NEWS RELEASE

Solid quarter driven by strong performance in Norway

2025-10-30

The combination of higher sales, an improved gross margin and good cost control generated a solid third quarter with a 53 per cent increase in the group's operating profit (EBIT) to NOK 256 million.

Highlights for the third quarter of 2025:

- Total sales were NOK 3,528 million, representing a growth of 9.0 per cent
  - Strong performance in the segment Norway, with sales increasing 11.6 per cent to NOK 2,508 million
  - Segment Sweden had sales of NOK 1,020 million, with the reported increase of 3.1 per cent, which was positively impacted by currency translation effects - the ÖoB chain had 0.4 per cent like-for-like sales growth in local currency
- Gross margin of 40.7 per cent (39.7), up 1.0 percentage point
  - Includes unrealised currency gain of NOK 7 million this year vs unrealised loss of NOK 7 million last year
- Opex-to-sales ratio of 25.9 per cent (26.5), an improvement of 0.6 percentage points
  - Last year's opex was impacted by one-off costs and costs related to IT projects in the segment Sweden, amounting to SEK 13 million
- EBIT of NOK 256 million (168) and EBIT margin of 7.3 per cent (5.2)
  - EBIT of NOK 293 million in the segment Norway, up 37.8 per cent
  - EBIT-loss of NOK 37 million in the segment Sweden vs loss of NOK 45 million last year

- Net profit of NOK 154 million (84)
  - Unrealised gain on interest rate swaps of NOK 2 million (loss of 12)

Comment from CEO Espen Eldal:

"We once again succeeded in attracting customers, delivering desired campaigns, well-stocked stores with relevant seasonal products, and low prices as always. Combined with improved gross margins and good cost control, this generated a solid third quarter in Norway. Sales were stable in Sweden, and we need to restore ÖoB as a relevant shopping destination through a fully remodelled store portfolio before we can expect to attract new customers and see significant sales growth."

In Norway, Europris benefited from its position as a preferred destination for seasonal shopping during a warm summer, with strong campaigns and well-stocked stores. Total sales growth was 12.1 per cent for the Europris chain in the third quarter, reflecting both increased footfall and a higher average basket size, outgrowing both the broad variety retail market and the shopping centres.

In Sweden, ÖoB showed a modest like-for-like sales growth of 0.4 per cent in local currency. ÖoB does not yet have the same strong seasonal position, and the warm weather in July did not benefit sales to the same extent. While the first remodelled store performed well, with higher footfall, sales and margins, a complete remodelling of the store portfolio will be necessary to broaden the customer base and increase footfall. The remaining store portfolio will be remodelled over the next two years.

Total operating income amounted to NOK 3,528 million (3,238), a reported increase of 9.0 per cent from the same quarter last year, and a growth of 8.0 per cent in constant currency. Gross profit amounted to NOK 1,437 million (1,286), with one percentage point improvement in the gross margin to 40.7 per cent (39.7). The group recognised unrealised currency gains of NOK 7 million on hedging contracts and accounts payable in the quarter, compared to unrealised losses of NOK 7 million in the same period last year. Adjusted for this, the gross margin improved by 0.6 percentage points.

Operating expenditure (Opex) increased by 6.6 per cent to NOK 915 million (859). Last year was impacted by one-off costs and costs related to IT projects in the segment Sweden, amounting to SEK 13 million. The opex-to-sales ratio improved by 0.6 percentage points, to 25.9 per cent (26.5).

Net debt amounted to NOK 5,140 million at 30 September 2025 (5,091), and NOK 1,795 million (1,614) adjusted for lease liabilities. Cash and liquidity reserves amounted to NOK 1,160 million at 30 September 2025 (1,360).

Outlook

Consumer spending figures have been relatively strong so far this year, responding to lower inflation and several

interest rate cuts from the central banks in both Norway and Sweden. Consumers in Norway have also seen real wage growth over the past years, and with the outlook for real wage growth in Sweden, this should support a continued positive consumer sentiment in both countries.

The integration of ÖoB in Sweden is progressing as planned, with promising results from upgraded and harmonised non-food categories and the two pilot stores. Two more pilot stores will be opened in the fourth quarter this year, with the remaining store portfolio to follow in 2026 and 2027.

While the costs associated with the store remodelling programme are expected to offset profit improvement in segment Sweden in 2026, the group expects the programme to significantly improve the customer shopping experience and attract new customer segments to ÖoB. Over time this is expected to generate significant sales growth and margin improvement, and the board and management remain confident in the ambition to grow ÖoB sales in the existing store portfolio to SEK 5 billion with an EBIT margin of 5 per cent by the end of 2028.

The fourth quarter is typically the strongest of the year, and the group is prepared and ready with well-stocked stores.

Practicalities:

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

CEO Espen Eldal and CFO Stina C Byre will present the group's results at 08:30 CET at DNB Carnegie office, Dronning Eufemias gate 30 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.europris.no. It will be possible to ask questions via the web.

For 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 owned brands and brand name merchandise. Its merchandise is sold through the Europris chain, which consists of a network of 288 stores throughout Norway. Of these, 267 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 30 October 2025 at 07:00 CET.

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