634)</b>	<b>(2%)</b>

NOK (thousands)	2024	2023	Change	Change YoY
Revenue growth	4 279 505	3 826 189	453 315	12%
Impact of using exchange rates for 2023		94 148	(94 148)	
M&A	(531 030)		(531 030)	
<b>Organic revenue growth</b>	<b>3 748 475</b>	<b>3 920 337</b>	<b>(171 862)</b>	<b>(4%)</b>

## ORGANIC EBITA GROWTH

Organic EBITA growth is defined as the earnings before interest, tax and amortization, adjusted for the effect of mergers, acquisitions, disposal of operations and currency effects. Organic growth is measured by eliminating EBITA in acquired business in the year of acquisition and then add whole year EBITA by use of proforma when measuring growth to the following year.

We believe that the measure provides useful and necessary information to stakeholders for the following reasons:

- it provides additional information on underlying growth of the business without the effect of certain factors unrelated to its operating performance
- it is used for internal performance analysis, and
- it facilitates comparability of underlying growth with other companies (although the term “organic” is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies)

## RECONCILIATION

NOK (thousands)	2025	2024	Change	Change YoY
Operating profit	480 012	498 933	(18 921)	(4%)
Amortization and impairment	25 198	38 575	(13 377)	(35%)
Items affecting comparability	148 060	100 945	47 115	47%
<b>EBITA</b>	<b>653 270</b>	<b>638 453</b>	<b>14 818</b>	<b>2%</b>
Impact of using exchange rates for 2025		(2 287)	2 287	
M&A	(55 203)	958	(56 161)	
<b>Organic EBITA growth</b>	<b>598 067</b>	<b>637 124</b>	<b>(39 056)</b>	<b>(6%)</b>

NOK (thousands)	2024	2023	Change	Change YoY
Operating profit	498 933	475 713	23 220	5%
Amortization and impairment	38 575	51 183	(12 608)	(25%)
Items affecting comparability	100 945	105 060	(4 115)	(4%)
<b>EBITA</b>	<b>638 453</b>	<b>631 956</b>	<b>6 497</b>	<b>1%</b>
Impact of using exchange rates for 2024		10 798	(10 798)	
M&A	(60 245)		(60 245)	
<b>Organic EBITA growth</b>	<b>578 208</b>	<b>642 753</b>	<b>(64 546)</b>	<b>(10%)</b>

## CONTRIBUTION MARGIN

Contribution margin is defined as net sales minus the total of all variable cost for the manufacturing and distribution operations. This is a key performance indicator to

management because it provides additional information on product profitability and distribution efficiency. It is also used for internal performance analysis.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Sales revenues</b>	<b>4 721 424</b>	<b>4 279 505</b>
Cost of goods sold	(1 621 230)	(1 482 315)
Salary production workers	(453 062)	(390 363)
Sales freight	(280 689)	(239 441)
Other variable cost	(276 053)	(217 776)
<b>Contribution margin</b>	<b>2 090 390</b>	<b>1 949 609</b>
<b>Contribution margin/Sales revenues</b>	<b>44.3%</b>	<b>45.6%</b>

## OPERATING EXPENSES (OPEX)

Operating expenses is a key financial parameter for Flokk and comprises of total cost for non-production personnel and other operating cost. Management monitors the

operating expenses in its continuous effort to improve efficiency and increase profitability.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Sales revenues</b>	<b>4 721 424</b>	<b>4 279 505</b>
Other operating cost	1 019 683	871 720
<b>Reclassifications</b>		
Fixed personnel expenses	864 828	799 071
Sales freight	(280 689)	(239 441)
Other	(276 053)	(217 776)
<b>OPEX</b>	<b>1 327 769</b>	<b>1 213 574</b>
<b>OPEX/Sales revenues</b>	<b>28.1 %</b>	<b>28.4%</b>

## ADJUSTED EBIT

Earnings before interest, tax, and impairment (EBIT) is a key financial parameter for Flokk. Adjusted EBIT is EBIT ex. Items affecting comparability (cost and income) and is defined as EBIT less gains and losses on M&A activities,

workforce reductions and integration cost. These measures are useful to stakeholders in evaluating and comparing operating profitability across time periods.

### RECONCILIATION

NOK (thousands)	2025	2024
<b>Sales revenues</b>	<b>4 721 434</b>	<b>4 279 505</b>
Operating profit	480 012	498 933
Amortization and Depreciation	282 609	237 102
<b>EBITDA</b>	<b>762 621</b>	<b>736 035</b>
<b>Items affecting comparability:</b>		
Merger and acquisition cost	22 238	23 618
Integration activities	39 195	19 270
Strategic review of Flokk	(694)	6 809
Other	69 721	50 955
<b>Adjusted EBITDA</b>	<b>893 081</b>	<b>836 688</b>
Depreciations	(257 411)	(198 528)
<b>Items affecting comparability:</b>		
Integration activities	17 600	293
<b>Adjusted EBITA</b>	<b>653,270</b>	<b>638 453</b>
<b>Adjusted EBITA/Sales revenues</b>	<b>13.8%</b>	<b>14.9%</b>
Integration activities	(25 198)	(38 575)
<b>Items affecting comparability:</b>		
Amortization and impairment		7 471
<b>Adjusted EBIT</b>	<b>628 073</b>	<b>607 349</b>
<b>Adjusted EBIT/Sales revenues</b>	<b>13.3%</b>	<b>14.2%</b>

## PRODUCT DEVELOPMENT AND IMPROVEMENT SPEND

The product development and improvement spend shows how much the group is investing in either launching new products or improving margins and / or adding updated versions of current products, either recognized as an expense

in the income statement or as an asset in the statement of financial position. Flokk believes this is relevant for investors as it shows the group's investments in products that shall generate revenues and profits in the future.

### RECONCILIATION

NOK (thousands)	2025	2024
<b>Sales revenues</b>	<b>4 721 424</b>	<b>4 279 505</b>
Recognised as an expense	123 356	119 179
Recognised as an asset	12 195	20 914
<b>Product development and improvement spend</b>	<b>135 551</b>	<b>140 093</b>
<b>Product development and improvement spend / Sales revenues</b>	<b>2.9 %</b>	<b>3.3%</b>

## CAPITAL EXPENDITURES

Capital expenditures are derived from the statement of financial position and consist of investments in PPE and intangible assets, excluding business combinations and extraordinary items. Capital expenditures is a measure of

investments made in the operations in the relevant period and is useful to stakeholders in evaluating the capital intensity of the operations and to understand the level of underlying investments.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Sales revenues</b>	<b>4,721,424</b>	<b>4 279 505</b>
Tangible assets	65 874	100 955
Development	26 698	25 114
Other intangibles	8 364	12 999
<b>Capital expenditures</b>	<b>100 935</b>	<b>139 068</b>
<b>Capital expenditures / Sales revenues</b>	<b>2.1%</b>	<b>3.2%</b>

## AVAILABLE CASH AND CASH EQUIVALENTS

Available cash and cash equivalents are monitored by Flokk on a frequent basis to understand the flexibility with regards to potential investments or acquisitions. Unused credit

facilities are defined as the group's revolving credit facilities less what is used of these facilities for guarantees in rental agreements and similar.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Cash and cash equivalents</b>	<b>705 597</b>	<b>1 073 909</b>
Unused credit facilities	840 720	367 000
<b>Available cash and cash equivalents</b>	<b>1 546 317</b>	<b>1 440 909</b>

## RETURN ON OPERATING CAPITAL EMPLOYED

Return on operating capital employed measures the capital efficiency of the group's assets. Goodwill and intangible PPA assets from acquisitions have been excluded, to show the returns on the group's investments in tangible and

intangible assets. Excess cash and cash equivalents are assumed to be all cash holdings above 5% of the sales revenues the last 12 months. This cash is retained for future acquisitions

### RECONCILIATION

NOK (thousands)	2025	2024
<b>Adjusted EBITA last 12 months</b> , ex impairment in intangible assets recognised in business combinations	<b>653 270</b>	<b>638 453</b>
Total assets	9 813 349	10 743 374
Current liabilities	(841 955)	(963 411)
Interest-bearing current liabilities	109 072	126 248
Goodwill	(5 720 603)	(5 836 024)
Intangible PPA assets from acquisitions <sup>1</sup>	(903 444)	(907 494)
Excess cash and cash equivalents	(469 525)	(859 934)
<b>Total operating capital employed</b>	<b>1 986 894</b>	<b>2 302 761</b>
<b>Return on operating capital employed</b>	<b>32.9 %</b>	<b>27.7 %</b>

<sup>1</sup> The Group has restated the 2024 comparative figures to reflect the recognition of brand value identified as part of the 2023 ownership restructuring.

## NET DEBT

Net debt consists of both current and non-current interest-bearing loans less cash and cash equivalents. Net debt is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess both the Group's

cash position and its indebtedness. Net debt/adjusted EBITDA is a key ratio that Flokk considers to be relevant to investors who want to assess Flokk's opportunity to meet its financial obligations.

### RECONCILIATION

NOK (thousands)	2025	2024
<b>Adjusted EBITDA</b>	<b>893 081</b>	<b>836 688</b>
Cash and cash equivalents	(705 597)	(1 073 909)
Interest bearing loans	4 438 016	4 564 857
<b>Net Debt</b>	<b>3 732 419</b>	<b>3 490 947</b>
<b>Net Debt/Adjusted EBITDA</b>	<b>4.2x</b>	<b>4.2x</b>

## CASH CONVERSION

Cash conversion is a key financial parameter for Flokk measuring cash flow generated from operations excluding items affecting comparability and net working capital changes. This measure is useful for investors to understand Flokk's underlying cash generation irrespective of financing arrangements, IFRS16 effects and extraordinary revenues, costs or investments.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Adjusted EBITDA</b>	<b>893 081</b>	<b>836 688</b>
Capex	(100 935)	(139 068)
Depreciations right-of-use	(120 976)	(97 875)
<b>Cash Conversion</b>	<b>671 170</b>	<b>599 745</b>

## TAXES PAYABLES PER COUNTRY

Taxes payables per country is key for management and external stakeholders and it is a measure of Flokk's social responsibility. Taxes payables comprise corporate income tax paid or to be paid on the groups taxable profit.

### RECONCILIATION

<b>NOK (thousands)</b>	<b>2025</b>	<b>2024</b>
Norway		1 610
Sweden	6 610	5 115
Denmark	4 576	13 726
The Netherlands	5 496	11 677
Belgium	1 247	3 591
Germany	7 034	6 741
Austria	1 085	770
United Kingdom	292	
France		
Singapore	62	
HongKong	86	62
Switzerland	8 612	
China	795	1 445
Australia		
United States of America	26 856	13 819
Poland	15 519	7 173
Czech republic	130	66
<b>Total taxes payables</b>	<b>78 398</b>	<b>65 795</b>



Connection Harp, Connection Canova, Connection Match

# Corporate Sustainability Report 2025



# Contents

Introduction	98
Environmental information	102
Social information	122
Business conduct & governance	136
Sustainability notes	142



# Introduction

Sustainability is an integrated part of Flokk's business strategy and a key driver of long-term value creation. As a design-led industrial group with global operations and a growing footprint through acquisitions, we recognise that environmental, social and governance considerations are essential to our competitiveness, resilience and our ability to maintain trust with regulators and stakeholders.

Our sustainability strategy is built around the principle that responsible business conduct and strong financial performance go hand in hand. We focus on the areas where Flokk has the greatest impact, and where sustainability-related risks and opportunities are most relevant to our business model across our value chain.

In preparation for future reporting under the Corporate Sustainability Reporting Directive (CSRD), Flokk conducted an updated double materiality assessment in 2024. This assessment identified climate change, resource use and circular economy, working conditions in our own operations and in the value chain, and business conduct as our most material sustainability topics. These topics form the foundation for our sustainability strategy, target-setting and reporting, and ensure alignment between sustainability priorities and strategic decision-making.

This report represents an initial step towards CSRD-aligned reporting and is therefore not yet fully compliant with the directive.

Our sustainability strategy is structured around three pillars: Environment, Social and Governance. Within each pillar, we have defined clear priorities, policies and actions supported by measurable targets and KPIs. Environmental priorities focus on reducing greenhouse gas emissions, improving energy efficiency and increasing circular material use. Social priorities centre on safe and fair working conditions, equal opportunities and responsible supply chain practices.

Governance priorities ensure ethical business conduct, robust compliance frameworks and transparent oversight. As Flokk continues to grow through organic development and acquisitions, we place strong emphasis on integration and consistency. New entities are progressively aligned with Flokk's policies, management systems and sustainability targets, ensuring a common approach across the Group while allowing for local implementation where needed.

Through our sustainability strategy, we aim to reduce negative impacts, manage risks, capture opportunities and strengthen Flokk's long-term performance. This work supports our ambition to remain a trusted partner for customers, employees, owners and other stakeholders, while contributing to more sustainable solutions for the office seating industry.

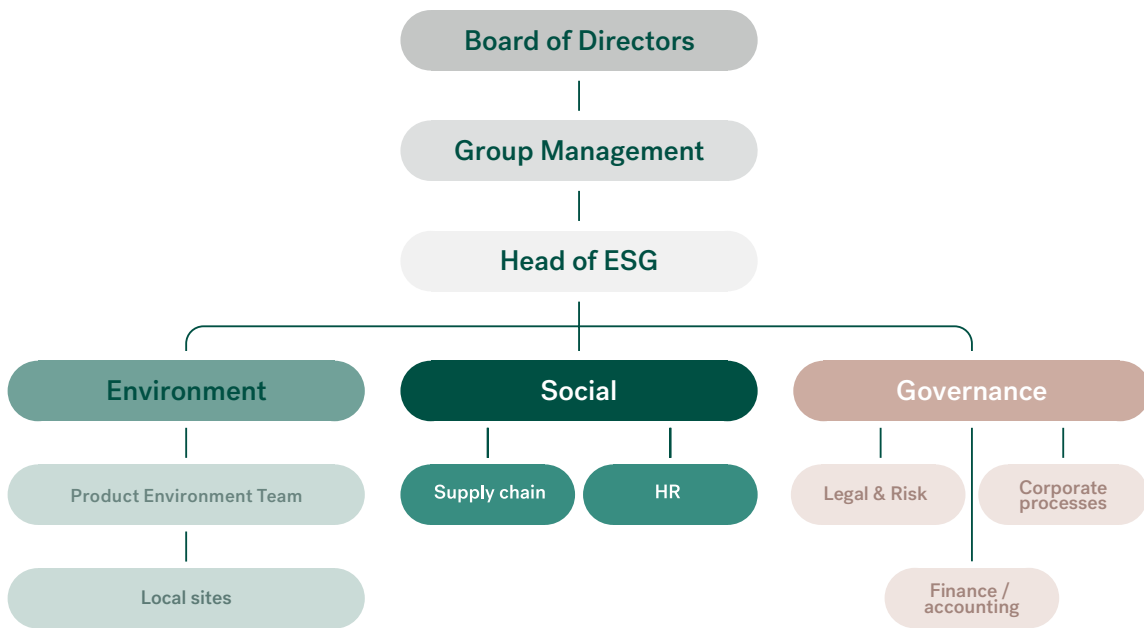







## GOVERNANCE AND RESPONSIBILITIES

The effective execution of Flokk's sustainability strategy is supported by a clear governance structure and well-defined roles and responsibilities across the organisation. Oversight is anchored at Board level, with operational responsibility embedded in Group Management and executed through dedicated ESG ownership and functional expertise across environmental, social and governance domains.

This structure ensures accountability, consistency and integration of sustainability considerations into decision-making, risk management and day-to-day operations across the Group.

→ For further details on our stakeholders, see Sustainability note S1



	<b>Board of Directors</b>	The Board provides oversight of Flokk's sustainability strategy, ensuring alignment with the company's overall vision and guiding key decisions.
	<b>Group Management</b>	Group Management sets strategic priorities and provides direction, ensuring sustainability remains a core part of Flokk's business operations and long-term objectives.
	<b>Head of ESG</b>	The Head of ESG leads the implementation of the sustainability strategy, coordinates efforts across environmental, social, and governance domains, and prepares materials for decisions, reporting, and performance reviews.
	<b>Environmental, Social, and Governance domains</b>	These teams implement specific policies and plans in their respective areas, driving sustainability initiatives across the organization.
	<b>Local</b>	Local teams integrate Flokk's sustainability objectives into day-to-day management, ensuring alignment with overarching goals and translating strategy into practical actions.

# Sustainability in our value chain



Flokk's value chain begins with the sourcing of raw materials such as metals, plastics, fabrics, and wood, and extends through our design and manufacturing processes, logistics and distribution, to the use of our products by customers around the world. At the end of their lifecycle, our products are designed to be repaired, refurbished, reused, or recycled, enabling materials to return into

circulation and supporting a more circular economy.

In line with CSRD, we present our value chain across three stages Upstream, Own Operations, and Downstream to illustrate where our activities take place and where we create both impacts and opportunities for more sustainable solutions.

## UPSTREAM

### Workers in the value chain

We collaborate with suppliers globally and expect them to respect human rights, fair working conditions, and ethical business practices. Through our Code of Conduct for Business Partners and due diligence in line with the Norwegian Transparency Act, we ensure decent labour conditions across the supply chain.

### Sustainable materials and inputs

Guided by our Principles for Sustainable Design, we prioritise recycled and responsibly sourced materials such as metals, plastics, fabrics, and wood.

### Upstream transportation

Materials and components are transported by selected logistics partners. We emphasise efficiency, reduced emissions, and compliance with our sustainability standards.

## OWN OPERATIONS

### Designing products for circularity

Our design philosophy ensures products are durable, modular, and easy to disassemble – enabling refurbishment and recycling at end-of-life.

### Own workforce

Health, safety, diversity and inclusion are central to Flokk's operations. We maintain a safe and inclusive workplace and engage all employees through sustainability training and competence development.

### Manufacturing and environmental impact

Our European and Chinese production facilities are certified under ISO 14001, ensuring systematic management of energy, emissions, and resource efficiency.

## DOWNSTREAM

### Product use and refurbishment

Our products are designed for a long lifespan. Refurbishment and replacement of parts extend product use and reduce environmental impact.

### End-of-life recyclability

At the end of their lifecycle, products can be disassembled and sorted by material, supporting closed-loop recycling and reducing waste.

### Downstream transportation

Finished products are distributed to customers via external logistics partners. We select partners who provide efficient, low-emission transport solutions to reduce climate impact.

# Material topics

In 2024, Flokk conducted an updated double materiality assessment (DMA) to prepare for future reporting under CSRD. The purpose was to identify the sustainability topics that are most relevant to our business, our stakeholders, and our long-term strategy.

The assessment was guided by the methodology of the European Sustainability Reporting Standards (ESRS) and covered both impact materiality (Flokk's actual and potential impacts on people and the environment) and financial materiality (how sustainability matters may affect Flokk's enterprise value through risks and opportunities).


The process included:

- **Stakeholder interviews** with owners, customers, financial institutions, peers, and industry associations to capture external perspectives
- **Internal workshops** with representatives from across the organization to identify and evaluate significant impacts, risks, and opportunities
- **Validation** with senior management in Flokk including CEO, the Audit Committee, and Chairman of the Board to ensure alignment with strategic priorities and governance oversight

This structured approach provided both qualitative and quantitative insights. Topics were scored against thresholds for impact and financial significance, ensuring that only the most relevant issues were identified as material. Topics deemed material is part of forming the foundation of Flokk's sustainability strategy, target-setting, and reporting.


→ For further details on the DMA process and methodology, see Sustainability note S2

## Overview of material topics

 **E1 Climate change**


Climate mitigation

Energy


 **S1 Own work force**

Working conditions

Equal treatment and opportunities

 **E5 Resource use & Circular economy**

Resource inflow

 **S2 Workers in the value chain**

Working conditions

 **G1 Business conduct**

Corporate culture

Corruption and bribery



## Environmental information

Flokk's environmental approach is built on a long-standing commitment to climate responsibility, resource efficiency, and protection of human health throughout the full product life cycle.

As a design-driven manufacturing group, we recognise that most environmental impact is determined in the early phases of product development. We therefore prioritise material choices, product architecture and production methods that reduce emissions, optimise resource use and support circular solutions.

Our environmental management framework integrates climate mitigation, energy efficiency, responsible material sourcing and chemical management into our operations. This life-cycle perspective guides our sourcing, manufacturing, logistics and product longevity strategies, ensuring that environmental considerations are embedded across the value chain.

The following section provides information on the following disclosures:

### **E1 Climate change**

Climate mitigation *Page 106*

Energy *Page 110*

### **E5 Resource use & Circular economy**

Resource inflow *Page 114*





# Climate change

Climate change is one of the defining challenges of our time. At Flokk, it is integrated into how we design, manufacture and deliver our products. As a global office seating manufacturer, the majority of our Greenhouse Gas (GHG) emissions arise from material use, energy consumption in our operations, and logistics across our value chain. We acknowledge this impact and are committed to reducing it through structural improvements embedded in our business model.

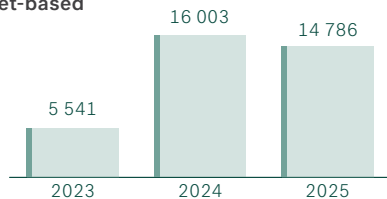
Over recent years, we have strengthened our carbon accounting across Scopes 1, 2 and 3 to ensure a comprehensive and reliable emissions baseline. This enables us to prioritise the most material emission sources and

translate insight into targeted operational actions. Progress is monitored systematically to drive accountability and continuous improvement.

CLIMATE CHANGE MITIGATION		Results			Status	Target 2030
		2023	2024	2025		
Climate mitigation	GHG emissions per unit produced [kgCO <sub>2</sub> e/unit] (Scope 1,2,3 market-based)	5.16	14.24	14.51	●	2.14 <sup>a</sup>
	GHG emissions per revenue [tCO <sub>2</sub> e/MNOK] (Scope 1,2,3 market-based)	1.45	3.74	3.50	●	0.84 <sup>a</sup>
Energy	Energy consumption per unit produced [kWh/unit]	19.77	21.57	22.66	●	14.74 <sup>b</sup>
	Energy consumption per revenue [MWh/MNOK]	5.54	5.66	5.46	●	5.78 <sup>b</sup>
	Share of renewable electricity	90.5%	79.7%	77.0%	●	100%
	Share of renewable energy vs total energy consumption	44.7%	35.7%	35.8%	●	50%
	Share of fossil fuels for heating and processes	28.1%	36.9%	38.6%	●	20%

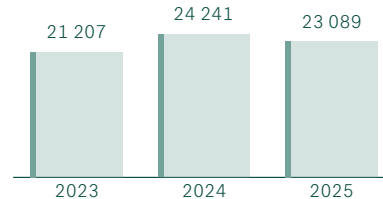
<sup>a</sup> 50% reduction in GHG Emissions (CO<sub>2</sub>e) per unit produced and per revenue vs. 2015 baseline  
<sup>b</sup> 40% reduction in energy consumption (MWh) per unit produced and per revenue vs. 2015 baseline

**GHG Emissions (tCO<sub>2</sub>e)**  
market-based



The increase in market-based GHG emissions in 2024 compared to 2023 was primarily driven by improved Scope 3 data coverage and the inclusion of additional operations from acquisitions within the reporting boundary, rather than underlying operational emission growth. The slight reduction in both GHG emissions and energy consumption in 2025 reflects the impact of Flokk’s environmental initiatives, combined with lower production volumes and sales. To

**Energy Consumption (MWh)**



ensure alignment with the defined Scope and Organizational Boundary applied in our GHG reporting, units produced and revenue used in the 2025 KPI calculations exclude Via Seating, acquired in February 2025, which will be included in future reporting periods.

→ For more detail, see [Climate mitigation and Energy](#)

**Material actual/potential impact on environment and people and financial risk and opportunity**

		Localisation of value chain	Time horizon
<b>CLIMATE CHANGE MITIGATION</b>			
Green house gas emissions Negative impact	As a manufacturing company, Flokk contributes to climate change through greenhouse gas emissions from material extraction and production (especially steel, plastics and fabrics), own operations (Scopes 1 & 2 energy use), and downstream logistics and product use.	Upstream Own operations Downstream	Short, medium, long
Demand for products with a lower carbon footprint Opportunity	Growing customer demand for products with a lower carbon footprint. Flokk measures product performance through EPDs, showing some of the industry's lowest footprints. This increases our attractiveness in a growing market segment and represents both an environmental and financial opportunity.	Upstream	Medium, long
<b>ENERGY</b>			
Energy use Negative impact	Energy is used in Flokk's operations, mainly electricity and heating, but also smaller amounts of LNG, diesel and petrol. Suppliers' production of raw materials is also energy intensive. Even if much of Flokk's electricity is renewable, total energy use contributes to emissions and environmental pressure.	Upstream Own operations	Short, medium
Exposure to higher energy costs Risk	Rising energy prices and volatility may increase costs in production and logistics, and indirectly through suppliers.	Upstream Own operations	Medium, long
Energy efficiency & renewables Opportunity	Improvements in energy efficiency and transition to renewable sources lower costs and footprint, and strengthen Flokk's competitiveness.	Upstream Own operations	Medium, long

Definition timeline: Short 0-1 years. Medium: 2-5 years. Long: > 5 years



## Climate change

### Climate mitigation

Flokk's climate mitigation efforts focus on reducing GHG emissions across Scope 1, Scope 2, and material Scope 3 categories, while embedding low carbon choices throughout product lifecycles, supply chains, and operations. Our approach combines measurable targets, robust management systems, and targeted value chain measures.

We are committed to reducing climate impacts from our operations in line with the goals of the Paris Agreement and the ambition to limit global warming to 1.5°C. Climate change mitigation is a strategic priority for the Group and is integrated into long term business planning, risk management, and product development.

Flokk measures GHG emissions in accordance with the GHG Protocol, covering Scope 1, Scope 2, and material Scope 3 categories. Continuous improvements to data quality and coverage support more informed decision making and credible target setting.



#### STRATEGY AND BUSINESS MODEL INTEGRATION

Reducing climate impact is a core element of Flokk's strategy and product development. This work is driven by regulatory requirements, customer and stakeholder expectations, and opportunities linked to sustainable design, low carbon materials, and improved energy efficiency. By combining a value chain perspective with clear operational responsibility, we aim to reduce emissions while strengthening competitiveness and long-term value creation.

#### POLICY AND COMMITMENT

Flokk is committed to being an industry leader in environmental management. Our Environmental Policy commits us to minimise environmental impact and GHG emissions. Group Management is accountable for implementation and resourcing, and all employees and suppliers are expected to act as ambassadors for these ambitions. We will set clear targets, embed environmental requirements into procurement and contracts, and report transparently on our progress.

## ACTIVITIES

Flokk's climate mitigation work is focused on the parts of the value chain where we can make the greatest difference. Rather than isolated initiatives, our activities are designed as a connected set of measures that start with product design, extend through sourcing and logistics, and are supported by governance, data, and supplier collaboration.

### Designing low carbon and circular products

The majority of Flokk's climate impact occurs before the materials and components even reach our factories. Emissions embedded in purchased goods and services—particularly direct materials—represent one of the single largest shares of our carbon footprint. This makes product design and material selection our most powerful levers for change.

We continue to embed our 5-III Principles for Sustainable Design—low weight, few components, right choice of materials, long life span, and design for disassembly—to reduce emissions at source. These principles guide decisions on material substitution, recycled content, component reduction, and product longevity. In practice, this means developing lighter products, reducing material complexity, increasing recyclability, and extending product lifetimes, all of which lower emissions from manufacturing, transport, and end of life treatment.

→ For more detail, see [Resource use and circular economy](#)

### Reducing emissions from transport and distribution

Transport is another significant contributor to Flokk's value chain emissions. Our focus is therefore on building a clearer emissions baseline for logistics and translating this insight into practical improvements. We are working to optimise routes, consolidate shipments to improve load factors, and increase the use of lower carbon transport modes where feasible. At the same time, we are engaging with logistics partners to better understand fuel choices and identify opportunities for emissions reductions upstream and downstream.

### Changing how we travel for work

Business travel is an area where behavioural change can deliver fast results. During the year, we strengthened travel governance by introducing clearer booking rules, training, and approval limits to support more sustainable choices. Rail or bus travel is prioritised over air travel, and train journeys under three hours should be chosen instead of flights. When renting cars, battery-electric vehicles are preferred wherever

infrastructure allows. Clear booking rules, approval processes and regular monitoring of travel emissions support consistent implementation and accountability across the Group.

### Working with suppliers to drive change

Meaningful emissions reductions require close collaboration with suppliers. Environmental requirements are embedded into supplier agreements, setting clear expectations from the outset. Through supplier engagement, we aim to improve transparency, strengthen environmental performance, and support continuous improvement across our supply chain.

### Strengthening carbon data and decision making

Reliable data underpins effective climate action. In line with the GHG Protocol and the core principles of relevance, completeness, consistency, transparency, and accuracy, we continued to strengthen our carbon accounting processes in 2025. The launch of the Carbon Accounting Automation Project marks an important step toward more efficient data collection, improved data quality, and better decision support. This enables us to track progress more accurately, focus efforts where impact is greatest, and set credible, science aligned targets.



Connection Tryst



# Climate change

## GHG emissions, market-based (tCO<sub>2</sub>e)

	2015	2023	2024 <sup>a</sup>	2025
<b>Scope 1 - Direct emissions</b>	<b>796</b>	<b>2,090</b>	<b>2,597</b>	<b>2,321</b>
Fuel for heating and processes (burning oil, natural gas, LNG)	264	1,376	1,908	1,827
Fuel for sales and service travels	532	714	689	494
<b>Scope 2 - Indirect emissions</b>	<b>187</b>	<b>616</b>	<b>1,111</b>	<b>1,079</b>
District heating	25	132	124	115
Electricity	162	484	987	964
<b>Scope 3 - Other indirect emissions</b>	<b>998</b>	<b>2,835</b>	<b>12,295</b>	<b>11,386</b>
Cat. 1: Purchased goods and services	0	2	3,443	3,328
Cat. 4&9: Upstream & Downstream transportation and distribution	716	2,200	7,975	7,511
Cat. 5: Waste generated in operations	17	112	151	127
Cat. 6: Business travel	265	521	726	420
<b>Total</b>	<b>1,981</b>	<b>5,541</b>	<b>16,003</b>	<b>14,786</b>
Change from year to year	-		188.8%	-7.6%

<sup>a</sup> The 2024 figures for Scope 3 Categories 4 and 9 have been restated from 4,003 tCO<sub>2</sub>e to 7,975 tCO<sub>2</sub>e, resulting in a change to total GHG emissions for 2024. The restatement is due to a change in methodology. Previously, emissions were calculated using primary data only. This did not capture all relevant emission sources. To improve completeness and accuracy, a hybrid method combining primary and spend-based data is now applied.

### SCOPE AND ORGANIZATIONAL BOUNDARY

GHG emissions are calculated in accordance with the GHG Protocol Corporate Standard and the Corporate Value Chain (Scope 3) Standard. The organizational boundary is defined using the operational control approach, including all entities and operations over which Flokk has operational control during the reporting year. The scope aligns with the consolidated financial statements, excluding Via Seating, acquired in February 2025, which will be included in future reporting periods.

The inventory comprises Scope 1 and Scope 2 emissions and material Scope 3 emissions across the upstream and downstream value chain.

### METHODOLOGY

Scope 1 and Scope 2 emissions are calculated using primary data where available, and estimated data where primary data is not accessible.

Scope 3, Category 1 is currently based on purchased materials from a single supplier and is calculated using supplier-specific emission data obtained directly from the supplier. Categories 4, 5, 6 and 9 are calculated using a hybrid approach, combining primary activity data with spend-based calculations.

Scope 3, Categories 10, 13, 14 and 15 are assessed as not applicable. Categories 2, 3, 7, 8, 11 and 12 are not yet reported.

Methodological assumptions, emission factors, and estimation techniques are documented internally. Flokk is progressively enhancing Scope 3 completeness and data quality through our Carbon Accounting Automation Project to strengthen accuracy and audit readiness in line with CSRD requirements.

### GHG EMISSIONS ANALYSIS

In 2025, Flokk’s market-based GHG emissions amounted to 14,786 tCO<sub>2</sub>e, with Scope 3 emissions accounting for the majority (77%), followed by Scope 1 (16%) and Scope 2 (7%).

The reduction in Scope 1 emissions compared to 2024 reflects lower fuel consumption in heating and processes and company-owned transport, supported by a decrease in units produced and operational initiatives such as delivery route optimisation at the Mirfield site, which reduced the site’s fleet mileage by 46%.

Scope 2 emissions decreased year on year, driven by lower electricity and district heating consumption. This trend aligns with site-level efficiency measures, including roof insulation at the Nässjö site, which reduced heat demand, and LED lighting upgrades that delivered a reduction in electricity use. On a location-based basis, Scope 2 emissions amounted to 3,446 tCO<sub>2</sub>e, reflecting the average emissions intensity of the electricity grids where energy is consumed.

→ For further details on initiatives supporting reductions in Scope 1 and 2 emissions, see Energy

Scope 3 emissions remain the largest contributor, primarily driven by purchased goods and services and transportation activities, underlining that while internal efficiency measures delivered measurable reductions in Scope 1 and 2 emissions, further progress toward Flokk’s climate targets will depend on supplier engagement and expanded Scope 3 data coverage.

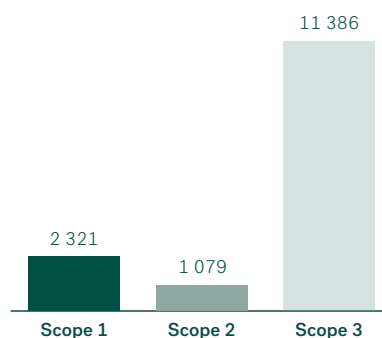
### TARGETS AND RESULTS

Flokk’s climate mitigation targets focus on reducing GHG emissions across Scopes 1, 2, and 3, measured per unit produced and per revenue generated. The 2030 targets are to reduce CO<sub>2</sub>e emissions per unit to 2.14 and CO<sub>2</sub>e emissions per revenue to 0.84. These targets represent a 50% reduction compared to the 2015 baseline.

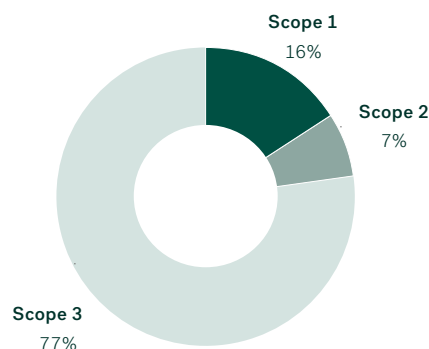
In 2023 and 2024, CO<sub>2</sub>e emissions per unit increased from 5.16 to 14.24, while CO<sub>2</sub>e emissions per revenue rose from 1.45 to 3.74. The increase in GHG emissions in 2024 compared to 2023 was primarily driven by improved Scope 3 data coverage, and the inclusion of additional operations from acquisitions within the reporting boundary, rather than underlying operational emission growth.

In 2024 and 2025, CO<sub>2</sub>e emissions per unit increased slightly from 14.24 to 14.51, and CO<sub>2</sub>e emissions per revenue declined from 3.74 to 3.50. The slight reduction reflects the impact of Flokk’s environmental initiatives, combined with lower production volumes and sales. Although there is some improvement compared to 2024, emissions intensity remains well above the 2030 targets, and further reductions are required to realign with the climate mitigation pathway.

**GHG Emissions in Scope 1, 2 & 3, Market-based (tCO<sub>2</sub>e) 2025**



**Distribution of GHG Emissions, Market-based (tCO<sub>2</sub>e) 2025**





# Climate change

## Energy

Energy use is a significant driver of Flokk’s environmental impact and operating costs, particularly in manufacturing, logistics, and building operations. How we source and use energy directly affects our GHG emissions, cost efficiency, and long-term resilience. By improving energy efficiency and increasing the share of renewable energy, we aim to reduce emissions while strengthening the robustness of our operations.

### STRATEGY AND BUSINESS MODEL INTEGRATION

Energy management is embedded in our operations and product design: improving energy performance lowers operational costs, reduces lifecycle emissions and strengthens our position in sustainability-driven markets. Energy considerations are integrated into procurement, R&D and logistics to ensure the business case for lower-carbon solutions.

### POLICY AND COMMITMENTS

Flokk’s Environmental Policy commits the Group to increase energy efficiency across production, transport and facilities, to prioritise energy-efficient procurement and renewable energy, and to design products that enable low lifecycle energy use. Decision-making follows the precautionary principle, and the policy is implemented and resourced by Group Management.

As of FY2025, our manufacturing facilities operate on

# 83%

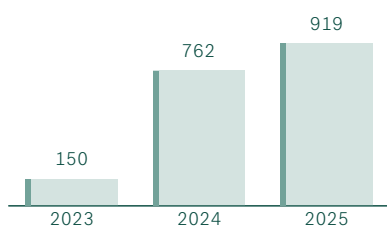
renewable electricity

### ACTIVITIES

#### Renewable energy

Transitioning to renewable electricity is a central element of our climate strategy. Our ambition is to reach 100% renewable electricity across all production sites by 2030. Today, this is primarily achieved through Energy Attribute Certificates, including Guarantees of Origin (GOs) and Renewable Energy Certificates (RECs), which certify that our purchased electricity is matched by renewable generation from renewable sources such as hydro, solar and wind.

Renewable Electricity Generated from Solar Panels at Our Factories (MWh)



#### Solar panels

Since 2023, solar installations have been operational at selected production sites, including Røros and Hawthorne, contributing to on-site renewable electricity generation. System performance is continuously monitored to ensure efficiency and optimisation. Additional installations and capacity expansions are under evaluation, with investment decisions based on technical feasibility, regulatory conditions and robust business-case assessments.

### Delivery route optimisation

At the Mirfield production site, a delivery route optimisation initiative was introduced in 2025 to reduce fuel use and improve transport efficiency. By planning routes further in advance and confirming delivery schedules earlier with customers, unnecessary mileage is avoided and last-minute changes are reduced. Since its launch in January 2025, the initiative has delivered a 46% reduction in vehicle mileage, equivalent to 277,534 kilometres saved compared to 2024, supporting lower fossil fuel consumption and ongoing environmental benefits.

### Roof insulation

At Nässjö production site, a roof-insulation project was initiated to reduce heat loss and prepare the site for on-site renewable energy. Early results show reduced district-heating use and lower energy consumption per unit produced. Completion of this project is a prerequisite for planned rooftop solar installations.

### LED exchange

At Nässjö site, an LED exchange initiative was launched to modernize lighting and significantly reduce energy use across the facility. In 2025, all production areas were converted, including the introduction of presence-controlled lighting in the warehouse, delivering immediate efficiency gains. The project continues through 2026 with the upgrade of office lighting, further strengthening long-term energy performance and lowering electricity consumption per unit produced.

### Biogenic emissions

Since 2019, our Røros factory has used biodiesel instead of burning oil. Following a fire in the oil heater in 2024, oil heating was permanently discontinued, and a more sustainable solution is being implemented. Biodiesel emissions are accounted as zero in Scope 1. Reported biogenic emissions have declined to zero in 2024 and 2025.

### Green car policy

We are accelerating the shift to low- and zero-emission mobility across our European lease fleet. Since 2023, all new leases have moved to battery-electric vehicles, marking a clear step away from fossil-fuel dependency. By aligning vehicle choice with operational need and investing in charging infrastructure, we are reducing transport emissions while building a future-ready fleet that supports our 2030 climate ambitions.

Delivery route optimisation significantly reduced fleet mileage at the Mirfield site by

# 46%

compared to 2024

Heat recovery and improved roof insulation cut district heating use at Nässjö site by

# 20%

compared to 2024

LED upgrades across production site in Nässjö cut electricity consumption by

# 20%

compared to 2024

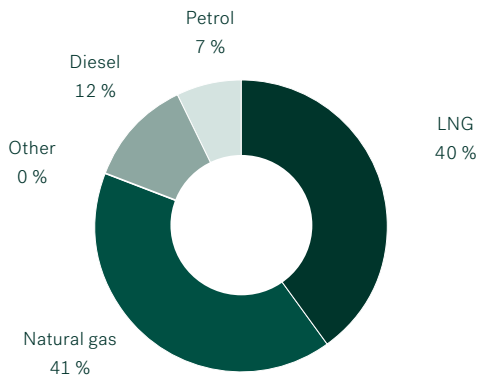


# Climate change

## Flokk's energy consumption [MWh]

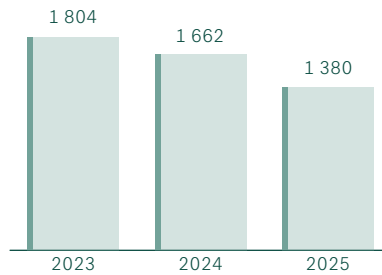
CATEGORY	2015	2023	2024	2025
	Fossil fuel sources	3,500	8,868	11,711
Renewable fuel sources	0	4	0	0
District heating	1,237	1,804	1,662	1,380
Electricity	6,628	10,531	10,868	10,735
<b>Total energy consumption</b>	<b>11,365</b>	<b>21,207</b>	<b>24,241</b>	<b>23,089</b>
Change from year to year			14.3%	-4.8%

## Distribution of Fossil Fuel Sources (MWh), 2025



The graphs illustrate how targeted efficiency initiatives contributed to the reduction in energy consumption in 2025. The distribution of fossil fuel sources shows that natural gas (41%) and LNG (40%) remain the dominant fuels, underlining the continued importance of reducing fossil fuel demand through operational measures. The delivery route optimisation initiative at the Mirfield site directly supports this trend, delivering a 46% reduction in fleet mileage and contributing to lower diesel and petrol consumption.

## District heating (MWh)



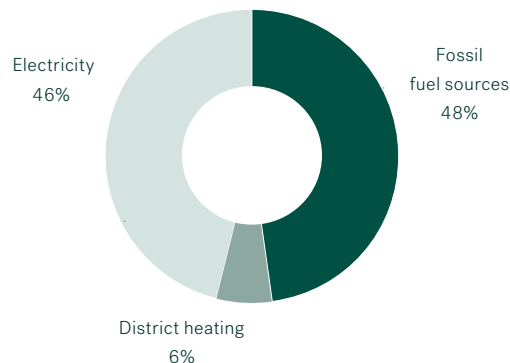
The district heating graph shows a clear downward trend from 2023 to 2025, with a 17% reduction compared to 2024. This decrease aligns with the roof insulation project at the Nässjö site, which reduced heat losses and lowered district heating demand. In parallel, electricity consumption efficiency improvements are reflected in the LED exchange initiative at Nässjö, which achieved a 20% reduction in electricity use compared to 2024.

## TARGETS AND RESULTS

Flokk's energy targets focus on reducing total energy consumption, improving energy efficiency, and increasing the use of renewable energy. The 2030 intensity targets are to reduce energy consumption per unit to 14.74 kWh and energy consumption per revenue to 5.78 MWh. These targets represent a 40% reduction compared to the 2015 baseline. In addition, Flokk aims to achieve 100% renewable electricity and a 50% renewable energy share in total energy use by 2030.

In 2024, Flokk's total energy consumption increased compared to the previous year, mainly driven by higher fossil fuel use and the inclusion of additional operations from acquisitions within the reporting boundary. Increased reliance on gas-based energy sources at several sites contributed to a higher share of fossil fuels in heating and processes, while the overall share of renewable energy declined. Electricity consumption rose in line with production growth and continued electrification, including the expansion of electric vehicles. Despite higher production volumes, overall energy efficiency per unit weakened, indicating that energy demand grew faster than efficiency gains in 2024.

## Distribution of Energy Consumption (MWh), 2025



In 2025, Flokk reduced total energy consumption by 4.8% compared to 2024. The decrease was mainly driven by lower fossil fuel use and reduced district heating consumption, reflecting improved energy efficiency in heating and production processes following the increase observed in 2024. Electricity consumption remained largely stable, indicating that efficiency gains were offset by ongoing electrification and operational demand. Overall, the reduction suggests that energy efficiency measures began to outweigh growth in energy demand, although continued reliance on fossil fuels highlights the need for further progress toward long-term energy and decarbonisation targets.



HÅG Tribute, Offecct Carry On, Offecct Archipelago, Offecct Falabella, Connection Harp, Connection Hygge



# Resource use and circular economy

In 2025, we strengthened our understanding of resource use by improving master data coverage for Scope 3 Category 1 emissions from direct materials.

While supplier-specific emissions data remains limited, internal spend-based analyses and industry benchmarking confirm that direct materials represent the largest share of Flokk’s carbon footprint, as is typical for manufacturers of voluminous, material-intensive products such as furniture. This insight is used to prioritise material choices, design

improvements, and sourcing initiatives in line with Flokk’s Principles for Sustainable Design, focusing actions where they are expected to deliver the greatest environmental benefit over the product life cycle and support long-term carbon reduction targets.

TOPIC	KPI	Results			Status	Target 2030	
		2023	2024	2025			
Resource use & Circular economy	Share of recycled materials in products (sold by 80% revenue)	28.4% *	41.7% **	39.8% ***	●	40%	CO <sub>2</sub> e emissions reduction KPI's: Scope 3 Cat 01 Direct Material
	Share of recycled PP - Polypropylene in products	x	x	52%	●	60%	
	Share of recycled PA - Polyamide in products	x	x	34%	●	50%	
	Share of recycled aluminium in products	x	x	93%	●	95%	
	Share of recycled steel in products	x	x	15%	●	40%	
	Share of post-consumer recycled plastics in packaging	x	x	15% ****	●	35% (65% by 2040)	
	Wooden articles with FSC® claims in products	x	x	83%	●	100%	
Certification & Documentation	Number of product families with Type I ecolabel or equivalent environmental certification schemes	x	x	158	●	-	
	Number of product families with EPD	x	67	74	●	100%	
	Top 50 product families (revenue) with EPD	28%	48%	52%	●	100%	
	Share of EPD products with GREENGUARD Gold	82%	76%	87%	●	100%	
	Std Non-specialised fabrics certified / compliant with EU Ecolabel	69%	83%	79%	●	100%	
	Number of factories FSC® Chain of custody certified	3 (N, T, M)	4 (N, T, M, R)	4 (N, T, M, R)	●	2026: 5 out of 8	

\*) coverage: 30% of products from Røros, Nässjö, Turek with EPD  
 \*\*) coverage: 52% of products from Røros, Nässjö, Turek with EPD - 387 products  
 \*\*\*) coverage: 68% of products from Røros, Nässjö, Turek with EPD - 507 products  
 \*\*\*\*) limited coverage: only 14% of total plastic packaging data - Europe only  
 X - Data not available

## Resource use inflow

### STRATEGY AND BUSINESS MODEL INTEGRATION

Resource-efficient inflows are a core element of Flokk’s circular business model. As a designer and manufacturer of workplace furniture, our value creation depends on large volumes of plastics, metals, wood, textiles, foam and packaging. Our product strategy combines long product life, repairable and upgradable solutions, and modular design with increasing use of recycled and renewable inputs, embedding circular principles into product design, material selection and production operations.

### We focus on:

- Reducing virgin material use per product.
- Increasing the share of recycled and renewable content in key material streams.
- Modularity; consolidation and reuse of components across our portfolio
- Designing for circularity to enable repair, reuse and high-quality material recovery.

Materials are managed through our ISO-based management system, with targets and actions at site level.

## POLICY AND COMMITMENTS

Resource use and circular economy are integrated into Flokk’s sustainability strategy and environmental governance. Our approach is anchored in group-wide policies that guide how resources are sourced, used, and managed across our own operations and the upstream value chain.

### Key frameworks include:

- Environmental Policy, approved annually by the CEO and applicable across the Group, committing Flokk to efficient resource use, reduced emissions, minimal waste and pollution, and avoidance of hazardous substances across the product life cycle.
- Environmental and Product Design Principles (5-III framework), structuring environmental work and product development around the focus areas Climate, Resources and Health, and five circular design criteria: low weight, few components, right materials, long lifespan, and design for disassembly. These principles guide material selection, product design & architecture, and environmental documentation, including Environmental Product Declarations (EPDs).

- Environmental Requirements for Suppliers, defining concrete expectations for environmental compliance and performance, efficient use of energy and raw materials, reduction of pollution and hazardous chemicals, responsible waste management, and continuous improvement.
- Code of Conduct for Business Partners (environmental aspects), setting baseline requirements on legal compliance, pollution prevention, chemical management, and protection of land, biodiversity, and local environments.
- Procurement policies and procedures, requiring environmental performance and sustainability risk to be considered in supplier selection, contracting and follow-up.

Together, these frameworks ensure that resource efficiency and circular economy principles are consistently embedded in product development, sourcing decisions, and supplier engagement.

## Material actual/potential impact on environment and people and financial risk and opportunity

		Localisation of value chain	Time horizon
<b>RESOURCE INFLOW</b>			
Use of raw materials Negative impact	Extraction and processing of raw materials (steel, plastics, aluminium, wood, fabrics, foam) generate significant CO <sub>2</sub> emissions and other environmental impacts. Material choices and volumes are decisive for Flokk’s footprint, as most of the impact occurs upstream before components reach our factories.	Upstream	Short, medium, long
Supply and cost pressure Risk	Dependency on energy-intensive and volatile raw material markets exposes Flokk to risks of supply disruption and price increases. Increasing demand for low-carbon and recycled materials may further intensify competition and push prices upward, creating cost pressure as regulations and customers raise requirements.	Upstream	Medium, long
Exposure to higher energy costs Opportunity	Increasing use of recycled and certified materials, supported by Flokk’s circular design approach, lowers the footprint of products and strengthens attractiveness with customers demanding sustainable solutions. Products are designed for disassembly, enabling easy replacement of wear-and-tear parts, refurbishment, and prolonged life – directly supporting a circular economy.	Upstream Own operations	Medium, long

Definition timeline: Short 0-1 years. Medium: 2-5 years. Long: > 5 years

Our double materiality assessment confirms resource use and circularity as a material topic, with clear links to environmental impact, cost, supply security and access to customers and tenders. Resource considerations are

therefore integrated into product and portfolio decisions, procurement strategies and operational planning, and this chapter is aligned with ESRS E5 requirements on resource inflows and circular use of materials.



# Resource use and circular economy

## ACTIVITIES

Flokk manages resource use through product design, sourcing, operations, and data governance, building on long-standing work with environmental performance and circular product concepts.

### Product and material strategy

Prioritising recycled plastics and metals in new and updated products, increasing use of certified lower-impact textiles, foam and other inputs, and applying circular design principles to reduce material use and enable maintenance, refurbishment, upgrades and long product life.

### Operational efficiency

Reducing scrap and yield losses through lean methods and process optimisation, improving material utilisation and packaging efficiency, and managing annual environmental targets through ISO-based management systems.

### Supplier and value chain engagement

Working with key suppliers on recycled materials and lower-impact solutions and integrating circular capabilities and resource performance into supplier selection and follow-up.

### Innovation, pilots and refurbishment

Testing next-generation materials and monitoring advanced recycling technologies, while piloting refurbishment and reuse solutions at local scale to assess technical and operational feasibility.

### Master Data, documentation and environmental certificates on products

Using recognised certifications to document and communicate environmental product performance and guide customer choices, with EU Ecolabel as the primary Type I ecolabel in Europe and BIFMA LEVEL as the primary recognised environmental certification scheme in the US. These are complemented by EPDs, GREENGUARD Gold and FSC, ensuring transparent and verified documentation of environmental performance.

In parallel, Flokk is strengthening material and product transparency through its Master Data improvement project, including initiatives to improve the comparability and practical use of EPD data, supported by innovation projects.

## PRODUCT ENVIRONMENTAL CERTIFICATIONS

Customers and tender requirements increasingly demand independent, verified and comparable environmental documentation. Our certifications translate Flokk's environmental ambitions into transparent, fact-based, third-party verified data, supporting qualification in major tenders, meeting customer requirements and strengthening our competitive position in key markets.

Flokk's certification strategy ensures coverage across materials, chemicals, emissions, climate impact and responsible sourcing. We prioritise the EU Ecolabel in Europe and BIFMA LEVEL in the United States as our primary multi-criteria environmental certifications. These are complemented across markets by Environmental Product Declarations (EPDs), GREENGUARD Gold and FSC (Forest Stewardship Council) certification, together providing comprehensive third-party documentation of product environmental performance across the product life cycle.

### Product families with Type I ecolabel or equivalent environmental certification schemes

# 158

EU Ecolabel, Swedish Möbelfakta, Blue Angel, BIFMA LEVEL



#### The EU Ecolabel

is the official ISO 14024 Type I ecolabel of the European Union, awarded to products with third-party verified reduced environmental impact across their life cycle, from raw materials to end of life.



#### Environmental Product Declarations

(EPDs) are ISO 14025 Type III documents that disclose quantified life-cycle environmental data, including carbon footprint, energy use and recycled content. They enable transparent and comparable performance information across products.



#### FSC (Forest Stewardship Council)

is an international certification for responsible forest management, ensuring wood originates from sustainably managed sources that meet environmental and social standards. FSC supports responsible sourcing, traceability and reduced deforestation risk.



#### GREENGUARD Gold

certifies low chemical emissions, ensuring products meet strict limits for VOCs such as formaldehyde and support healthy indoor air quality. Our products are tested according to the requirements of the UL GREENGUARD Environmental Institute.



BIFMA LEVEL is an environmental certification for the North American furniture market, based on the ANSI/BIFMA e3 Furniture Sustainability Standard developed by the Business and Institutional Furniture Manufacturers Association (BIFMA). It evaluates environmental and social impacts of furniture products using a multi-attribute framework and provides credible documentation for US customer and tender requirements.

## DATA IN RELATION TO RESOURCE INPUT

Resource inputs are significant for Flokk because we use large volumes of materials in our products. These volumes directly influence our overall resource consumption, environmental impact and exposure to supply-related risks.

The main technical materials in Flokk's products are polypropylene, polyamide, steel, aluminium and PUR foam. Key biological materials include wood (solid wood, particleboard, MDF, HDF and plywood), wool, leather and cotton. In addition, packaging is a significant material stream, primarily consisting of cardboard, plastics and wooden pallets.

### Status 2025

- Coverage: ~70% of items with material data (6,511 of 9,320)
- Suppliers: 101 of 291
- Scope: Flokk Europe (limited coverage for Mirfield)
- Exclusions: Flokk US and China. Textiles, chemicals and selected manufactured items

→ For further details on Resources and Data collection, see Sustainability note S4

### Master Data improvement project - transparency, traceability and value creation

Flokk has implemented a group-wide Master Data project to ensure high-quality data on materials and products, strengthening transparency, traceability and data quality related to resource use, recycled content and environmental performance. The project supports CSRD reporting and compliance, customer transparency, and commercial decision-making.

By linking material type, weight, country of origin and recycled material share at item level, the framework enables more consistent environmental reporting, improved product development and sourcing decisions, and robust documentation through Environmental Product Declarations (EPDs).

The current scope covers Flokk Europe, focusing on high-volume materials. Ongoing data clean-up is improving quality and usability, with the ambition to expand coverage across the Flokk Group, supporting ESRS alignment and product portfolio improvements as the Master Data clean-up progresses.



# Resource use and circular economy

## TARGETS AND RESULTS

Flokk monitors progress on resource use and circularity through group-level indicators.

### Status 2025

A large share of Flokk's core portfolio is documented through recognised environmental certifications and declarations, providing transparency on material composition, chemical content, durability, and life-cycle impacts. Recycled and renewable materials are increasingly integrated into new products and portfolio updates.

### Forward-looking targets

- Increase the share of recycled and renewable content in key material streams (plastics, metals, textiles, wood and packaging) by 2030, compared with 2025.
- Improve material efficiency per product through reduced virgin material use, modularity, and longer product lifetimes.
- Strengthen data quality and expand item-level master data coverage over time, supporting ESRS alignment, consistent resource disclosures and product portfolio improvements as the Master Data clean-up progresses.

Progress is followed up annually through management review and ESG governance and will be reported in line with ESRS E5 as data coverage and quality continue to improve.

### HÅG Tion Mesh, launched 2025

# 70%

recycled material content

### Product families with EPD

# 74

## Share of recycled materials



Flokk offers a broad range of products with high recycled content. Among products launched since 2014, most of our top ten contain 52-58% recycled materials, with HÅG Tion/Mesh and HÅG Celi reaching a range of 70-88%. For our main products (80% of revenue), the current average is at target ~40% recycled materials, based on EPD-covered

products and 2024 sales. As EPD coverage is extended to additional brands, this average may decrease due to lower verified shares, but material composition and recycled content are transparently reported in our Environmental Product Declarations.



RH Logic 220 Silver



# Resource use and circular economy

## Designing products for circularity and long-term use

### Our 5-III Principles for Sustainable Design

Since 1993, Flokk’s product development has been guided by our five circular design criteria linked to three key environmental focus areas - our 5-III Principles for Sustainable Design (“5-3”). These criteria shape both new product design and portfolio maintenance, ensuring environmental performance is integrated from concept to end-of-life.

Because the majority of Flokk’s climate impact lies in Scope 3 emissions from materials, 5-III is a central driver of our decarbonisation efforts, while also addressing impacts from production, use and end-of-life. In practice, this means

developing sustainable products designed for longevity and durability that can be easily repaired, reused and recycled, and increasing the use of recycled materials in products and packaging to reduce embodied carbon.

**5 CIRCULAR DESIGN CRITERIA**

<p><b>1. Low weight</b></p> <ul style="list-style-type: none"> <li>• Weight optimisation</li> <li>• Resource efficient solutions</li> <li>• Lower transportation costs</li> <li>• Easy handling</li> </ul>	<p><b>2. Few components</b></p> <ul style="list-style-type: none"> <li>• Integrated functions</li> <li>• Modularity</li> <li>• Fewer tools</li> <li>• Less processes</li> <li>• Simpler assembly</li> <li>• Less packaging, storage and transportation</li> </ul>	<p><b>3. Right choice of materials</b></p> <ul style="list-style-type: none"> <li>• No harmful chemicals and substances</li> <li>• Increased use of recycled and renewable materials</li> <li>• Use of recyclable materials</li> </ul>	<p><b>4. Long life span</b></p> <ul style="list-style-type: none"> <li>• Lasting and durable designs</li> <li>• High quality</li> <li>• Easy replacement of worn-out or broken parts</li> <li>• Reduce the need to replace our chairs</li> </ul>	<p><b>5. Design for disassembly</b></p> <ul style="list-style-type: none"> <li>• No glues, staples or non-accessible screws</li> <li>• Simple dismantling</li> <li>• Easy to sort materials for recycling with marked parts</li> </ul>

**3(III) FOCUS AREAS**

<p><b>I. Climate</b> Reduced carbon footprint and energy consumption</p>	<p><b>II. Resources</b> Reduced use of materials and minimised waste</p>	<p><b>III Health</b> Reduced chemical use and no hazardous substances</p>	

### REPAIRABILITY & REFURBISHMENT

Flokk designs products for easy repair and refurbishment to support long service life and circular use. Modular construction and design for disassembly allow worn or damaged parts to be repaired, replaced or upgraded without compromising safety or performance. Key components are accessible using standard tools, with spare parts available throughout the intended product lifetime.

Refurbishment builds on these principles and extends product life beyond first use, driven by growing customer demand for cost-efficient, lower-impact solutions. Flokk aims to scale up local refurbishment initiatives, reducing resource use and waste while creating additional value for customers. Together, repairability and refurbishment reinforce Flokk’s product guarantees and overall circular design strategy.

## OFFECCT CIRCULUS - CIRCULAR DESIGN IN PRACTICE

Offecct Circulus exemplifies how Flokk's 5-III design principles are applied in practice to create durable, repairable and circular products for demanding public and office environments. The design objective was to develop a high-quality, long-lasting seating system that combines comfort and flexibility with low material intensity, modularity and full disassembly.



reddot winner 2025  
best of the best



reddot winner 2025  
sustainable design

Circulus is built around a robust skeletal metal structure with a limited number of components that can be configured into benches, mid-back and high-back solutions, including face-to-face arrangements. Key structural elements are mechanically fastened using standard screws, enabling easy assembly, repair, refurbishment and material separation at end of life. Upholstery is attached without glue, staples or tools, allowing covers to be removed and replaced by hand, extending product life while reducing waste and foam use.

Material choices and construction reflect environmental priorities, including high recycled content in aluminium components (98%), efficient use of materials, and local production and assembly to reduce transport-related impacts. The modular architecture supports long service life, reuse and refurbishment, while maintaining the quality and robustness required for contract use.



As a result of this design-led, circular approach, Offecct Circulus was awarded both the Red Dot "Best of the Best" and the Red Dot Sustainability Award in 2025, demonstrating how Flokk translates environmental ambition into award-winning, commercially viable products.

## HIGH QUALITY AND DURABILITY BY DESIGN

Flokk offers long product guarantees to support durability, long service life and efficient use of resources. Guarantee periods vary by brand, product category and usage conditions, with several product families covered by up to 10 years under normal office or home use. For products designed for intensive 24/7 use, shorter guarantee periods apply (e.g. up to 5 years for RH 24/7 models and up to

3 years for Giroflex 24/7 models). Other brands define guarantee periods per product and market. Detailed terms are specified in product documentation and applicable legal conditions. By extending product lifetimes through design for long-term performance, health, safety and maintenance, Flokk helps reduce premature replacement and supports circular economy principles.

## Guarantee overview - Flokk brands

BRAND	MAIN PRODUCT SEGMENTS	PUBLICLY COMMUNICATED GUARANTEE (marketing level)	LEGAL GUARANTEE BASIS
HÅG	Task chairs, conference chairs	Up to 10 years	Product- and component-specific guarantee terms apply
RH	Task chairs, 24/7 seating	Up to 10 years (5 years for 24/7 models)	Defined in product documentation and applicable market terms
Profim	Task chairs, soft seating, conference seating	Up to 5 years	Product- and market-specific conditions apply
Giroflex	Task chairs, conference seating, 24/7 seating	Up to 5 years (3 years for 24/7 models)	Component-based guarantee structure
Malmstolen	Ergonomic task chairs	Up to 10 years	Defined per product and use category
9to5 Seating	Task chairs, executive and guest seating	Varies by product	Market-specific legal guarantee terms apply
Stylex	Lounge, collaborative and soft seating	Varies by product	Defined per product, component, and intended use
Connection	Soft seating, booths, micro-architecture	Varies by product	Product- and installation-specific terms apply
OFFECCT	Soft seating, tables, acoustic solutions	Varies by product	Defined per product category and materials



## Social information

Flokk's responsibility extends to both our employees and to people across our value chain. We recognize that our ability to deliver on our strategy and long-term goals depends on a strong commitment to people, those directly employed by Flokk, and the thousands of individuals engaged in our supply chain.

Our social responsibility framework is anchored in internationally recognized standards, including the UN's Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Responsible Business Conduct, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

We have adopted a group-wide set of policies that form a comprehensive framework to ensure safe, fair, and inclusive working conditions, prevent risks of human rights breaches, and promote integrity and transparency in our own operations and in our supply chain.

The following section provides information on the following disclosures:

### **S1** Own work force

Working conditions *Page 124*

Equal treatment and opportunities *Page 129*

### **S2** Workers in the value chain

Working conditions *Page 132*



HÅG SoFi mesh



## Own work force

Our people are central to Flokk’s success. With more than 1 900 employees across 20 countries, our workforce represents a wide range of cultures, nationalities, backgrounds, and skills driving innovation and competitiveness. Flokk is committed to building a safe, inclusive, and engaging workplace where employees can thrive, develop, and contribute to our vision: *Inspire Great Work*.

Our People Policy and other supporting frameworks emphasize health and safety, equal opportunities, continuous competence development, and a strong leadership culture.

TOPIC	KPI	Results			Status	Target 2030
		2023	2024	2025		
Working conditions	# of fatalities and high consequence injuries	0	0	0	●	0
	% of employees responding to Engagement surveys all Flokk employees	95%	n.a.	96%	●	90
	Engagement score in annual employee survey	7.2	n.a.	7.6	●	≥ 8.0
	“Work-life-balance” score in annual Engagement survey	7.5	n.a.	7.4	●	≥ 8.0
	% of employees completed HSE training	95%	97%	98%	●	100%
Equal treatment and opportunities	Unadjusted pay gap (female salary as % of male)	-	92%	95%	●	100%
	% of female managers (leadership responsibility)	32%	34%	38%	●	40%
	% of employees completed Code of Conduct training	72%	91%	93%	●	100%

## Working conditions

### STRATEGY AND BUSINESS MODEL INTEGRATION

As a manufacturing company with operations across multiple countries, Flokk is exposed to inherent risks related to health and safety, working conditions, and employee well-being. Providing secure employment, fair and locally compliant wages, safe working environments, and a sustainable work-life balance is therefore fundamental to Flokk’s business model and long-term performance.

Working conditions are addressed through a long-term and structured approach and are embedded in how Flokk operates and grows.

Health and safety, working time arrangements, work-life balance, and social dialogue are integrated into operational management, local leadership responsibilities, and group-wide governance processes. This supports productivity, employee retention, and resilience across production sites and office locations.

Flokk recognises that employee needs vary across life phases and geographies. Our approach therefore aims to ensure consistent minimum standards while allowing flexibility where appropriate, supporting a ONE Flokk culture across countries, functions, and newly acquired entities.

→ For further details about our employee data, see [Sustainability notes](#)

**Material actual/potential impact on environment and people and financial risk and opportunity**

		Localisation of value chain	Time horizon
<b>WORKING CONDITIONS <sup>1)</sup></b>			
Safe and supportive workplace	Flokk promotes secure employment, a right wage, salary-and benefit level locally, sustainable working hour schedules, the importance of health & safety, work-life balance and social dialogue at the workplace. This strengthens well-being and productivity.	Own operations	Short, medium, long
Positive impact			
Potential negative impact	Regardless of geographical location and local minimum legislation. We practice one set of leadership principals in all our organisation where the trust-based leadership element is a core foundation. We experience such approach further building and strengthening our One Flokk culture.		
Health and safety	As a manufacturing company, Flokk is exposed to inherent risks of workplace accidents and injuries. Although injury rates are low, incidents can occur. Flokk mitigates this risk through proactive HSE efforts such as training, controls, preventive reporting, systematic risk assessments at each location and individual production workstation. Maintaining a strong focus on HSE is essential to safeguarding employees.	Own operations	Short, medium, long
Risk			
<b>EQUITABLE TREATMENT AND OPPORTUNITIES <sup>2)</sup></b>			
Diversity & inclusion	Flokk works to ensure gender equality, equal pay for equal work, organisational diversity and access to relevant training and skills development throughout Flokk. We believe such measures strengthens and enhances culture, innovation and resilience.	Own operations	Short, medium, long
Positive impact			
Employer attractiveness	At Flokk, we believe in creating environments where meaningful connections and collaboration thrive. Employer attractiveness is rooted in our strong commitment to sustainability and innovation which inspires creativity and supports well-being across workplaces worldwide. We believe that a workplace based on trust and shared company values inspire employees to perform at their best.	Own operations	Short, medium, long
Opportunity	We believe these factors enhances and strengthens the ONE Flokk culture, innovation and resilience.		

Definition timeline: Short 0-1 years. Medium: 2-5 years. Long: > 5 years

1) Flokk has defined the following material sub-sub topics under the sub topic of Working conditions: Secure employment, working time, adequate wages, social dialogue, work life balance, health and safety.

2) Flokk has defined the following material sub-sub topics under the sub topic of Equal treatment and opportunities: Gender equality and equal pay for work of equal value, training and skills development, diversity.



## Own work force

### POLICY AND COMMITMENT

Flokk's approach to own workforce matters is anchored in a structured policy framework designed to ensure safe, fair, and inclusive working conditions across all entities.

- **HSE Policy,**  
committing to a zero-injury culture, risk prevention, and compliance with ISO 45001 and applicable legal requirements.
- **People Policy,**  
defining our standards for leadership, competence development, workplace behaviour and employee well-being.
- **Labour & Human Rights Policy,**  
ensuring fair labour practices, social dialogue, and compliance with working time and wage standards in all markets.
- **Code of Conduct,**  
setting clear expectations for ethical behaviour, integrity, and compliance with laws and internal rules.

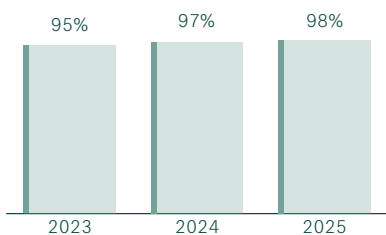


giroflex 353 visitor chair

# Zero

### Fatalities or high consequence injuries at our manufacturing sites and operations

### % of our employees completed HSE training



### ACTIVITIES

Flokk operationalises its commitments through a combination of preventive measures, continuous monitoring, and employee dialogue.

#### Health and safety

Flokk maintains a structured HSE management system across all production sites. Key activities include:

- Regular risk assessments at workstation level, identifying potential hazards and implementing preventive measures
- Mandatory safety training programmes for employees in production and relevant operational roles
- Registration and follow-up of incidents, near misses, and unsafe conditions through a centralised reporting system
- Monthly HSE reporting and continuous monitoring by site management and Group functions
- Newly acquired manufacturing entities undergo structured HSE risk reviews covering production processes, equipment, and workplace-specific hazards

Identified gaps are addressed through local action plans and integration into Flokk's reporting framework. Flokk's long-term ambition remains a zero high-consequence injury culture.

### **Adequate wages**

Flokk provides wages and benefits in line with national legislation, collective agreements and relevant industry standards. Compensation governance is embedded as a Group-wide practice and subject to structured internal controls.

Across all entities, Flokk conducts periodic reviews of compensation and benefits to ensure fairness, competitiveness and compliance.

In addition, during the integration of newly acquired entities, compensation and benefits packages are systematically assessed against:

- Comparable Flokk entities
- Local market benchmarks
- Industry standards

This ensures harmonisation of core principles across the Group while maintaining compliance with local labour law and respecting market expectations. Flokk's central HRIS system supports this governance framework by enabling:

- Consistent payroll data management
- Transparency and auditability
- GDPR-compliant handling of employee data
- Consolidated reporting across the Group

Periodic pay reviews are conducted to identify potential unjustified pay gaps and ensure equal pay for equal work. Flokk does not tolerate unlawful wage deductions, withholding of salary, or any form of financial exploitation.

### **Social dialogue**

Flokk supports the right of employees to freedom of association and collective bargaining in accordance with national legislation and international labour standards.

Where employee representatives or trade unions are established, Flokk engages in structured dialogue and cooperation. Employees have the right to organise, join trade unions of their choice, and participate in collective bargaining without fear of retaliation.

Social dialogue is embedded in Flokk's operating model across all entities and includes:

- Cooperation with employee representatives and unions where applicable
- Regular site meetings and leadership forums
- Annual employee engagement surveys
- Established whistleblowing mechanisms

Employees are encouraged to raise concerns openly through formal and informal channels. Reported concerns are handled in accordance with Flokk's whistleblowing and policy breach procedures, ensuring confidentiality and protection against retaliation.

This approach applies consistently across all Flokk entities. Newly acquired entities are integrated into these dialogue and governance structures as part of standard Group procedures.

### **Secure employment**

Flokk is committed to providing stable and predictable employment conditions across all entities. All employees are provided with written employment contracts in accordance with local legislation and applicable collective agreements.

As a standard operating procedure across the Group, Flokk maintains structured governance over employment terms and working conditions. This includes regular legal compliance reviews, alignment with Group policies, and oversight of employment practices at all sites.

The same framework applies systematically to newly acquired entities. As part of the integration process, employment contracts and employment structures are reviewed and, where necessary, updated to ensure compliance with local legislation and alignment with Flokk's People Policy and Labour & Human Rights Policy.

In addition, all entities operate within Flokk's central HR information system (HRIS). This ensures:

- Standardised employment documentation
- Secure storage of employee data
- Compliance with GDPR and applicable data protection regulations
- Consistent workforce reporting and oversight across the Group

This approach ensures that employment standards are applied consistently across Flokk, while fully respecting national legal requirements and local market practices.



## Own work force

### Work life balance

Flokk recognises that sustainable performance requires a healthy balance between professional and personal life. Across all entities, we:

- Comply with statutory leave entitlements, including parental leave and sick leave
- Apply internal guidelines supporting flexibility where operationally feasible
- Monitor workload and well-being through structured leadership follow-up
- Assess employee engagement and well-being through regular surveys

A key element of our structured follow-up is the Individual Development Talk (IDT) process, facilitated annually by Group HR and followed up semi-annually.

The IDT provides a structured framework for dialogue between employees and leaders, enabling in-depth discussion of:

- Competence development
- Total workload and capacity
- Well-being and motivation
- Work-life balance considerations

This process allows leaders and employees to address challenges early and agree on concrete follow-up actions where needed.

In addition to individual dialogue, Flokk conducts an annual employee engagement survey across the Group. The survey includes specific questions related to workload, work-life balance, well-being and leadership support.

To ensure representativeness and meaningful insights, strong emphasis is placed on participation. In 2025, Flokk achieved a record-high response rate of 96%, providing a robust and reliable foundation for analysis and follow-up actions. Survey results are reviewed at Group and local level, and targeted action plans are developed where improvement areas are identified.

Together, the IDT process and the engagement survey provide both qualitative and quantitative insight into employee well-being, ensuring a systematic and data-driven approach to maintaining healthy working conditions across all entities.



### Working time

Flokk ensures compliance with applicable national legislation governing working hours, overtime, rest periods and leave entitlements across all entities.

Working time governance forms part of our standard operating procedures and is monitored through local HR processes, management oversight and internal controls. At production sites, regulated shift systems are designed to balance operational efficiency with employee health and safety. Overtime must be approved and is monitored to prevent excessive workload.

Workload and working time are also addressed through the annual Individual Development Talk (IDT) process and the annual employee engagement survey, which includes specific questions on workload and capacity.

These practices apply consistently across all Flokk entities, including newly acquired companies, while respecting local legal requirements and collective agreements.

# Equal treatment and opportunities

## STRATEGY AND BUSINESS

### MODEL INTEGRATION

Equal treatment and equal access to opportunities are central to Flokk's ability to attract, develop, and retain competent employees across markets and functions. As a design- and manufacturing-led company operating in multiple countries, Flokk depends on diverse perspectives, skills, and experiences to drive innovation, resilience, and long-term competitiveness.

Equal treatment and opportunities are therefore integrated into Flokk's people and leadership practices and are not treated as stand-alone diversity initiatives. Gender equality, equal pay for work of equal value, access to training and skills development, and inclusive career opportunities are embedded in recruitment, performance management, leadership development, and succession planning. This approach supports a ONE Flokk culture and enables consistent standards across geographies while respecting local context.

## POLICY AND COMMITMENT

Flokk's commitments to equal treatment and opportunities are anchored in group-wide policies that apply across all operations:

- **Diversity, Equity and Inclusion (DEI) Policy,** setting expectations for inclusion, equal opportunity, and non-discrimination in recruitment, development, and leadership
- **People Policy,** supporting fair treatment, competence development, and age-inclusive employment practices
- **Labour & Human Rights Policy,** committing to non-discrimination and equal opportunities across Flokk's own workforce
- **Code of Conduct,** prohibiting discrimination and harassment and requiring equal treatment regardless of sex, ethnicity, religions etc

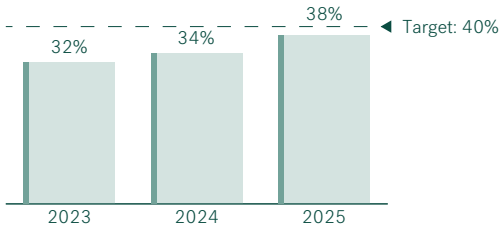


HÅG Tion, Connection Spaces



## Own work force

### % female managers



### Gender equality and equal pay for work of equal value

Flokk works systematically to promote gender balance and prevent discrimination.

Recruitment processes are structured to ensure fair evaluation of candidates, and leadership teams are encouraged to consider diversity when building teams. In 2025, women represented 38% of managers with people responsibility, compared to our long-term target of 40%. While we operate in an industry with a high share of male employees in production roles, we continue to work actively to improve gender representation in leadership positions.

Compensation governance includes periodic reviews to identify potential unjustified pay gaps and ensure equal pay for work of equal value.

# 96%

### Completion of Individual Development Talks

### Training and skill development

Training and skills development are supported through structured competence development processes, including:

- The annual Individual Development Talk (IDT) and semi-annual follow-up
- Access to training programmes and continuous learning opportunities
- Leadership development initiatives
- Mandatory Code of Conduct awareness training and e-learning modules

These initiatives are designed to ensure equitable access to development regardless of gender, age, background, or role.



Profim Normo

All employees formally acknowledge and sign the Code of Conduct upon employment, including employees joining Flokk through acquisitions. Behavioural training sessions are conducted throughout the year for both leaders and employees to reinforce inclusive and ethical workplace practices.

## Diversity

Diversity and inclusion are reinforced through Flokk's structured DEI programme, which consists of:

- A dedicated DEI Policy
- Group-wide awareness training
- Defined DEI targets approved by the Board of Directors
- Leadership-supported initiatives driven by the DEI task force

Mandatory training and ongoing awareness activities strengthen inclusive behaviours and leadership practices across the organisation.

Newly acquired companies and new employees are included in these processes from an early stage to ensure alignment with Flokk's values and expectations.

Flokk also recognises the importance of age-inclusive employment practices. Through provisions in the People Policy, employees above a defined age are offered additional vacation days beyond statutory requirements. This supports sustainable working lives and contributes to retention of experience and competence within the organisation.

## Employee engagement and workplace indicators

Flokk conducts its employee engagement survey to monitor a range of indicators, amongst workplace conditions, inclusion, leadership and well-being across all entities.

Results are reviewed at Group and site level and followed up through targeted action plans. Particular attention is given to response rates to ensure representativeness and reliability of the findings. In recent years, participation has remained high, providing a strong basis for analysis and continuous improvement.

The table below presents selected engagement indicators, showing continued positive development and progress towards defined targets, particularly within inclusion and leadership.

KPI	2021	2023	2025	Target
Response rate	87%	95%	96%	90%
Inclusion	n.a.	8	76	80
Working environment	6.8	7.2	77	80
Work-life balance	7.0	7.5	74	80
Leadership	7.3	7.6	80	80

In 2021 and 2023 we used Effectory as external provider. A score of 7,2 in this system can be translated to 72 in the new system provided by Catalyst ONE Engage.

## FLOKK DEI PROGRAMME CONSISTS OF:



### POLICY

Flokk has established a dedicated DEI policy with the goal of fostering an inclusive and secure environment, enabling all our employees to fulfil their maximum potential.



### TRAINING

Groupwide DEI awareness training around our DEI policy



### TARGETS

Groupwide DEI targets are set, followed up and measured operationally, and approved by the Board of Directors



### INITIATIVES

DEI Programme part of the overall business strategy with leadership support.

Implementation of DEI initiatives are driven by our DEI task force, and are connected to and aligned with our business' policy, values, and strategy.



# Workers in the value chain

Flokk relies on a global supply chain for raw materials and components, which makes working conditions across our value chain a key responsibility. Risks such as insecure employment, excessive working hours, inadequate wages, and insufficient health and safety standards are particularly present in regions with weaker regulation and enforcement.

Flokk addresses these risks through our Code of Conduct for Business Partners, supplier audits, and long-term collaboration with key suppliers. By setting clear expectations, following up with assessments, and engaging

in dialogue, we seek not only to prevent misconduct but also to raise standards over time. This approach helps safeguard workers' rights, strengthens trust with our stakeholders, and ensures that our products are sourced responsibly.

TOPIC	KPI	Results			Status	Target 2030
		2023	2024	2025		
Workers in the value chain	% APV* of direct suppliers with signed Code of Conduct	97%	97%	94%	●	95%
	# detected violations of human rights in our value chain	0	0	0	●	0
	# on site supplier audits	17	12	25	●	>20

\*APV: Annual purchase value

## Working conditions

### STRATEGY AND BUSINESS MODEL INTEGRATION

Flokk has worked systematically with responsible sourcing and labour-related risks in the value chain over an extended period. This work has evolved alongside the company's growth and international expansion and reflects a deliberate effort to integrate human rights considerations into core business processes.

Responsible sourcing is embedded in Flokk's procurement, supply chain management, and supplier governance and is not treated as a parallel or stand-alone compliance activity. Human rights and working conditions are considered alongside quality, delivery performance, cost, and operational risk when selecting, evaluating, and managing suppliers. As a manufacturing group with a global supplier base, Flokk recognises that exposure to labour-related risks varies across

regions, materials, and production processes. Our business model therefore relies on risk-based prioritisation, long-term supplier relationships, and continuous follow-up rather than short-term transactional sourcing. This approach supports stable supply chains, reduces operational and reputational risk, and enables gradual improvement in working conditions over time.

Responsible sourcing is also integrated into business development and acquisition processes. Newly acquired companies are aligned with Flokk's responsible sourcing framework, including supplier risk management, Codes of Conduct, and follow-up processes. This ensures consistency across the group and supports sustainable business growth as Flokk expands its footprint.

## Material actual/potential impact on environment and people and financial risk and opportunity

		Localisation of value chain	Time horizon
<b>WORKING CONDITIONS <sup>1)</sup></b>			
Labour standards  Potential negative impact	In the supply chain, workers may face risks related to secure employment, excessive working hours, inadequate wages, and poor health & safety conditions. These challenges are particularly relevant in regions with weaker regulation and enforcement.	Own operations	Short, medium, long
Supply chain responsibility  Risk  Opportunity	Failure to address issues around employment security, wages, working time or health & safety in the supply chain may lead to reputational damage, supply disruptions or loss of customers demanding responsible sourcing.  By enforcing supplier requirements on employment practices, wages, working time and H&S, through the Flokk Code of Conduct, audits and partnerships, Flokk can raise standards in the supply chain. This strengthens customer trust and positions Flokk as a preferred partner for responsible sourcing.	Own operations	Medium, long

Definition timeline: Short 0-1 years. Medium: 2-5 years. Long: > 5 years

1) Flokk has defined the following material sub-sub topics under the sub topic of Working conditions: Secure employment, working time, adequate wages, health and safety

## BUILDING A RESILIENT AND RESPONSIBLE SUPPLY BASE

### SELECTING THE RIGHT PARTNERS

Our supplier base is a strategic asset. We select partners who strengthen our competitiveness and reflect our standards.

All suppliers must:

- Comply with applicable laws and sanctions
- Adhere to Flokk's Code of Conduct
- Meet defined environmental and social requirements
- Deliver consistent quality, reliability, and performance

This ensures stability in our operations and protects our brand.

### SETTING EXPECTATIONS

Supplier onboarding is the starting point, not the finish line.

We work actively with suppliers to:

- Improve quality and delivery performance
- Reduce operational and sustainability risks
- Strengthen environmental and social standards

Performance is monitored through regular reviews and structured dialogue.

Where gaps are identified, corrective actions are agreed and followed up.

### REVIEWING PERFORMANCE

Supplier risk is assessed annually and adjusted based on geography, category, and performance.

- Low-risk suppliers follow standard review cycles
- Medium-risk suppliers are re-screened every two years
- Higher-risk suppliers receive enhanced monitoring and closer engagement

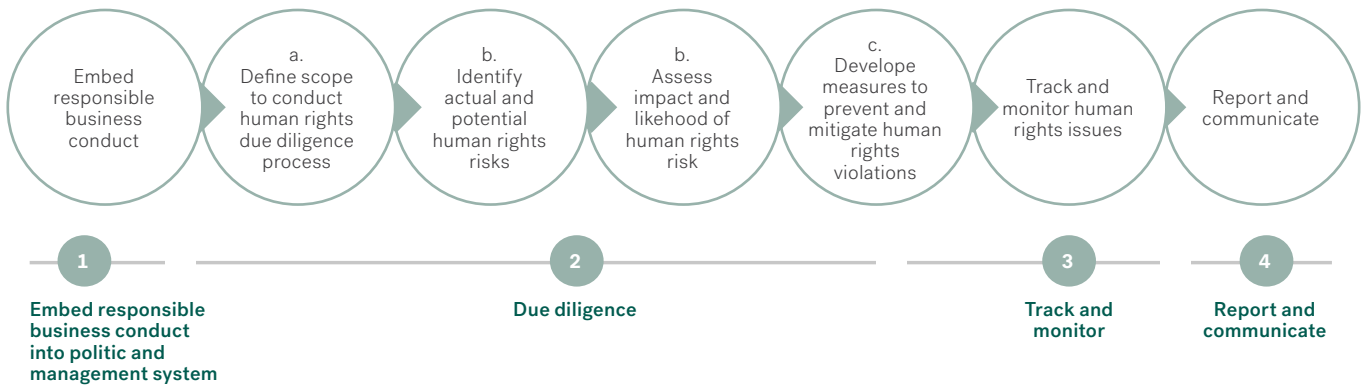
If expectations are not met, we take decisive action, including re-evaluation of the relationship.





# Workers in the value chain

Our supplier appraisal process Supplier Performance Meetings are designed to prevent, detect, assess and minimize risk related to human right violations in our supply chain.



## POLICY AND COMMITMENTS

Flokk’s approach to workers in the value chain is anchored in group-wide policies and internationally recognised standards, including the OECD Guidelines for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights.

### Key frameworks include:

- **Code of Conduct for Business Partners**, which sets minimum requirements for labour standards, wages, working hours, health and safety, and non-discrimination.
- **Labour & Human Rights Policy**, extending Flokk’s commitments to the supply chain and explicitly prohibiting forced and child labour.
- **Whistleblower Policy** and grievance mechanisms, providing channels for reporting concerns related to working conditions in the value chain.
- **Process for Managing Policy Breaches**, defining escalation, investigation, and remediation of supplier-related violations.

All suppliers are screened against relevant sanctions lists prior to onboarding and are subject to quarterly re-screening as part of Flokk’s ongoing supplier risk management. This serves as a preventive control to reduce exposure to high-risk regions and actors associated with serious human rights and compliance risks.

## ACTIVITIES

Flokk applies a structured and risk-based approach to managing working conditions in the value chain. Our approach combines preventive controls, monitoring mechanisms and continuous follow-up.

### Supplier selection and onboarding

All new suppliers undergo a structured onboarding process that includes:

- Assessment of management systems, quality performance and social responsibility
- Confirmation of compliance with Flokk’s Code of Conduct for Business Partners
- Screening against relevant international sanctions lists
- Verification of ISO 14001 certification (or equivalent environmental management systems) where applicable

Suppliers must formally acknowledge and commit to Flokk’s Code of Conduct for Business Partners prior to contract finalisation.

### Risk assessment and prioritization

Flokk performs ongoing supplier risk assessments using a risk-based model. Suppliers are evaluated based on:

- Geographic risk exposure
- Industry risk
- Volume and strategic importance
- Environmental and social risk indicators
- Suppliers operating in higher-risk regions or categories are prioritised for enhanced due diligence and monitoring.

### Supplier audits and performance monitoring

Flokk conducts regular supplier assessments, including on-site audits in higher-risk regions. Performance is monitored through:

- Annual Supplier Performance Meetings
- Risk scoring (1–5 scale) covering environmental and social criteria
- Follow-up meetings for suppliers with identified gaps
- Re-evaluation of suppliers operating in high-risk regions

Suppliers identified with significant non-compliance are required to implement corrective action plans with defined timelines.

Failure to demonstrate willingness or ability to improve may result in suspension or termination of the business relationship.

Flokk prioritises long-term relationships with suppliers who demonstrate commitment to continuous improvement in labour standards, wages, working time and health & safety practices.

Ongoing dialogue supports gradual improvement over time and reduces the risk of short-term transactional sourcing decisions.

### Integration of newly acquired entities

When Flokk acquires new companies, their supplier base is integrated into Flokk's responsible sourcing framework. This includes:

- Alignment with Flokk's Code of Conduct for Business Partners
- Inclusion in supplier risk assessments
- Integration into Supplier Performance Meetings
- Screening against sanctions lists

This ensures consistent governance across the Group as the organisation expands.

# 94%

of Flokk Annual Purchased Value (APV) of direct suppliers with signed Code of Conduct

# 100%

of Flokk suppliers are screened against US, UK, UN sanction lists

# Zero

human rights violations recorded in our value chain



## Business conduct & governance information

Strong governance and responsible business conduct have long been embedded in Flokk's operations. Our commitment to integrity, transparency and accountability is not driven solely by regulatory requirements, but by a clear understanding that ethical conduct is fundamental to long-term value creation and stakeholder trust.

Strong business conduct and governance are essential to managing risk, maintaining trust with stakeholders, and supporting sustainable growth across our operations and value chain.

The following section provides information on the following disclosures:

	<b>G1 Business conduct</b>	
	Corporate culture	<i>Page 138</i>
	Corruption and bribery	<i>Page 140</i>





## Business conduct

TOPIC	KPI	Results			Status	Target 2030
		2023	2024	2025		
Corporate culture	% of employees completed Code of Conduct training	72%	91%	93%	●	100%
	% of employees covered by whistleblowing mechanism	n.a.	n.a.	100%	●	100%
Corruption and bribery	# of confirmed incidents of corruption	0	0	0	●	0
	% of employees completed anti bribery & anti corruption training			92%	●	>90%

## Corporate culture

### STRATEGY AND BUSINESS MODEL INTEGRATION

Corporate culture is a fundamental enabler of Flokk's business model and long-term strategy. As a multinational manufacturing group with ongoing growth and acquisitions, Flokk depends on consistent ethical behaviour, accountable leadership, and trust across the organisation to manage risk and support sustainable performance.

As Flokk grows through international expansion and acquisitions, we recognise the risk of cultural misalignment, inconsistent practices, or weakened focus on responsible business conduct. Corporate culture therefore plays a central role in safeguarding ethical standards across the Group.

Corporate culture is integrated into how Flokk operates and grows, shaping decision-making, leadership practices, and daily behaviour across geographies and functions. A shared culture supports alignment across the Group, reduces the risk of misconduct, and enables early identification and escalation of concerns. This integration strengthens resilience, protects Flokk's reputation, and supports long-term value creation.

### POLICY AND COMMITMENTS

Flokk's corporate culture is anchored in group-wide governance frameworks that define expectations for ethical behaviour, leadership conduct, and accountability.

The **Code of Conduct** is the core governance instrument and sets clear requirements for integrity, transparency, compliance with laws and regulations, and respectful behaviour. It applies to all employees, management, and Board members and defines expected standards across the organisation.

The **People Policy** and **DEI Policy** further reinforce Flokk's values by supporting ethical leadership, inclusion, and equal treatment. Additional governance frameworks, including policies on labour and human rights and formal processes for reporting and managing policy breaches, ensure that cultural expectations are supported by clear escalation and accountability mechanisms.

Policies related to business conduct are reviewed and approved by the Board of Directors as part of Flokk's annual governance cycle. This ensures oversight at the highest level and supports continuous alignment with regulatory requirements, business development, and Flokk's long-term strategy.

**Material actual/potential impact on environment and people and financial risk and opportunity**

		Localisation of value chain	Time horizon
<b>CORPORATE CULTURE</b>			
Ethical and inclusive workplace Positive impact	A strong corporate culture promotes ethical behaviour, trust, engagement and compliance. Flokk fosters openness and inclusion through training, reporting channels and systematic follow-up.	Own operations	Short, medium, long
Integration of acquired companies Potential negative impact Risk	As Flokk acquires and integrates new companies, there is a risk of cultural misalignment, misconduct or weaker focus on responsible business conduct. At the same time, integration provides an opportunity to strengthen culture across the value chain by onboarding all employees into Flokk's governance framework, including Code of Conduct training, policy compliance, and reporting systems. Over time, this builds a stronger, unified corporate culture and enhances Flokk's attractiveness as a responsible employer and business partner.	Upstream Own operations Downstream	Medium, long
<b>CORRUPTION AND BRIBERY</b>			
Corruption risk Positive impact	Flokk works to ensure gender equality, equal pay for equal work, organisational diversity and access to relevant training and skills development throughout Flokk. We believe such measures strengthens and enhances culture, innovation and resilience.	Upstream Own operations	Short, medium, long
Prevention of corruption Opportunity	At Flokk, we believe in creating environments where meaningful connections and collaboration thrive. Employer attractiveness is rooted in our strong commitment to sustainability and innovation which inspires creativity and supports well-being across workplaces worldwide. We believe that a workplace based on trust and shared company values inspire employees to perform at their best.  We believe these factors enhances and strengthens the ONE Flokk culture, innovation and resilience.	Upstream Own operations	Medium, long

Definition timeline: Short 0-1 years. Medium: 2-5 years. Long: > 5 years



## Business conduct

### ACTIVITIES

Flokk promotes and maintains its corporate culture through structured governance mechanisms, mandatory training, and continuous monitoring across all entities.

#### Code of Conduct implementation

The Code of Conduct is embedded as a core governance instrument across the Group.

- All employees complete mandatory Code of Conduct awareness training.
- Employees formally acknowledge and sign the Code upon employment, including those joining through acquisitions.
- Completion rates are monitored at Group level, with a target of 100%.

Anti-bribery and anti-corruption training complements Code of Conduct training and is mandatory for relevant employee groups.

#### Leadership and behavioural reinforcement

Leaders are responsible for reinforcing ethical behaviour and acting as role models.

Corporate culture is strengthened through leadership communication, behavioural training sessions, and integration of ethical expectations into onboarding and leadership development.

#### Speak-up culture and reporting mechanisms

Flokk maintains confidential whistleblowing channels available to employees and external stakeholders.

- 100% of employees are covered by a formal whistleblowing mechanism.
- All reported concerns are assessed and investigated through a structured policy breach management process.
- Confirmed incidents of corruption are reported and monitored.

The speak-up framework supports transparency, early risk identification and consistent enforcement of ethical standards across all entities.

#### Monitoring and integration

Employee perceptions related to trust, inclusion and ethical behaviour are monitored through the annual engagement survey. Results are reviewed at Group and site level and followed up through action plans.

Newly acquired entities are systematically integrated into Flokk's governance framework, including Code of Conduct training and reporting mechanisms, ensuring consistent standards across the Group.

## Corruption and bribery

### STRATEGY AND BUSINESS MODEL INTEGRATION

Operating with integrity and preventing corruption and bribery are essential to Flokk's ability to compete fairly and operate responsibly across markets. As an international manufacturing company engaging with customers, suppliers, agents, and other business partners globally, Flokk is exposed to risks related to improper influence, unethical conduct, and non-compliance.

Flokk applies a zero-tolerance approach to corruption and bribery and integrates anti-corruption considerations into its governance framework and core business processes. Ethical business conduct is embedded in leadership responsibilities and decision-making across the organisation, ensuring that

commercial activities are conducted transparently and in line with applicable laws and standards.

Corruption and bribery risks are particularly relevant in the context of international operations, complex value chains, and business growth through acquisitions. Maintaining consistent standards for ethical conduct as Flokk expands is therefore critical to managing risk, protecting the company's reputation, and ensuring fair competition.

By systematically integrating anti-corruption principles into its business model, Flokk reduces legal and financial risk, strengthens trust with stakeholders, and supports sustainable business growth over time.

## POLICY AND COMMITMENTS

Flokk's commitment to preventing corruption and bribery is anchored in a comprehensive set of Board-approved policies that apply across the Group and its value chain. These policies establish clear expectations for ethical conduct, define responsibilities, and support consistent application across geographies and business units.

The **Code of Conduct** sets the overarching standard for integrity, transparency, and lawful behaviour and applies to all employees, management, Board members, and relevant business partners. It establishes zero tolerance for corruption, bribery, facilitation payments, and other forms of improper influence.

This commitment is further detailed through Flokk's **Anti-Bribery and Corruption (ABC) Policy**, which provides guidance on acceptable and unacceptable practices, including gifts, hospitality, conflicts of interest, and interactions with public officials. The ABC Policy is supported by requirements for training, internal controls, and escalation of concerns.

## ACTIVITIES

Flokk works systematically to prevent, detect, and address corruption and bribery through a combination of training, controls, reporting mechanisms, and governance follow-up. All employees, including those in newly acquired companies, complete mandatory training on anti-bribery and corruption (ABC), anti-money laundering (AML), and relevant aspects of competition law. Training completion is tracked through Flokk's learning platform to ensure full coverage and timely follow-up.

Confidential whistleblowing channels are available for employees and external stakeholders to report concerns related to unethical conduct, including suspected corruption or bribery. Reports are handled independently and in line with established procedures, ensuring confidentiality, protection against retaliation, and appropriate escalation and investigation.

Flokk's governance framework also includes policies addressing related financial crime and compliance risks, such as Anti-Money Laundering (AML) and Sanctions policies. Together, these policies support a preventive and risk-based approach to business conduct and reduce exposure to legal, financial, and reputational risks.

To ensure accountability, policies related to corruption and bribery are reviewed and approved by the Board of Directors as part of Flokk's annual governance cycle. This provides oversight at the highest level and ensures alignment with regulatory requirements, international standards, and Flokk's long-term strategy.

# 92%

of our employees have completed  
training on anti-bribery and  
anti-corruption

Anti-corruption risks are monitored through regular risk assessments, internal controls, sanctions screening, and periodic reviews. Governance oversight is provided by Group Management, the Audit Committee, and the Board of Directors, including review of risk management processes and approval of key policies.

Through these activities, Flokk seeks to prevent misconduct, ensure compliance with applicable laws and standards, and maintain trust with customers, business partners, and other stakeholders.

# Sustainability notes 2025



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70% recycled materials.  
That includes 97% recycled aluminum  
and 94% recycled plastic in structure



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# Sustainability notes

S1

## Our engagement with stakeholders

### STAKEHOLDER DIALOGUE

Collaboration with stakeholders across our value chain is critical to delivering on Flokk's sustainability strategy, responsible sourcing framework and long-term business objectives.

We engage stakeholders through structured and ongoing dialogue to understand expectations, identify risks and opportunities, and assess how our activities impact people and the environment. Stakeholder input is integrated into our double materiality assessment, risk management processes and strategic decision-making.

As a global manufacturing group with operations in Europe, the US and Asia, Flokk recognises that our business affects – and is affected by – a wide range of stakeholders. Engagement includes both internal and external stakeholders.

In addition to commercial and regulatory dialogue, Flokk is committed to contributing to broader societal outcomes, including respect for human rights, decent working conditions and responsible environmental practices across the value chain.

KEY STAKEHOLDERS	EXPECTATIONS AND PURPOSE	FORMAT
<b>Employees</b>	Our employees are our most important resource. They expect a safe, inclusive and engaging workplace with opportunities for development and fair treatment. Dialogue provides insight into working conditions, well-being, leadership quality and organisational culture.	Annual engagement survey (96% response rate in 2025), Individual Development Talks (IDT), local dialogue meetings, whistleblowing channels, HSE committees, local site management meetings, quarterly business updates.
<b>Trade unions and employee representatives</b>	Expect structured dialogue, respect for freedom of association and transparent consultation on working conditions, organisational changes and business developments.	Formal cooperation meetings, collective bargaining processes where applicable, consultation forums, European Works Council dialogue.
<b>Customers (Dealers, distributors and end-users)</b>	Flokk primarily operates through indirect distribution. Dealers and distributors expect reliable products, transparent environmental documentation and responsible business practices. End-users increasingly expect sustainable, durable and certified solutions.	Regular dealer meetings, tender processes, sustainability data requests, life-cycle assessment discussions, customer visits and performance reviews.
<b>Architects, designers, ergonomists and other influencers</b>	Influence product selection and specification. Expect innovative, design-led and sustainability-documented solutions that meet technical and environmental standards.	Project collaboration, specification dialogue, product presentations, industry events, certification documentation and technical briefings.
<b>Suppliers and workers in the value chain</b>	Suppliers expect clear requirements and long-term cooperation. Workers in the value chain are indirectly affected by Flokk's sourcing decisions. Dialogue aims to ensure compliance with labour standards, working time, wages and health & safety.	Supplier onboarding, Code of Conduct acknowledgement, Supplier Performance Meetings, risk assessments, audits (including on-site audits in higher-risk regions), corrective action plans, supplier risk monitoring.
<b>Owners and banks</b>	Expect transparent governance, risk management and sustainable growth. Dialogue informs reporting, capital allocation and long-term value creation.	Board reporting, quarterly updates, annual report and sustainability reporting, investor dialogue.
<b>Authorities and regulators</b>	Expect compliance with labour law, environmental regulations, trade sanctions and data protection requirements.	Regulatory reporting, compliance audits, industry forums and direct regulatory dialogue where relevant.
<b>Industry organisations and networks</b>	Participation supports knowledge sharing and development of standards related to sustainability, circular economy and climate targets.	Memberships, working groups, collaborative initiatives.
<b>Local communities</b>	Expect responsible operations, safe workplaces and positive local engagement. Flokk contributes to local economic development and community dialogue.	Local business networks, site-level dialogue, cooperation with local authorities and organisations.

## INVOLVEMENT IN ORGANISATIONS

Flokk's stakeholders are individuals and entities that influence or are affected by our business activities across the value chain. These include those directly involved in our operations, and those indirectly impacted through our products, services or broader societal footprint. Flokk actively participates in industry associations, networks and standardisation bodies to support responsible business conduct, sustainability development and industry collaboration.

We are active members or contributors to:

- The Confederation of Norwegian Enterprise (NHO) through the Federation of Norwegian Industries – Furniture & Interiors
- Through NHO, the German federation of furniture manufacturers (BSO) and the European Furniture Industries Confederation (EFIC)

- Skift, a business-led climate initiative and CEO network established to accelerate the transition to a low-carbon economy
- +LAB / Norwegian design industry cluster, with regular participation in expert groups and industry panels
- The CEN Work Group 10 "Requirements and tools for furniture circularity", contributing to the development of standardised circular economy frameworks under the European Committee for Standardization (CEN)
- Various local and regional business organisations around our production facilities, including TIG (Turek Chamber of Economy), supporting the development of local business environments and related social matters
- In the United States, 9to5 Seating is a member of the Business and Institutional Furniture Manufacturers Association (BIFMA), a non-profit trade association responsible for developing engineering and material standards for the furniture industry.

S2

## Conducting our double materiality assessment

Our double materiality assessment (DMA) from 2024 analysed the impacts, risks and opportunities (IROs) of our own operations and upstream and downstream value chain. IROs are mapped in our value chain as identified, ensuring consideration of both indirect and direct impacts. As part of this process, we performed interviews with internal and external stakeholders, and conducted third-party research, focusing - when necessary - on specific activities, business relationships and geographies that could give rise to heightened risk of adverse impacts. Underlying analyses and inputs that contribute to the DMA (GHG inventory, climate scenario analysis, and more) utilise distinct parameters, and these in turn influence our material outcomes.

### DMA METHODOLOGY

In our DMA, we assessed impacts based on the severity and likelihood of the event, and risks and opportunities based on financial magnitude and likelihood. The severity of potential impacts was evaluated with consideration for any mitigating actions that were already in place. The severity of actual impacts was assessed without consideration for any remediating actions. We attributed severity and likelihood scores to all impacts to prioritise these impacts. Severity was scored on a scale of 1-5, based on the average score of the scale, scope and irremediability (for negative impacts only).

We attributed a score to financial risks and opportunities based on magnitude and likelihood. The magnitude criterion scores risks and opportunities based on estimated impacts on operating profit on a scale of 1-5. Likelihood scoring for both impacts and financial risks and opportunities and time horizon is aligned to our global risk management framework and ESRS. Potential impacts as well as risks and opportunities were scored on a scale of 1-4. Actual impacts were scored as a 5.

### ALIGNMENT WITH RISK MANAGEMENT PRACTICES

We are working to align the DMA process with our global enterprise risk management (ERM) framework where possible. Group functions perform quarterly risk assessments related to their areas to contribute to the ERM process. DMA outputs related to risk are used as ESG inputs for the ERM.

To ensure the accuracy of the results of our DMA, the IROs were thoroughly validated with internal stakeholders, including risk management professionals responsible for the assessment of Group risks. Furthermore, the results are validated and approved by the Group Management, Audit Committee.

# Our contribution to UN Sustainability Development Goals

The overview below links our most material topics and commitments to specific UN Sustainability Development Goals (SDG) targets where Flokk has the greatest

opportunity to make a positive contribution, in line with our sustainability strategy and focus areas.

MATERIAL TOPIC	OUR COMMITMENTS AND TARGETS	RELEVANT UN SDG TARGETS
<b>Climate &amp; Energy</b>	Reduce greenhouse gas emissions through improved resource efficiency and transition to renewable energy.	<b>SDG 7.2</b> – Increase the share of renewable energy <b>SDG 13.2</b> – Integrate climate measures into strategies and planning
<b>Resource efficiency &amp; Circular economy</b>	Improve resource efficiency in production, design for circularity, and promote reuse and recycling.	<b>SDG 8.4</b> – Improve global resource efficiency in consumption and production <b>SDG 12.2</b> – Sustainable management and efficient use of natural resources <b>SDG 12.5</b> – Reduce waste through prevention, reduction, recycling
<b>Own workforce – Working conditions</b>	Provide safe and inclusive workplaces, decent work, equal pay, and a zero-injury culture.	<b>SDG 3.9</b> – Reduce health risks related to work environment <b>SDG 5.5</b> – Ensure women's full participation and leadership <b>SDG 8.5</b> – Full employment and decent work with equal pay
<b>Workers in the value chain</b>	Ensure responsible sourcing, human rights due diligence, and fair working conditions across our supply chain.	<b>SDG 8.7</b> – Eradicate child labour, forced labour and modern slavery <b>SDG 10.2</b> – Promote social, economic and political inclusion <b>SDG 12.6</b> – Encourage companies to adopt sustainable practices
<b>Diversity, Equity &amp; Inclusion</b>	Strengthen a diverse and inclusive workplace culture based on equal opportunities.	<b>SDG 5.1</b> – End all forms of discrimination <b>SDG 10.3</b> – Ensure equal opportunity and reduce inequalities
<b>Business conduct &amp; Anti-corruption</b>	Zero tolerance for corruption, bribery, money laundering and anti-competitive practices.	<b>SDG 16.5</b> – Substantially reduce corruption and bribery <b>SDG 16.6</b> – Develop effective, accountable and transparent institutions
<b>Governance &amp; Transparency</b>	Strengthen risk management, transparency, and CSRD compliance.	<b>SDG 12.6</b> – Encourage companies to adopt sustainability reporting <b>SDG 16.10</b> – Ensure public access to information

## Resource use and circular economy

RESOURCES 2025		
Resource inflows	Metric Tonnes	% of Total
<b>Material content - Total</b>	15 472	100.0%
<b>Products</b>	13 228	85.5%
<b>Packaging</b>	2 244	14.5%
<b>Biological Materials</b>	3 033	19.6%
<b>Technical Materials</b>	12 438	80.4%
<b>Recycled/Secondary Materials</b>	5 572	36.0%
Resource outflows	Metric Tonnes	% of Total
<b>Recyclable content - Total (based on same data as inflows)</b>	13 738	88.8%
<b>Products</b>	11 500	86.9%
<b>Packaging</b>	2 238	99.7%

### DATA COLLECTION AND METHODOLOGICAL NOTES (RESOURCE INPUTS)

#### Scope and data coverage

The current dataset covers approximately 70% of items with available material data (6,511 of 9,320 items) and 101 of 291 suppliers and is limited to Flokk Europe. Certain material categories, including textiles, chemicals (such as adhesives) and selected manufactured items, are excluded. Data coverage for the Mirfield site is limited, and no data is currently included for Flokk's operations in the US and China. Full ESRS-compliant disclosure will require 100% item-level coverage across all material categories and geographies, dependent on further progress in the M3 Master Data Clean-Up project.

#### Methodology

Resource input data is currently derived from a combination of Environmental Product Declarations (EPDs) and internal material master data. Further assessment is ongoing to determine the most reliable methodology, particularly for product categories not yet covered by EPDs.

#### Double counting risk

There is a risk of double counting where items are used across multiple sites, sourced from multiple suppliers, or internally manufactured using separately reported raw materials. This risk is considered highest for internally manufactured components, particularly at the Røros mechanical workshop, and is being addressed through data harmonisation.

#### Resource outflows and recyclability

Data on resource outflows and recyclable content is currently limited, as the dataset primarily covers EPD products. For these products, Flokk calculates a theoretical recyclable potential based on EPD material data, which can be aggregated at item, product, brand and annual consumption levels. Full ESRS disclosure will require complete item-level data coverage across the portfolio.

## Distribution by country

COUNTRY	<30 years	30-50 years	>50 years	>50 years
Australia		2		
Austria				
Belgium		5	1	1
Canada				
China	11	67	20	20
Czech Republic		2		
Denmark		4	11	11
France	6	8	2	2
Germany	10	14	20	20
Mexico	2	6	1	1
Norway	15	114	130	130
Poland	30	474	156	156
Singapore		1		
Romania			1	1
Slovakia		1		
Sweden	22	76	61	61
Switzerland		6	5	5
The Netherlands	4	6	14	14
USA	91	243	222	222
UK	7	39	24	24
<b>Total</b>	<b>198</b>	<b>1068</b>	<b>668</b>	<b>668</b>

Scope of the reporting: table include all entities in Flokk

## Gender split of leadership positions in Flokk (%)

GENDER	2023	2024	2025
Female	32%	34%	38%
Male	68%	67%	62%

S7

## Number of employees by employment contract, type, region and gender

COUNTRY	Permanent employees	Temporary employees	Total HC	Full-time employees	Part-time employees	Female	Male	Unidentified
Australia	2	0	2	2		1	1	
Austria	0	0	0					
Belgium	6	0	6	6		3	3	
Canada	0	0	0					
China	98	0	98	98		52	46	
Czech Republic	2	0	2	2		1	1	
Denmark	15	0	15	14	1	7	8	
France	12	4	16	16		5	11	
Germany	40	4	44	39	5	18	26	
Mexico	9	0	9	9		3	6	
Norway	252	7	259	238	21	90	169	
Poland	648	12	660	658	2	267	393	
Singapore	1	0	1	1		1		
Romania	1	0	1	1			1	
Slovakia (new since 2024)	1	0	1	1			1	
Sweden	158	1	159	157	2	65	94	
Switzerland	10	1	11	10	1	3	8	
The Netherlands	22	2	24	18	6	13	11	
USA	480	76	556	547	9	239	315	2
UK	69	1	70	70		27	43	
<b>Total</b>	<b>1826</b>	<b>108</b>	<b>1934</b>	<b>1887</b>	<b>47</b>	<b>795</b>	<b>1137</b>	<b>2</b>
%	94%	6%		98%	2%	41%	59%	

Scope of the reporting: table include all entities in Flokk

S8

## % of individuals within Group Management in diversity categories

AGE	FEMALE	MALE
Below 30 years	0%	0%
Between 30-50 years	12,5%	12,5%
Over 51 years	12,5%	62,5%
<b>Total</b>	<b>25%</b>	<b>75%</b>

S9

## Certified management systems for occupational health and safety

STANDARD	UNIT BY COUNTRY	NUMBER OF EMPLOYEES
ISO 45001	Poland: Flokk Sp. z.o.o.	660
	Mirfield: Flokk Ltd	70
<b>Sum</b>		<b>730</b>

S10

## Occupational health and safety

KPI	2023	2024	2025	TARGET
Number of fatalities	0	0	0	0
High-consequence work-related injuries	0	0	0	0
Rate of recordable work-related injuries*	6.0	9.6	6.6	0
Number of recordable work-related injuries	16	33	20	0
Severe human rights impacts within own workforce	0	0	0	0
Number of incidents of discrimination	0	0	0	0

\* Recordable work-related injury rate = Total number of recordable injuries x 1 000 000 / Total hours worked

Number of hours worked in 2025: 3 018 472 2024: 3 444 541 2023: 2 682 354. Working hours for non-employees are not included.

S11

## Wage metrics

KPI	2025
Number of employees paid adequate wages	100%
Unadjusted pay gap (women salary as % of male)	95%

S12

## Signed Code of Conduct (% of APV\*) from Direct Suppliers

KPI	% signed
Europe	98,00 %
Asia	98,80 %
America	89,90 %

\*APV: Annual Purchased Value

S13

## Ethical business practices

KPI	2023	2024	2025
Number of supplier audits	17	12	20
Number of human rights violations recorded in value chain	0	0	0

For comments and questions on Flokk’s work and reporting on the environment, energy and corporate social responsibility, and governance, please contact:



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Hawthorne, CA, USA  
Delanco, NJ, USA  
Sparks, NV, USA  
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## Design

Flokk / Attention

## Print

Network

## ENVIRONMENTALLY FRIENDLY PRINTING

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Both the paper and ink we use is Cradle to Cradle™ certified, made entirely without any harmful chemicals and heavy metals in accordance with the banned list of chemicals.

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The trees used in this catalogue were sourced from sustainable FSC forestry in Europe. This means that the origin is 100% controlled - and at the same time, no more wood is cut than the forests can reproduce.

The printing of this document was powered using wind turbines, making the process completely CO<sub>2</sub> neutral.

Printed in Norway







Flokk is a leading European manufacturer of high-quality workplace seating, bringing together a growing portfolio of international design brands. Rooted in Scandinavian design heritage and industrial expertise, we combine craftsmanship, ergonomics and sustainability to create furniture that supports productivity, comfort and well-being.

Our brand portfolio includes HÅG, Offecct, Giroflex, RH, Profim, 9to5 Seating, Stylex, Via, Connection and Malmstolen. Each brand retains its distinct identity and market positioning, while sharing a common commitment to responsible design, durability and performance.

Sustainability has long been embedded in how we design and manufacture our products. Through circular design principles, responsible material choices and continuous improvements in production and logistics, we develop furniture built for long service life with reduced environmental impact.

Headquartered in Oslo, Norway, Flokk operates a global production network spanning Europe, North America and Asia, with manufacturing sites in Røros (Norway), Nässjö (Sweden), Turek (Poland), Mirfield (UK), Zhongshan (China), Hawthorne (USA), Delanco (USA) and Sparks (USA). Our sales organisation covers more than 80 markets worldwide, supported by offices in over 15 countries.

With approximately 1,900 employees, we are united by a shared ambition:

**Inspire great work.**

**Inspire great work**

