Fredrikstad, 13 December 2019 (OSE: EPR): Reference is made to Europris' announcement of a pan-Nordic discount variety retail platform together with Runsvengruppen AB (ÖoB). As part of the agreement, Europris has today acquired a 20 per cent equity stake in ÖoB with payment in Europris shares. The acquisition of the equity stake has now been completed by the delivery of 4,349,695 Europris shares, corresponding to 2.61 per cent of the share capital.

This acquisition represents an important step in developing a pan-Nordic discount variety retail platform to drive growth and profitability. The transaction will strengthen cohesion and cooperation between Europris and ÖoB and permit further sharing of know-how and best-practice experience, in addition to the on-going synergies from joint sourcing and the development of e-CRM (customer relationship management), e-commerce and automated solutions.

Combined, the two companies operate 360 stores in Norway and Sweden with aggregated 2018 sales of NOK 10 billion. Including the joint venture with Tokmanni, the partnership platform represented retail sales of approximately NOK 18 billion last year, putting it among the largest in northern Europe within its area and by far the largest in the Nordics. Low-cost sourcing and sharing of best practice between the three companies is a vital part of Europris' quest to be the best discount variety retailer in Europe.

"We are pleased to announce the transaction and formal affirmation of our partnership with ÖoB," says Pål Wibe, CEO of Europris. "Europris and ÖoB are a great strategic fit, with cultural and category overlap and compatible strengths. The cooperation at the operational level is moving forward at full speed with a particular focus on joint sourcing initiatives."

Transaction details

In today's transaction, the number of shares has been determined on the basis of a purchase price of approximately NOK 115 million and a price per Europris share of NOK 26.48 (representing the agreed 60-business-day volume-weighted average). Delivery of the shares has been made using treasury shares held by Europris and acquired in the market at a volume-weighted average price of NOK 22.46 per share. After settlement of the acquisition, Europris holds 1,150,305 treasury shares.

As part of the agreement, Europris holds an option to acquire the remaining 80 per cent of ÖoB shares in 2020, at a fixed multiple of 7.7 of ÖoB's average EBITDA in 2019 and 2020. This option again calls for payment in Europris shares. Reference is made to Europris' announcement of 18 June 2018 and subsequent financial reporting for further information regarding the transaction and the joint venture.

For questions or further information, please contact:

Pål Wibe, CEO, Europris ASA tel: +47 99 11 98 91, email: paal.wibe@europris.no

Espen Eldal, CFO, Europris ASA tel: +47 48 29 24 24, email: espen.eldal@europris.no

Europris in brief

Europris is Norway's largest discount variety retailer by sales. The company offers its customers a broad range of quality own brands and brand-name merchandise. Its merchandise is sold through the Europris chain, which comprises a network of 264 stores throughout Norway. Of these, 230 are directly owned by the company and 34 operate as franchise stores. The company's headquarters are in Fredrikstad, Norway.

This information is subject of the disclosure requirements pursuant to section 5 -12 of the Norwegian Securities Trading Act.

Click here for more information