

Company presentation

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Norway's discount variety retailer



Strong brand and loyal customer base



Low prices and powerful marketing and campaign engine



Proven category management model

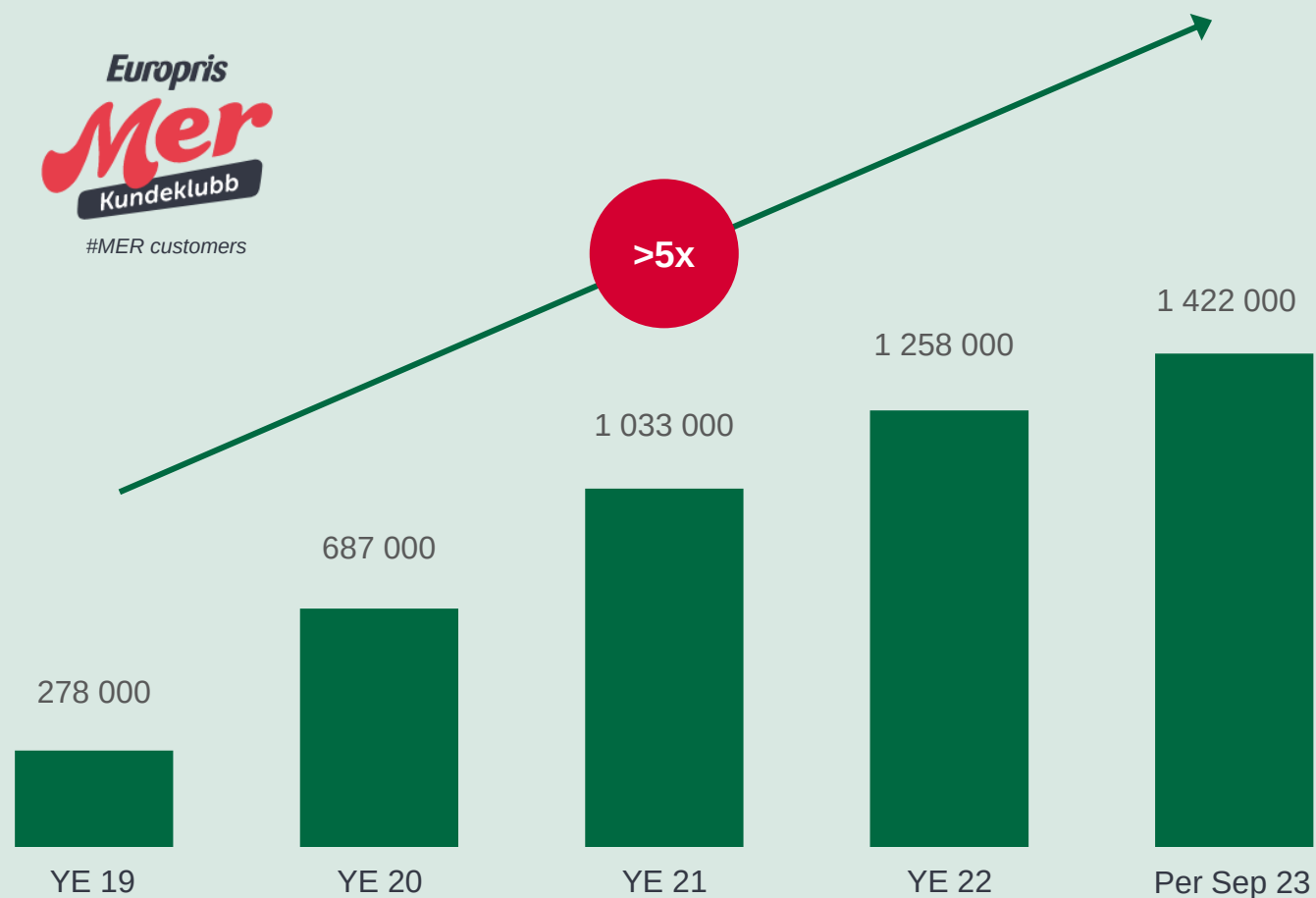


Expanding store network and e-commerce operation



282
stores

A growing loyal customer base



1.4 million
customer club members

36 million
transactions LTM Sep 2023

Powerful marketing and campaign engine



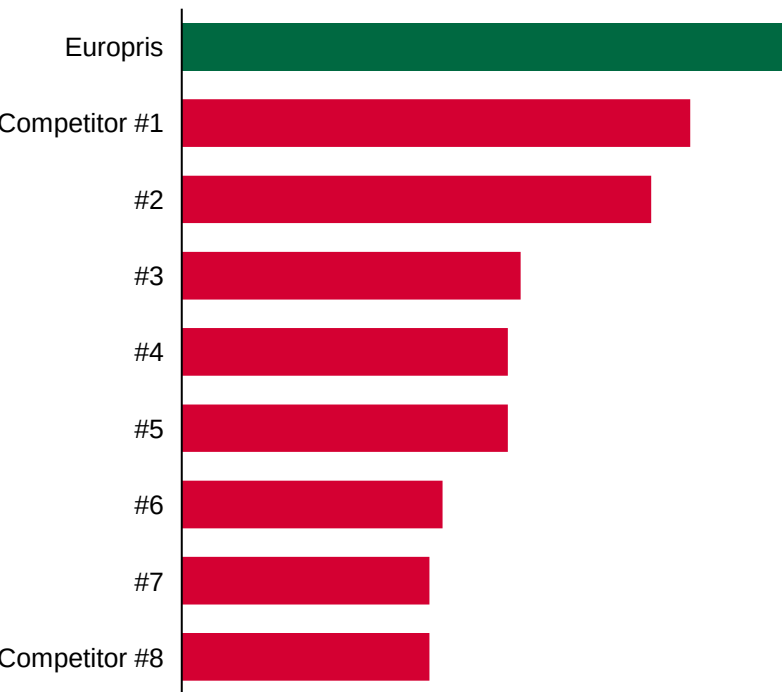
Prices for our front-page products are unbeatable ...



Weekly leaflet with circulation to **about 1 million** households

... and customers know it

Where do you think you can get a bargain¹?



¹ MediaCom Brand Tracker 2022, across Europris, Clas Ohlson, Nille, Jysk, Biltema, Coop OBS, Normal, Rusta and Jula

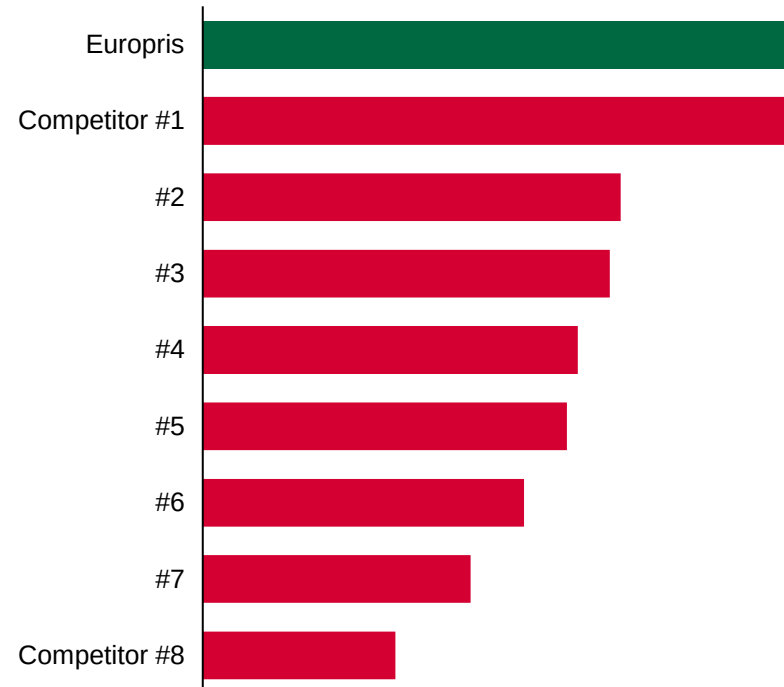
Established price leadership

Well positioned in current tough market environment

- Low-price concept well suited for the current tough market environment
 - Consumer confidence at low levels, with inflation and interest rates reducing disposable household incomes
- Has further sharpened the focus on daily consumables with low price points
 - Entered the fourth quarter well stocked and ready for the important seasons

Recognised as a price leader

Which chains do you think have generally low prices¹?



¹ MediaCom Brand Tracker 2022, across Europris, Clas Ohlson, Nille, Jysk, Biltema, Coop OBS, Normal, Rusta and Julia

Champion of the seasons

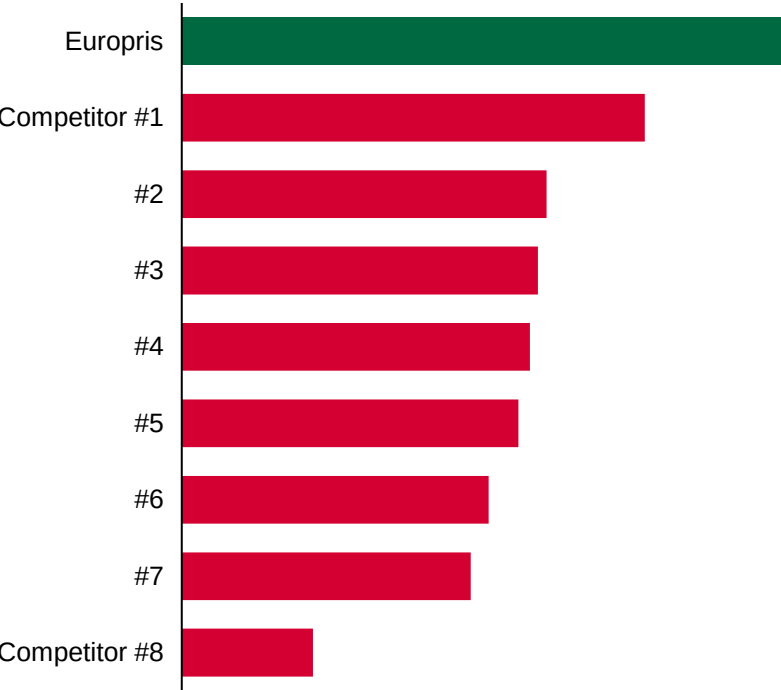


Seasonal campaigns and store layouts aligned



Shifting focus according to seasons

Which chains do you think have a seasonal range¹?

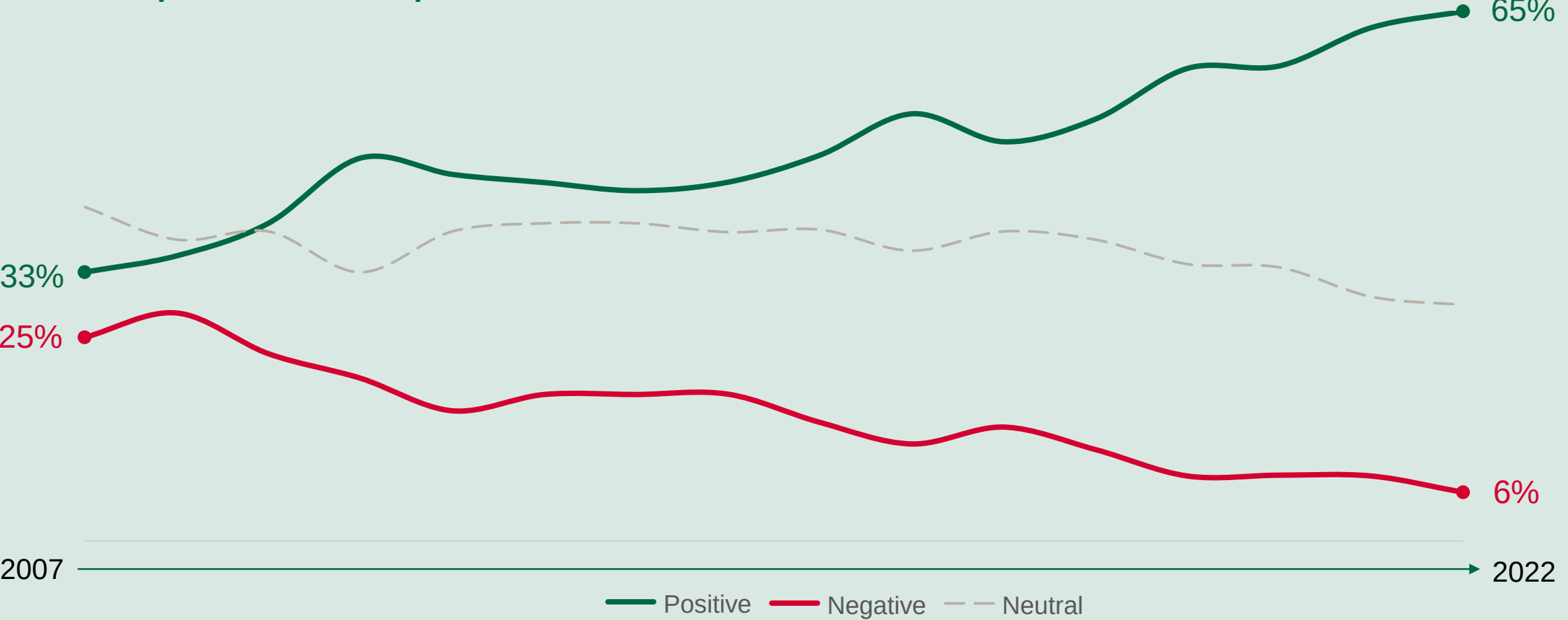


¹ MediaCom Brand Tracker 2022, across Europris, Clas Ohlson, Nille, Jysk, Biltema, Coop OBS, Normal, Rusta and Jula

Strong and improving customer impression



Overall impression of Europris¹

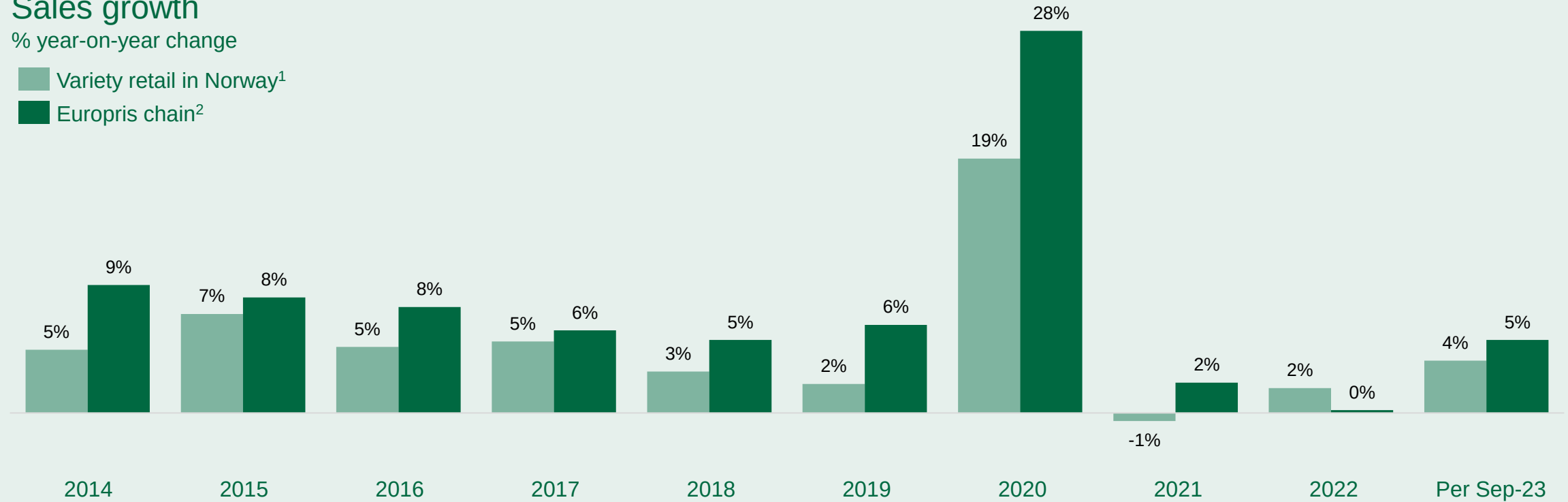


¹ MediaCom Brand Tracker from 2007 to 2022

Sales growth

% year-on-year change

Variety retail in Norway¹
Europris chain²



¹ Virke retail index (using figures reported by Statistics Norway)

² Europris chain (both directly operated and franchise stores)

**Europris has consistently
outperformed the market**

Europris
MER TIL OVERS

Our growth story

NOK **9.7bn**

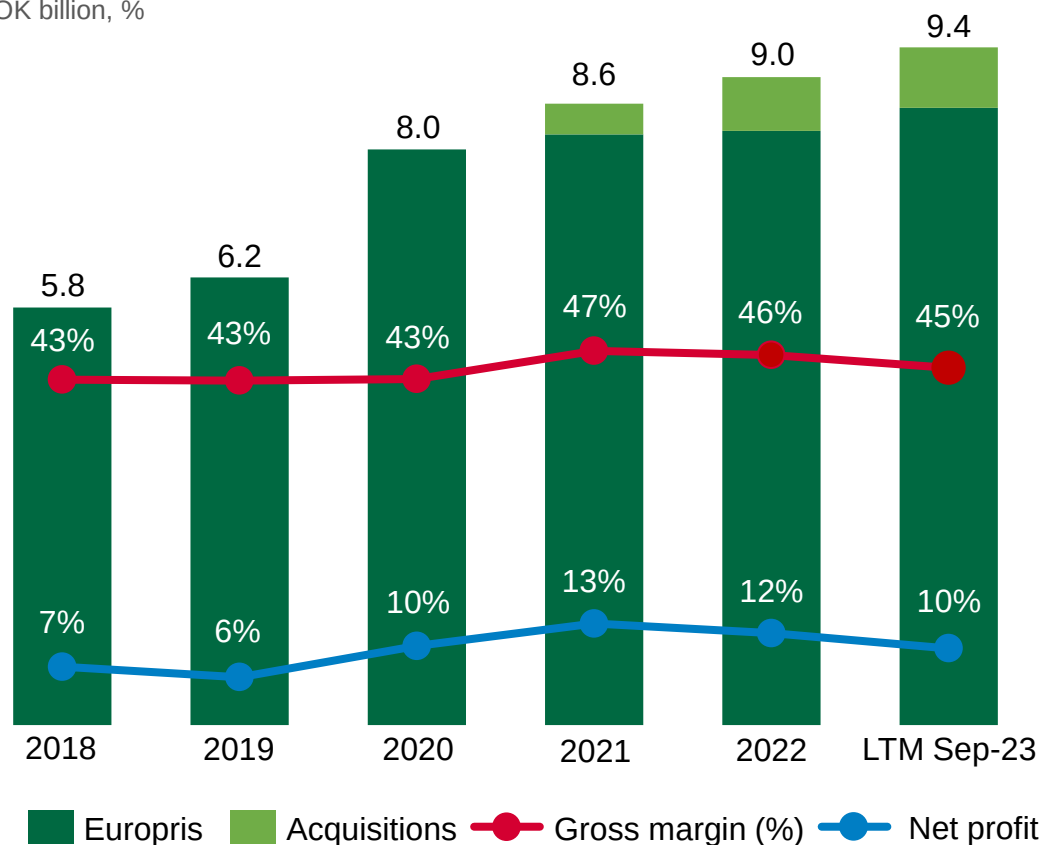


Note: sales for the Europris chain (directly operated and franchise stores), Lunehjem (consolidated as of March 2021), Lekekassen (consolidated as of August 2021) and the Strikkemekka group (consolidated as of July 2022)

Track record of profitable growth

Revenue, gross margin and net profit margin

NOK billion, %

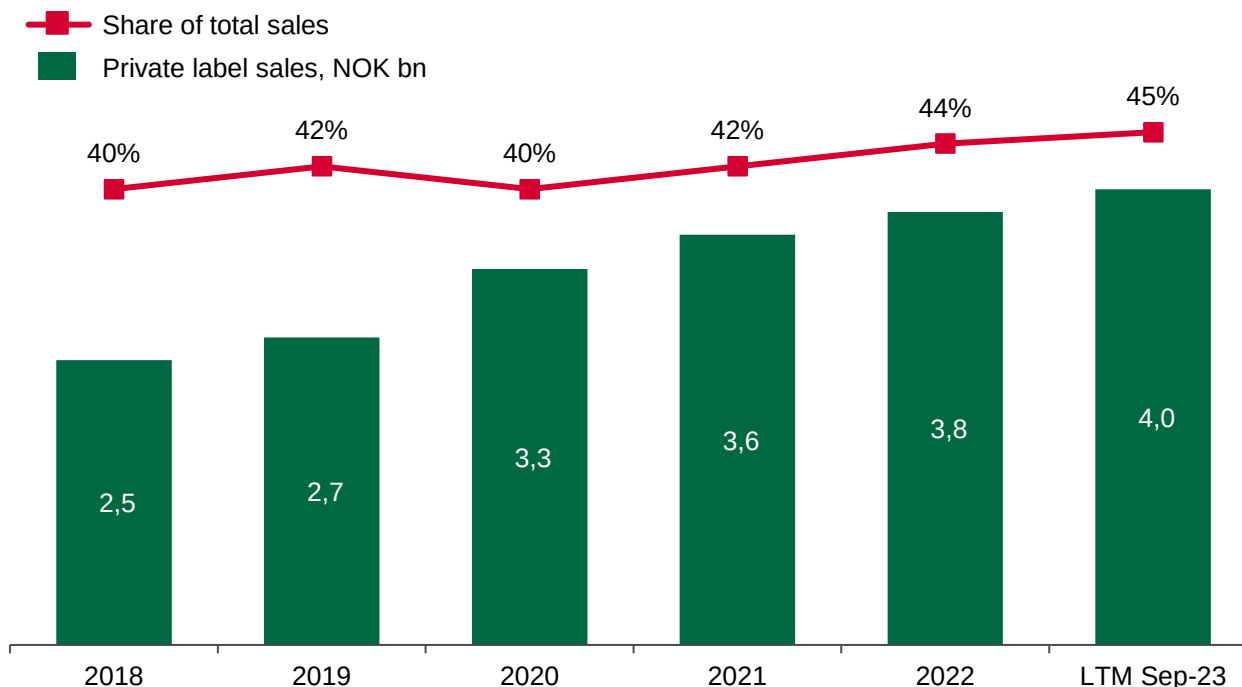


- More customers and higher basket values
- Category upgrades driving growth
- New stores and store upgrades
- Acquisitions adding to the total
- Scale benefits and operational improvements lifting margins

Note: Acquisitions consist of 100% consolidated figures from the subsidiaries Lunehjem (consolidated as of March 2021), Lekekassen (consolidated as of August 2021) and the Strikkemekka group (consolidated as of July 2022)

Private labels support growth

Private label revenue and share of total sales



Private labels add variety, new price points and sustainable alternatives
→ **increasing growth and improving gross margins**

Note: Euopris chain (directly operated and franchise stores)

Note: The private label product range has been updated, increasing revenue and share of sales from private labels



Our key strategic focus areas



Long-term financial and operational ambitions



Growth	Continue to deliver like-for-like growth above the market over time
Number of new stores	Target to open a net average of five new stores per year , depending on availability of locations which meet strict return requirements, and the potential for relocations, expansions and modernisations
EBITDA	Increase EBITDA margin over time from improved sourcing and a more cost-effective value chain
Dividend	Dividend policy of paying out 50-60% of net profit while maintaining an efficient balance sheet

Investment highlights

1

Clear market leader in a growing market segment

2

Strong track record with over 30 years of consecutive growth

3

Well managed with proven ability to adapt to changing market conditions

4

Clear operational and financial strategy

5

Committed to profitable growth and cash distribution

Q&A

Next event: Q4 presentation 1 February 2024

Alternative performance measures (APMs)

APMs are used by Europris for annual and periodic financial reporting in order to provide a better understanding of the group's financial performance. APMs are considered as well-known and frequently used by users of the financial statements and are also used in internal reporting and by management to measure operating performance.

Gross profit / gross margin Gross profit is defined as Total operating income minus the cost of goods sold (COGS). The gross profit represents revenue that the group retains after incurring the direct costs associated with the purchase of the goods. Gross margin is defined as gross profit divided by total revenue and is useful for benchmarking direct costs associated with the purchase of the goods vs total revenues.	Capital expenditure Capital expenditure (Capex) is the sum of purchases of fixed assets and intangible assets as used in the cash flow. Capex is a well-known and widely used term among the users of the financial statements and is a useful measure of investments made in the operations when evaluating the capital intensity.
Opex Operating expenses (Opex) is the sum of employee benefits expense and other operating expenses. It is useful to look at cost of these two components combined, as they compose a large part of the fixed operating costs. The Opex-to-sales ratio divides the Opex by Total operating income and is useful for benchmarking this cost base vs the development in sales.	Financial debt Financial debt is the sum of borrowings and lease liabilities. From the first quarter of 2023 lease liabilities include both non-current and current lease liabilities, and last year figures are restated to also include current lease liabilities. Financial debt is useful to see total debt as defined by IFRS.
EBITDA / EBITDA margin EBITDA is earnings before interests, tax, depreciation of property, plant and equipment and right-of-use assets and amortisation of other intangibles. EBITDA is a well-known and widely used term among users of the financial statements and is useful when evaluating operational efficiency on a more variable cost basis as they exclude amortisation and depreciation expense related to capital expenditure. EBITDA margin is EBITDA divided by Total operating income and is useful for benchmarking this profitability parameter vs the development in sales.	Cash and liquidity reserves Cash and liquidity reserves is defined as available cash plus available liquidity through overdraft and credit facilities. This measure is useful to see total funds available short term.
EBIT EBIT is earnings before interest and taxes and is the same as the IFRS definition of operating profit. EBIT is a well-known and widely used term among the users of the financial statements and is useful when evaluating operational profitability. EBIT margin is EBIT divided by Total operating income, and thus the same as Operating profit divided by Total operating income.	Total chain sales Total chain sales are sales from all chain stores, that is both directly operated and franchise stores. This KPI is an important measure of the performance of the total Europris chain and considered useful in order to understand the development of the entire chain, regardless of ownership structure of stores.
Working capital Net change in working capital is the sum of change in inventories and trade receivables and change in other receivables less the sum of change in accounts payable and other current liabilities. Net change in working capital is a well-known and widely used term among the users of the financial statements and is useful for measuring the group's liquidity, operational efficiency and short-term financial conditions.	Directly operated store Directly operated store means a store owned and directly operated by the group. Franchise store Franchise store means a store operated by a franchisee under a franchise agreement with the group. Chain Chain means the sum of directly operated stores and franchise stores. Like-for-like sales growth Like-for-like growth is defined as the growth in total chain sales for stores that have been open for every month of both the previous and the current calendar year.