Highlights for the second quarter of 2020

· Record group revenue of NOK 2,211 million (NOK 1,622 million) following the Covid-19 outbreak
· 34.6 per cent like-for-like growth
· Solid gross margin of 43.9 per cent (42.4 per cent) through balancing campaigns and the product offering
· Opex-to-sales ratio of 20.5 per cent (24.2 per cent)
· Adjusted EBITDA rose by 75 per cent to NOK 517 million (NOK 296 million)
· Successful launch of new e-commerce platform
· Espen Eldal appointed CEO of the group

Highlights for the first half of 2020

· Group revenue increased by 25.7 per cent to NOK 3,593 million (NOK 2,859 million)
· Gross margin increased by 0.6 percentage points to 42.6 per cent (42 per cent)
· Improved cost control with Opex-to-sales ratio of 23.9 per cent (27.3 per cent)
· Adjusted net profit increased by 200 per cent to NOK 255 million (NOK 85 million)
· Adjusted earnings per share of NOK 1.54 (NOK 0.52)

· Inventory reduced by NOK 125 million to NOK 1,591 million (NOK 1,716 million)
· Solid financial position - cash and available credits of NOK 1,315 million (NOK 336 million)

Covid-19: safeguarding employees and operations remains the top priority

· Europris adheres at all times to the guidelines issued by the Norwegian Institute of Public Health
· Infection control measures maintained and integrated as part of the concept in the stores
· Business continuity plans initiated early to safeguard employee health, supply of goods and store operations

CEO Espen Eldal comments: "Remarkable efforts have been made by all employees in managing record sales while also adhering to strict new routines. In particular, employees in our stores have made an outstanding commitment to maintaining important control measures so that customers have a safe shopping environment."

In the wake of the Covid-19 outbreak, Europris has experienced strong sales growth driven by changed consumer behaviour as a result of strict national infection control measures which were introduced in Norway on 12 March. The control and travel measures have led to increased consumption of consumer goods by households, and most Norwegians are preparing for a summer holiday in their own country. Life-for-like growth for the chain has been well above both previous quarters and the market during the second quarter of 2020.

"The first half of the year was very eventful," says Eldal. "From a difficult beginning with a bad winter season, we had to adapt and change our approach to increase sales. In March, the global outbreak of Covid-19 struck Norway, and a short period of hoarding began. The situation has since normalised but, overall, people have favoured the Europris concept of low prices and a wide range of products offered through a unique and accessible nationwide store network. We have clearly played an important societal role during this critical period through our own supply chain of necessary goods for people and communities."

The gross margin for the second quarter was up by 1.5 percentage points compared with the same period of last year. With high sales and some pressure on inventories, Europris has managed to improve margins by actively balancing campaigns and product offerings.

"Our procurement and logistics team has successfully ensured the supply of goods and scaled up capacity to handle an unforeseen growth of more than 30 per cent," Eldal adds. "In addition, solid gross-margin management and cost control were demonstrated during the quarter, which is reflected in record profits."

Operating expenditure excluding non-recurring items was NOK 454 million in the second quarter (NOK 392 million), a rise of 15.7 per cent. Opex was affected by

an increase in the number of directly operated stores. The second quarter last year was negatively affected by logistics costs of NOK 35 million owing to the high fill-rate at the central warehouse.

Adjusted EBITDA in the second quarter of 2020 was NOK 517 million (NOK 296 million) a rise of NOK 221 million or 75 per cent. For the first half, adjusted EBITDA was NOK 669 million (NOK 421 million), up by NOK 248 million or 59 per cent.

Adjusted net profit was NOK 251 million (NOK 109 million) for the second quarter of 2020 and NOK 255 million (NOK 85 million) in the first half.

As planned, Europris did not open or relocate any stores during the second quarter. One store expansion was completed in the period. The board has approved an additional six stores for 2020 and beyond, including a city concept store in Oslo. The group took over one franchise store during the quarter. In addition, one-two takeovers are expected in 2020.

CEO Espen Eldal will present the group's results at 08.30 CET at the Felix Conference Centre, Bryggetorget 3 in Oslo. Since the number of physical participants is limited because of the Covid-19 situation, please only attend if you have registered. The presentation will also be broadcast by live webcast through the group's website at www.europris.no/corporate (http://www.europris.no/corporate/investor). It will be possible to ask questions via the web.

Material: The second quarter and first half report and presentation will also be made available on www.europris.no/corporate (http://www.europris.no/corporate/investor) and www.newsweb.no. In addition, a recorded version of the presentation will be made available on www.europris.no/corporate (http://www.europris.no/corporate/investor) approximately two hours after the broadcast has concluded.

For questions or further information, please contact:

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About Europris:

Europris is Norway's largest discount variety retailer by sales. The group offers its customers a broad range of quality own brands and brand-name merchandise. Its merchandise is sold through the Europris chain, which consists of a network of 264 stores throughout Norway. Of these, 235 are directly owned by the group and 29 operate as franchise stores. The group's headquarters are at Fredrikstad, Norway.

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

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