Highlights for the first quarter of 2021

- Sales of NOK 1,718 million, growth of 24.3 per cent
  - Like-for-like chain sales growth of 23.5 per cent
  - Positive effects from timing of Easter
  - 10 per cent of stores on average temporarily closed owing to the Covid-19 pandemic

- Gross margin of 43.3 per cent, an improvement of 0.7 percentage points
  - High sales of winter seasonal items and category development initiatives

- Operational efficiency continued to improve
  - Opex-to-sales ratio decreased by 3.4 percentage points to 26.3 per cent

- Strong improvement in profitability
  - EBITDA increased by 64 per cent to NOK 292 million
  - EBITDA margin increased to 17 per cent (12.9 per cent)

- Net profit of NOK 104 million (NOK 0.3 million)
- Continued strong financial position
  - Cash and liquidity reserves of NOK 1,526 million (NOK 966 million)

The first three months of 2021 were another strong quarter for Europris, with significant top-line growth, improved margin, good cost control and increased net profit. A cold winter led to high sales of seasonal items, in addition to continued positive domestic demand driven by the closure of borders owing to Covid-19. The timing of Easter also contributed positively to the overall performance, while temporary store closures affected sales and operations negatively.

"The first quarter of 2021 was another record-breaking quarter for us, where we continued to improve operations and gain market shares," comments Espen Eldal, CEO of Europris. "In these challenging times for society, we play an important role when serving peoples' needs.

"My colleagues continued to demonstrate their ability to adapt rapidly to any changes in market conditions. New solutions and action plans were introduced to ensure continued sales from closed stores, and measures to reduce costs were quickly and successfully implemented."

Total sales increased by 24.3 per cent to 1,718 million and were strongest at the beginning of the quarter, positively affected by a cold winter with higher sales of seasonal goods. In addition, demand continued to be positively affected by the Covid-19 pandemic and the timing of Easter.

Sales were negatively affected by the closure of 10 per cent of the stores on average. Eastern Norway, where the majority of the temporarily closed stores were located, saw sales grow by 16 per cent during the quarter compared with 31 per cent for the remainder of the chain.

Total e-commerce sales increased by 317 per cent, with growth in all product categories. Sales growth was especially strong after the stricter Covid-19 pandemic measures were imposed in mid-March. E-commerce sales accounted for 0.9 per cent of total sales.

Gross profit came to NOK 744 million (NOK 589 million). The gross margin was 43.3 per cent (42.6 per cent) and was positively affected by good sales of winter seasonal items and category development initiatives. Concept and category development is at the core of operations in Europris. During the first quarter, the Home category was successfully upgraded and delivered strong sales and margin growth.

Operating expenditure (Opex) was NOK 452 million in the first quarter (NOK 411 million), up by 10 per cent. The Opex-to-sales ratio improved by 3.4 percentage points to 26.3 per cent (29.7 per cent). Cost control was good and operational efficiency continued to improve.

EBITDA was NOK 292 million (NOK 178 million), up by NOK 114 million or 64 per cent. Net profit was NOK 124 million (NOK 0.3 million).

Europris has a strong financial position, with cash and liquidity reserves of NOK 1,526 million at 31 March 2021 (NOK 966 million).

Europris opened one new store in the quarter, at Austevoll in Vestland county. The new store has been well received by customers in the region. Europris relocated one store in the first quarter, at Vågsbygd in Agder county. The Europris chain now has 267 stores, of which 239 are directly operated and 28 are franchises.

Europris ASA will publish its results for the first quarter of 2021 on Thursday 29 April at 07.00 CEST. The quarterly report, presentation materials and spreadsheet with key figures will also be available on the company's website at https://investor.europris.no.
CEO Espen Eldal and CFO Stina C Byre will present the company's results at 08.30 via webcast. Owing to the Covid-19 situation, the presentation will be held without physical participants.
The presentation will be held in English and transferred via live webcast, and will be made available through the company's website at https://investor.europris.no. It will be possible to ask questions via the web.

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About Europris:

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 consists of a network of 267 stores throughout Norway, 239 of which are directly owned by the company and 28 of which operate as franchise stores. The company's headquarters are located in 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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