

## Solid performance in the second quarter

2025-07-10

A strong quarter for the group, with solid operational performance in Norway and satisfying progress on the integration process in Sweden. A later Easter this year had a positive impact on seasonal sales. This also resulted in a higher proportion of sales from campaigns and consumables, which in turn had an adverse effect on the gross margin.

Segment Norway reported sales growth of 11.7 percent in the second quarter and 6.9 percent for the first half of the year. The sales increase for the Europris chain was driven by higher like-for-like footfall and a slight rise in the average basket value. The strong performance reflected operational improvements that resulted in better service levels and well-stocked shelves. Based on market data as of May the chain has outperformed the average market growth.

Measured in local currency (SEK), the ÖoB chain reported a 4.7 percent like-for-like sales growth for the second quarter and a 0.9 percent decline in like-for-like sales for the first half. Efforts to improve daily operations are advancing, including strengthened execution of sales and promotional activities.

Highlights for the second quarter of 2025:

- Group sales were NOK 3,802 million, representing a reported growth of 22.3 per cent
- Sales in the quarter were positively impacted by ÖoB being included for one additional month this year (consolidated from May 2024) and timing effects from a later Easter

- Segment Norway had sales of NOK 2,660 million, up 11.7 per cent
- Segment Sweden had sales of NOK 1,142 million, with the ÖoB chain up 4.7 per cent on a like-for-like basis in local currency for the entire second quarter in both years
- Gross margin of 40.6 per cent (41.9), down 1.3 percentage points
- Reflects one additional month with dilutive impact from ÖoB this year and negative product mix from a higher share of consumables and campaigns
- Unrealised gain from currency of NOK 10 million this year vs an unrealised loss of NOK 17 million last year
- Opex-to-sales ratio of 22.5 per cent (23.6), positively impacted by scale effects from timing of Easter and good cost control
- EBIT of NOK 423 million (339) and EBIT margin of 11.1 per cent (10.9)
- EBIT of NOK 457 million for segment Norway, a growth of 28.9 per cent
- EBIT-loss of NOK 34 million for segment Sweden
- Net profit of NOK 276 million (266)
- Last year was positively impacted by accounting effects related to the acquisition of ÖoB, with a net effect of NOK 45 million
- Unrealised loss on interest rate swaps of NOK 11 million (loss of 1)

Comment from CEO Espen Eldal:

"We're pleased to report a strong second quarter, and we remain confident in our strategic direction and long-term value creation potential. Segment Norway continues to outperform the market, driven by improved in-store execution and relevant seasonal offerings. The transformation of ÖoB is progressing well, with several milestones achieved during the quarter, including three category upgrades, the implementation of a new ERP system, and the opening of the first fully remodelled ÖoB store. Although it is too soon to conclude on long-term effects from this remodelling, I'm excited to see early signs of increased footfall, a larger average basket, and an uplift in sales of the non-food range".

Total operating income amounted to NOK 3,802 million (3,109), representing a 22.3 percent increase. Sales were positively impacted by one additional month with ÖoB included this year (consolidated from May 2024) and timing effects from a later Easter.

Gross profit amounted to NOK 1,544 million (1,302), with a gross margin of 40.6

per cent (41.9). The gross margin decline reflected one additional month with dilutive effect from segment Sweden this year. The group recognised a net unrealised gain of NOK 10 million on hedging contracts and accounts payable, compared to a net unrealised loss of NOK 17 million in the same period last year.

Operating expenditure (Opex) was NOK 855 million (735). The opex-to-sales ratio was 22.5 per cent (23.6), positively impacted by scale effects from timing of Easter and good cost control.

EBIT was NOK 423 million (339), and the EBIT margin 11.1 per cent (10.9).

Net debt amounted to NOK 5,260 million at June 2025 (5,097). Adjusted for lease liabilities, net debt was NOK 1,843 million (1,520). Cash and liquidity reserves for the group amounted to NOK 1,111 million at 30 June 2025 (1,441).

## Outlook

Consumer spending figures have been relatively strong through the first half of the year, and in reflection of lower inflation, the central banks in both Norway and Sweden cut interest rates by 25 basis points in June. Combined with real wage growth, this should support the consumer sentiment in both countries.

Internationally, the geopolitical climate remains tense and uncertain, which could impact freight schedules, costs, tariffs, currencies, and the overall value chains. The group continuously monitors the situation, working to mitigate any adverse impacts through its sourcing and logistics policies, as well as financial derivatives, to the extent possible.

The integration of ÖoB in Sweden is progressing according to plan, and the first pilot with a fully remodelled store was opened in Uddevalla in June. More pilot stores will follow during the fall, in addition to continued category harmonisation. Over time, the remodelling, renewal, and modernisation of categories and stores are expected to enhance the customer shopping experience and attract new customer segments.

The group remains confident in its long-term ambitions to grow ÖoB to SEK 5 billion in revenue by the end of 2028, with an EBIT margin of 5 per cent for the existing store portfolio.

## Practicalities:

The quarterly report, presentation materials and spreadsheet with key figures will also be available on the website <https://investor.euopris.no>. CEO Espen Eldal and CFO Stina C Byre will present the group's results at 08:30 CEST at SpareBank1 Markets, Olav Vs gate 1 in Oslo. The presentation will be held in English and transferred via live webcast and will be made available through the website at <https://investor.euopris.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 group offers its customers a broad range of quality owned brands and brand name merchandise. Its merchandise is sold through the Europris chain, which consists of a network of 287 stores throughout Norway. Of these, 266 are directly owned by the group and 21 operate as franchise stores. In May 2024, the group took full ownership of the Swedish discount variety retailer ÖoB, which consists of a network of 92 stores in Sweden. In addition, Europris is full or partial owner of the e-commerce companies Lekekassen, Strikkemekka and Designhandel. The group's head office is 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. This stock exchange announcement was published by Trine Engløkken, head of investor relations at Europris ASA, on 10 July 2025 at 07:00 CEST.

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