

Haypp Group increase efficiency and expands capacity in Norway with new automated warehouse in Oslo

As part of the work overseeing the distribution network, Haypp Group has signed a long-term lease agreement concerning a warehouse in Oslo, Norway. The new warehouse will shorten delivery times to Norwegian customers, increase the efficiency as well as increase the delivery capacity. This is part of an overall strategy where Haypp Group are launching a broader footprint of fulfillment centers across Europe and the US as demand for the nicotine pouch category continues to grow rapidly.

Press release 24 January 2022

The new 2,073 square meter automated warehouse, located in Økern, in Oslo increases Haypp Group's delivery capacity by over 300 percent and will result in a significant improvement to customer convenience. Eight warehouse workers have been employed to run the operations which will enable two to three hours deliveries for customers living in the Oslo region. The lease was made to scale up size and efficiency to help serve a growing Norwegian market.

"Haypp Group had previously launched their own warehouse in Sweden in 2019, where it released both significant improvements in convenience and scale benefits in margins. The direct control over the warehouse enables much smoother integration with a broad range of last mile shipping providers to minimize the time from order to delivery. The relatively consistent dimensions around cans of snus and nicotine pouches make it a category where the returns on automation are high and scale extremely well", says Gavin O'Dowd, President and CEO of Haypp Group.

As Haypp Group is seeing a strong development of the nicotine pouch category, it has become necessary to oversee the distribution network, not only to ensure capacity but also to further enhance the customer buying experience and shorten delivery lead times. For this reason, Haypp Group is reviewing its present warehouse locations in all the current markets to determine how to additionally improve distribution capabilities.

"Customer convenience has always been at the centre of Haypp Group's business. The closer we manage to get to the markets we serve, the more convenient our product becomes. From an environmental perspective, shorter delivery routes also mean lower Co2 emissions, which, of course, is another positive outcome. This new warehouse is one piece of the puzzle. Further additions and warehouse relocations are planned throughout the year within our Growth markets segment", says Gavin O'Dowd, President and CEO of Haypp Group.

For more information and contact

Markus Lindblad

Head of External Affairs:

+46(0)708153983

markus.lindblad@hayppgroup.com

Niklas Alm

Head of Investor Relations:

+46(0)708244088

niklas.alm@hayppgroup.com

Haypp in brief

The Haypp Group is spearheading the global transformation from smoking to risk-reduced product alternatives. With origins in Scandinavia, our extensive experience from pioneering markets in smoke free alternatives, as well as being a leader in the e-commerce sector, is now bringing our vision to a global scale. With ten e-commerce store brands, the Haypp Group is present in nine countries where we served more than 500,000 consumers during 2020.

Attachments

[Haypp Group increase efficiency and expands capacity in Norway with new automated warehouse in Oslo](#)