

Highlights for the fourth quarter of 2021:

- Total sales up by 12.6 per cent in Q4 2021 to NOK 2,841 million
- Solid sales progress for Lekekassen
- Excluding acquisitions, sales declined by 1.3 per cent
- Gross margin of 50 per cent, up by 5.8 percentage points
- Positive contributions from the fixed-rate agreement for inbound freight and currency hedging
- Opex-to-sales ratio of 20.9 per cent (18.9 per cent)
- Record profitability
- EBITDA of NOK 826 million (NOK 639 million)
- Net profit of NOK 510 million (NOK 366 million)
- Mer customer club passed one million members
- Strong financial position
- Cash and liquidity reserves of NOK 1,956 million (NOK 1,926 million)
- Board of directors proposes a dividend per share of NOK 4.00 (NOK 2.70)
- NOK 2.50 in ordinary dividend (2.20)
- Additional dividend of NOK 1.50 to reflect the strong performance

The fourth quarter of 2021 was another strong period for Europris, with financial performance reaching a new all-time high. The strong performance was driven by solid seasonal execution, a favourable freight agreement which secured the flow of goods, and a successful growth strategy.

The Mer customer club passed one million members during the fourth quarter, corresponding to an increase of more than 50 per cent in 2021. Launched in 2019, the club's remarkable growth is a good illustration of the strong position Europris has among Norwegian consumers.

CEO Espen Eldal in Europris comments:

"The strong performance would not have been possible without extraordinary efforts by our employees, and I'm proud of the remarkable enthusiasm and flexibility shown by my colleagues.

"During the pandemic, we have significantly strengthened our competitive position and continuously gained market shares. We've also broadened our online exposure and expertise through the successful acquisitions of Lunehjem and Lekekassen.

"With a wide and accessible store network, a broad product offering at low prices and attractive campaigns, we are well prepared for the future."

Group sales for the fourth quarter came to NOK 2,841 million, up by 12.6 per cent. Excluding partly owned subsidiaries, sales declined by 1.3 per cent. Like-for-like sales growth for the Europris chain was down three per cent in the fourth quarter, following an extraordinarily strong performance in the fourth quarter of 2020 when the like-for-like increase was 30.5 per cent (full year 2021 like-for like sales increase of 1.5 per cent).

In the beginning of the fourth quarter, all infection control measures and travel restrictions had been lifted. However, restrictions were reimposed in mid-December, including restrictions making it less attractive to cross the border. Sales for the Europris chain declined during the first two months of the fourth quarter, while December showed slightly higher sales than in the record year of 2020.

Europris conducts a customer and market survey every year via Mediacom, covering both the group and key competitors. The latest results confirm strong progress for price perception, deals, improved quality, shopping experience and service. This is very satisfying, since Europris has worked on improving these areas.

Gross profit came to NOK 1,421 million (NOK 1,116 million). The gross margin was 50 per cent (44.2 per cent), an improvement of 5.8 percentage points. Gross profit was positively affected by the fixed-rate agreement on inbound freight.

Operating expenditure (Opex) was NOK 595 million in the fourth quarter (NOK 477 million). It was affected by the inclusion of partly owned subsidiaries and the

increase from 237 to 242 directly operated stores. Opex amounted to 20.9 per cent of group revenue (18.9 per cent).

EBITDA was NOK 826 million (NOK 639 million), up by NOK 187 million or 29.3 per cent.

The board of Europris ASA will propose an ordinary dividend of NOK 2.50 per share for 2021 to the general meeting. This represents a 13.6 per cent increase from the ordinary dividend of NOK 2.20 for 2021. To reflect the strong financial performance, the board proposes to pay an additional dividend of NOK 1.50 per share for 2021. In total, the proposed dividend will be NOK 4.00 per share and represents 59.6 per cent of the majority's share of the profit.

Cash and liquidity reserves for the group at 31 December 2021 amounted to NOK 1,956 million (NOK 1,926 million).

Europris' concept has proved resilient in uncertain times and is significantly improved during 2020 and 2021. With a unique and customer-friendly concept, the group is a market winner and is continuously gaining market share.

Europris will continue to devote attention to improving the shopping experience through concept and category development, while the Mer customer club provides a unique channel for promoting activities which will bring traffic to the stores. In addition, the acquisition of Lunehjem and Lekekassen will enhance the group's online initiatives and seamlessly integrate online shopping, digital activities, and shopping in physical stores.

The quarterly report, presentation materials and spreadsheet with key figures will also be available on the company's website <https://investor.europris.no>.

CEO Espen Eldal and CFO Stina C Byre will present the company's results at 08:30. The presentation will be held in English and transferred via live webcast and will be made available through the company's website <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 assortment of quality owned brands and brand name merchandise. The company's merchandise is sold through the Europris chain, which consists of a network of 270 stores throughout Norway, 242 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 considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

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