Elektroimportøren

2nd quarter presentation

22 August 2024

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Agenda

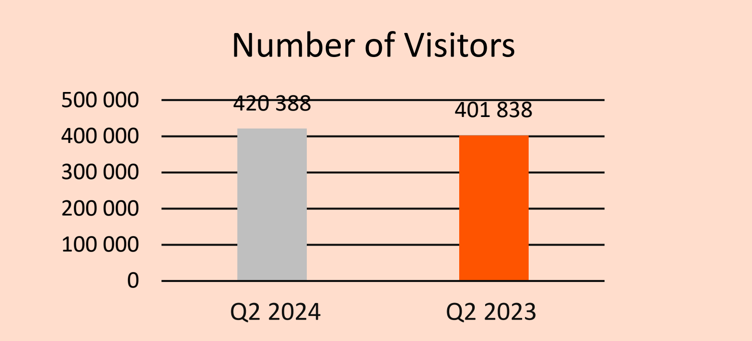
- Q2 highlights
- Trading summary
- Financials
- Outlook

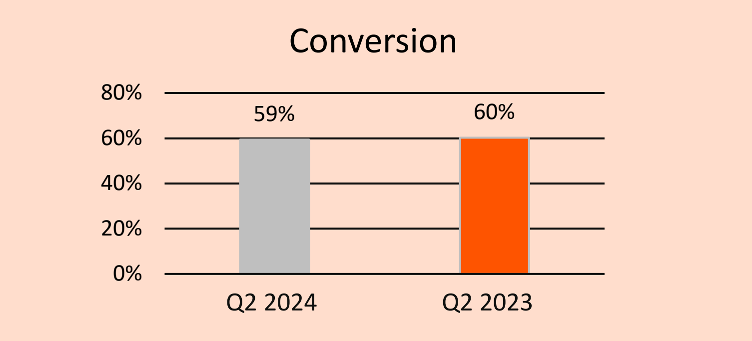
Q2 highlights

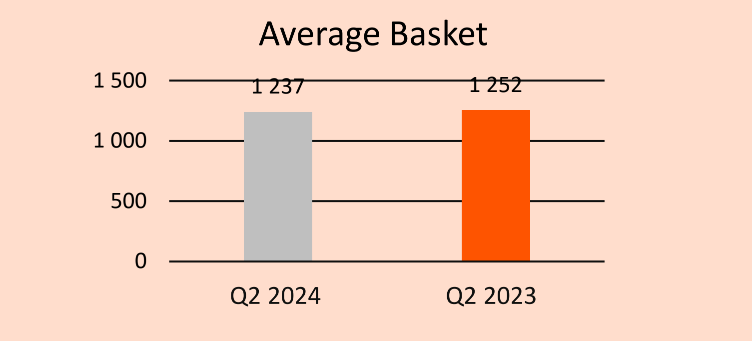
- **Revenue of NOK 349 million**, up 7.2% from NOK 326 million last year
- **Like for like sales,** up 4.4%
- **Gross margin of 32.4%,** down from 34.6% last year
- **Operating expenses** of NOK 80 million, a reduction of NOK 2 million from NOK 82 million last year. Opex to sales ration of 22.8% (25.2% last year)
- **Reported EBITDA of NOK 30 million**, down from NOK 31 million last year. Adj. EBITDA NOK 33 million vs. NOK 31 million last year

Q2 2024 trading summary

- Good start of the quarter with double digit growth in April. Uplift partly due to Easter being in March last year
- Growth in 4 out of 5 major categories. EV chargers and Smarthome products growing the most
- Gross margins are lower than last year driven by strong B2C campaigns, share of business in low margin sectors and forex effect
- Rigid cost control continues
- Some positive trends but still a long way to go
- End of July we signed a contract for a new store in Oslo. Target is to open mid-November this year







Elbutik, Sweden

- Q2 revenues of NOK 34 million up 13% from NOK 30 million last year
- Reported EBITDA NOK -6 million vs NOK -5 million last year
- Adjusted EBITDA NOK -3 million vs NOK -5 million last year.

Sweden preliminary strategic review

- The board has conducted a preliminary strategic review related to our operation in Sweden and possible short-term actions to improve profitability and reduce losses. On short term, our conclusion is that operational efforts to increase turnover and cost reduction is the best option.
- The Swedish market was entered by acquiring Elbutik Scandinavia in March 2022. We scaled up the business and opened our first physical store in what have shown to be the roughest retail market development in more than 25 years. In this market environment we have not been able to capitalize on our investment as planned.
- Long term leases and other commitments has generated a cost base which makes it difficult to be profitable with our current turnover. We have evaluated all our options of our presence in Sweden, including an exit but due to our long-term obligations and the market opportunities ahead, this is not regarded as the financially best option.
- An operational turnaround including revised customer offer to B2B customers, more strategic pricing, marketing activities and decreasing operational costs are now in place. Together with improved market conditions, and a new managing director we are now positioned to regain profitability in Sweden

namron
the smarter choice

- Namron share of business in Norway for Q2 was 31.5% versus 31.6% last year
- Namron gross margin was 54.5% in Q2
- Namron sales in Sweden with a share of business of 7.4% in Q2 compared to 4.8% in Q2 2023.

EV Chargers

- Q2 revenues of NOK 29 million, up 35% vs. last year
- Market is declining
- Stock levels are normalized
- We now expect this product group to develop in line with other product groups

Solar

- Total orders of NOK 4 million in Q2, down-63% from last year. Order back log of NOK 4 million end of March.
- Market is down -63% vs. Q2 last year
- Inventory levels of NOK 34 million at end of Q2
- Sales have been re-focused to target commercial buildings, while continuing to offer solar to consumers through SpotOn.
- As the solar market is challenging and we observe a decline in market prices after the balance sheet date. We are working on several initiatives to reduce the inventory risk and reduce the overall inventory levels on solar products.

SpotOn

- Total revenue in Q2 of NOK 14 million, up 100% from NOK 7 million last year
- We manage to grow revenue in all categories except smart home. Solar contribution is supporting growth but pressuring gross margins.
- We continue to explore opportunities to include other craftsman areas in the platform and to find a suitable business partner for SpotOn.

Finance

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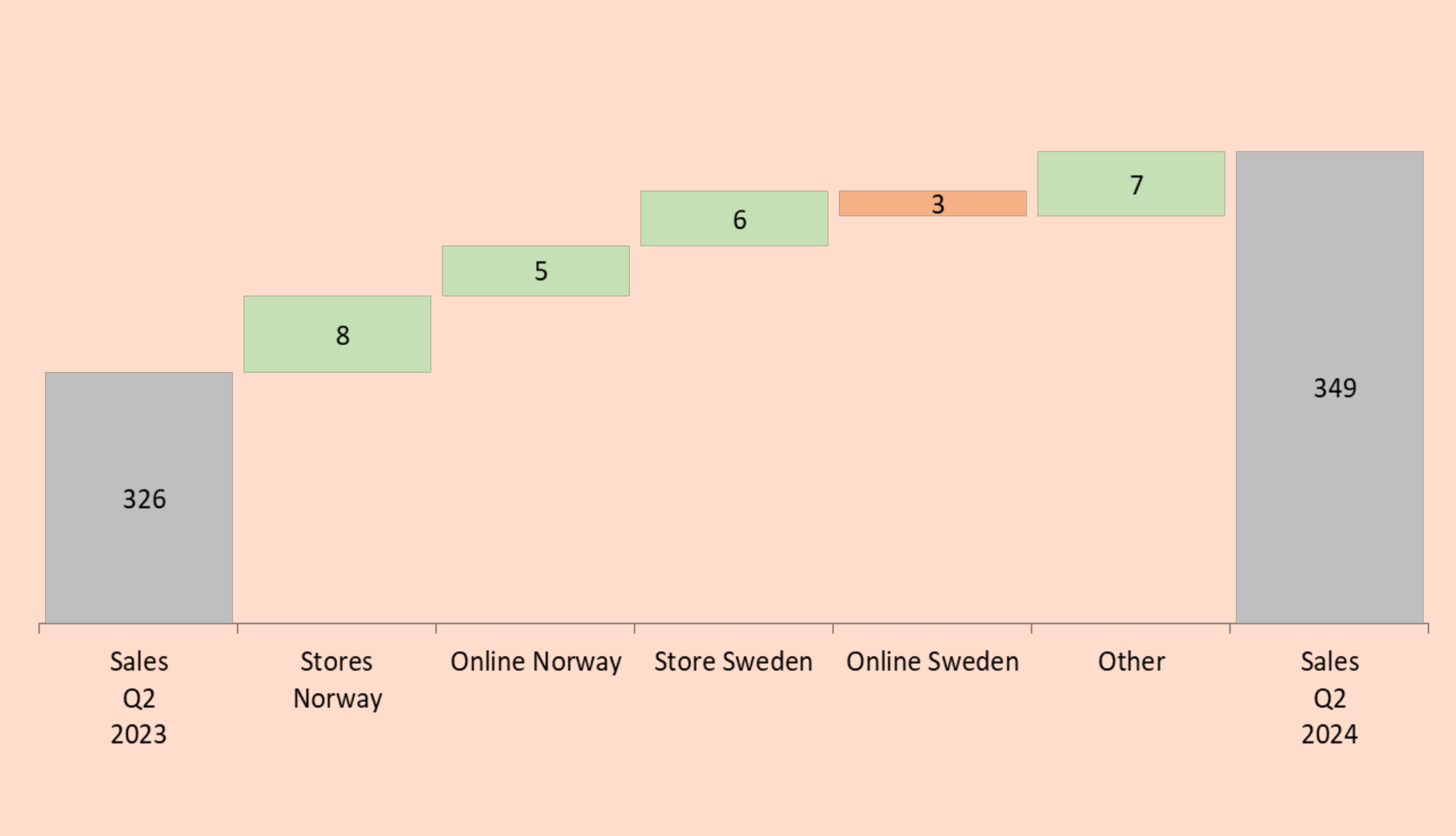
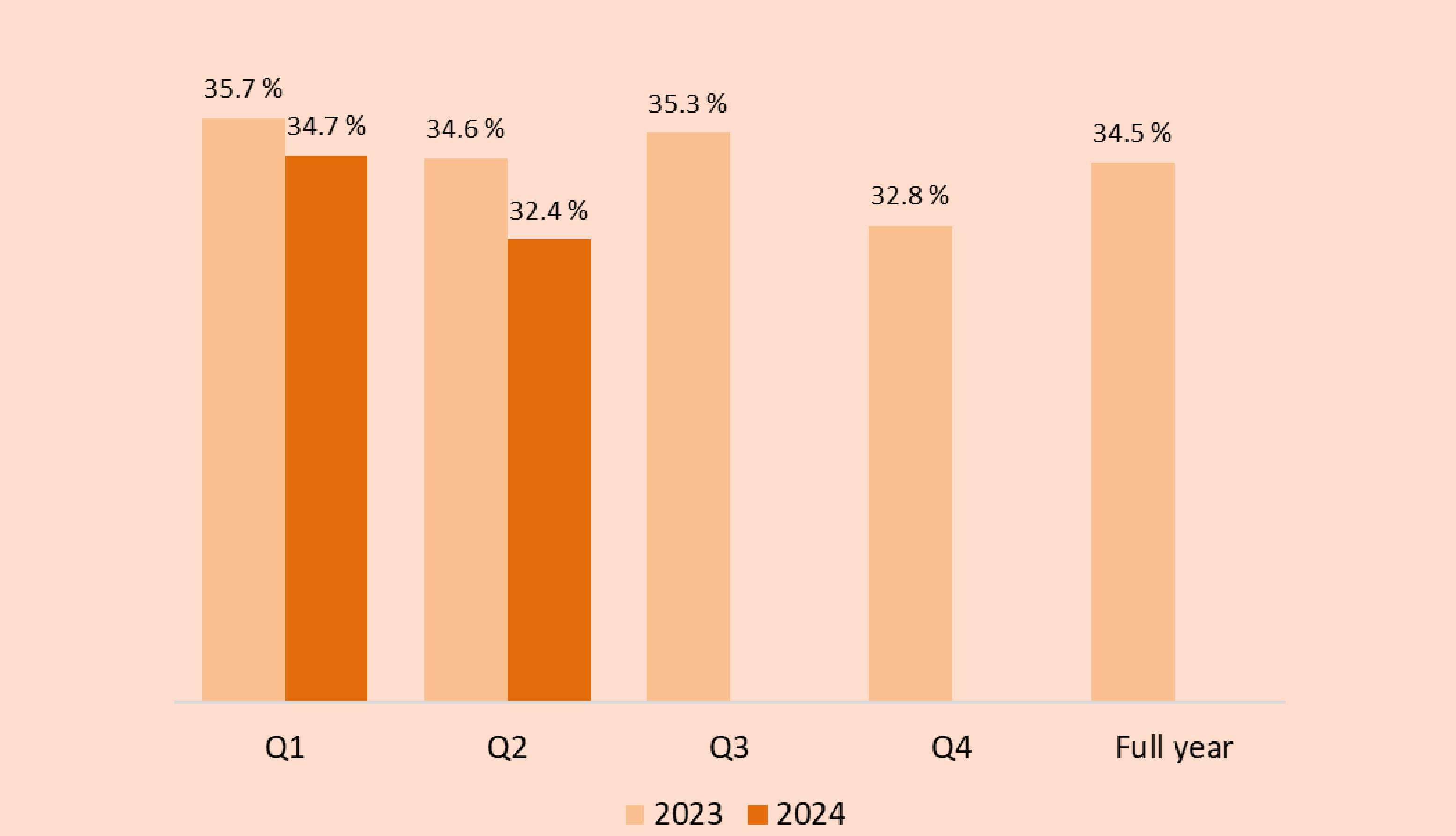
Revenues



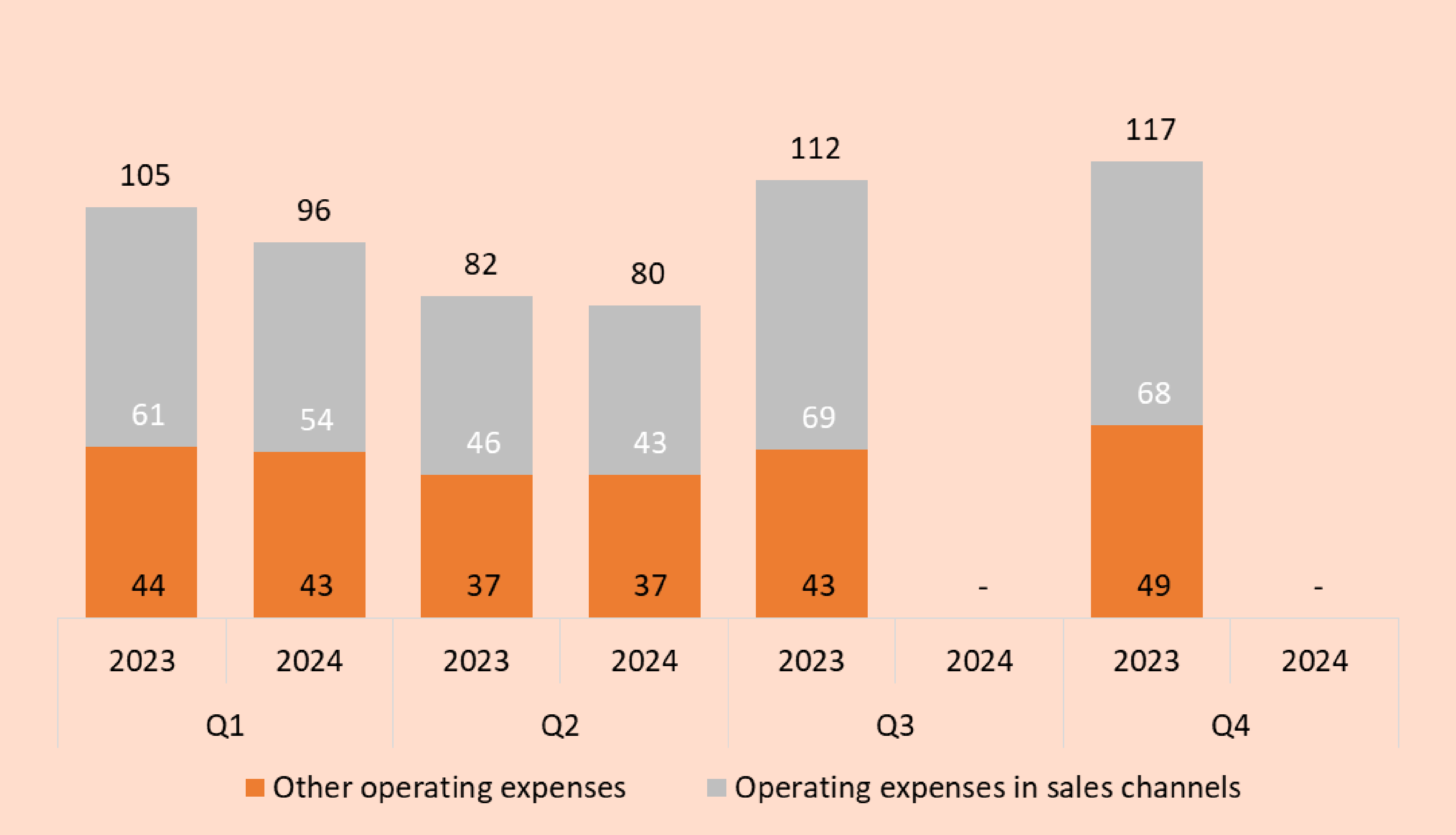
- Revenue of NOK 349 million, an increase of 7.2% from NOK 326 million last year.
- Double digit growth in April because of Easter being in March this year and the impact of the Easee ban was evened out late March.
- Strong sales in June because of aggressive campaign
- We are back to growth in both Norway and Sweden, and we see growth in all our major categories.
- Other sales are mainly solar projects invoiced from our project department and not sold through our stores.

Gross margin



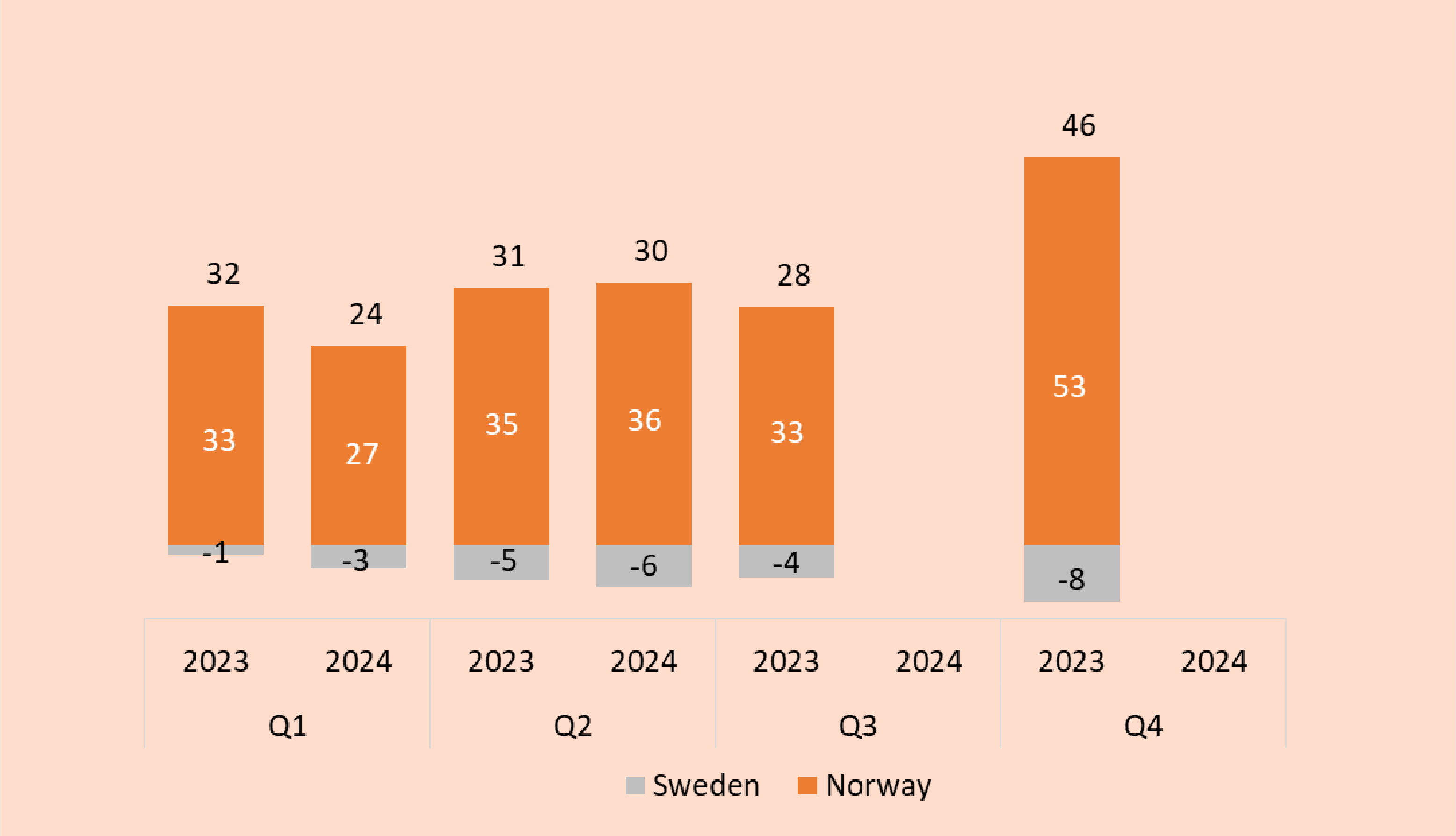
- Gross margin of 3 2.4%, down from 34.6% last year.
- Overall, margins were impacted by shift towards B2B with lower margin, FX effects and an aggressive campaign in June.
- Adjusted for FX effects on Namron products and solar products, gross margin would be 33.8 per cent Q2 2024.

OPEX



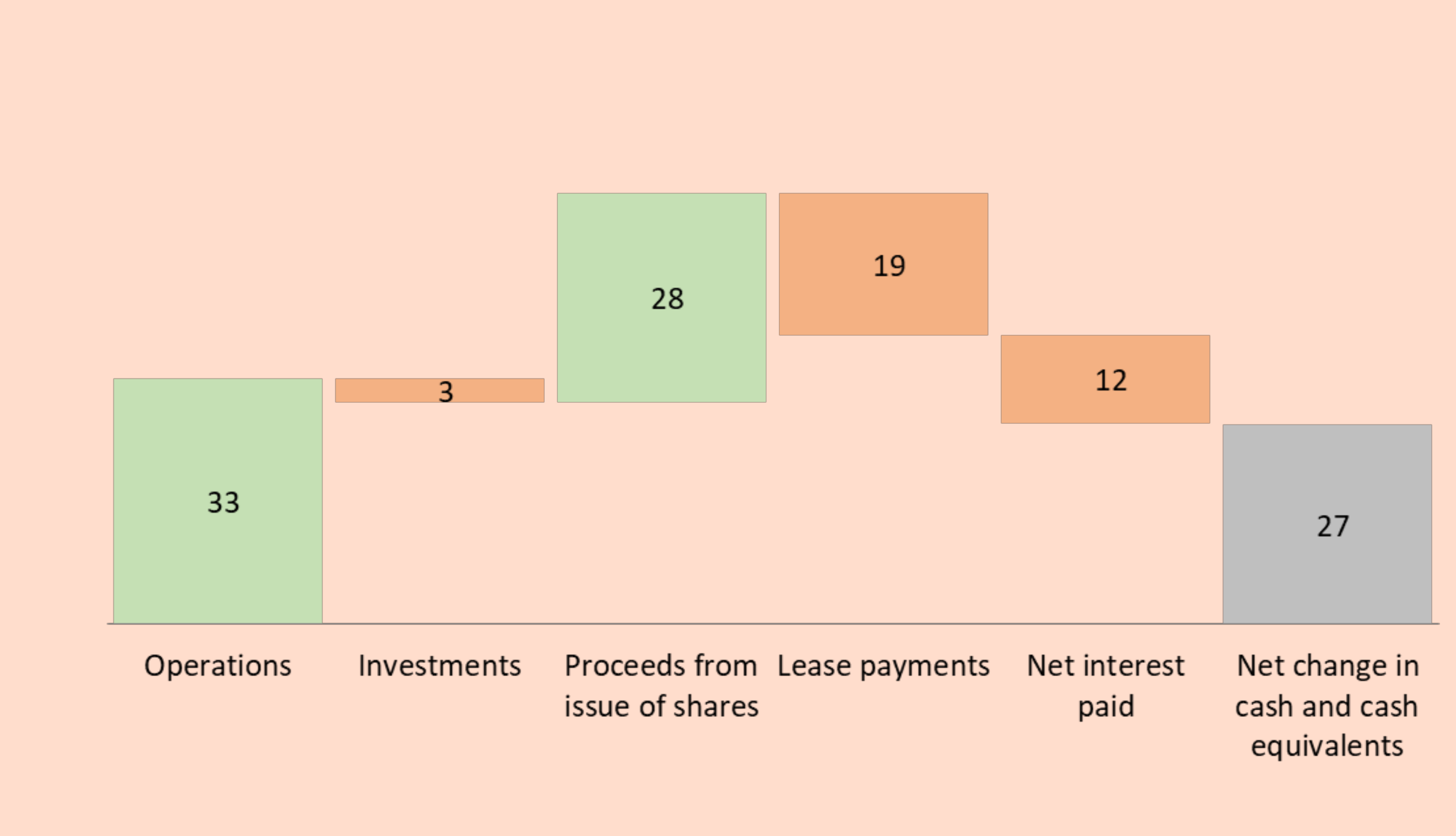
- Opex to sales ratio was reduced to 22.8% in Q2 (25.2% last year).
- Operating expenses are reduced compared to last year, even with general salary increase, inflation adjustment of costs and Easter effect.
- Easter effect of approximately NOK 3 million.
- The group continues to maintain a rigid cost control

EBITDA



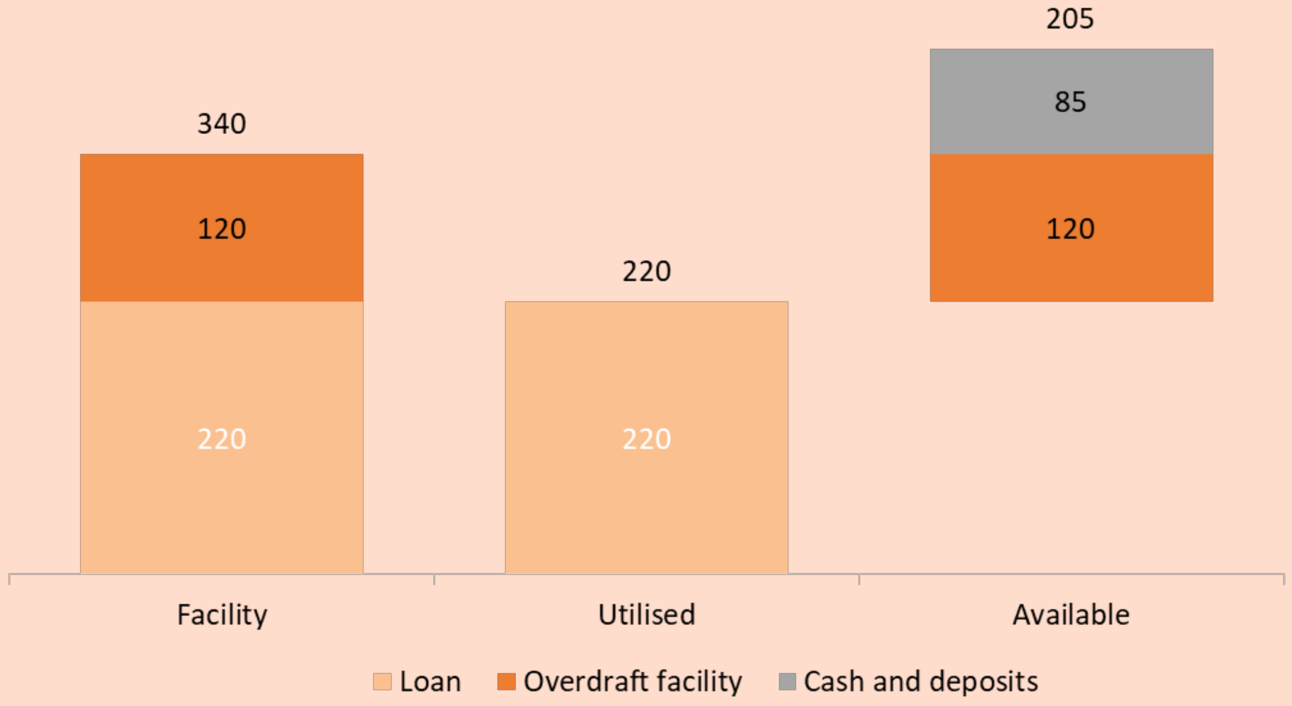
- Reported EBITDA of NOK 30 million, down from NOK 31 million last year.
- EBITDA margin in Q2 was 8.7%, down from 9.4% last year.
- Adjusted EBITDA of NOK 33 million, up from NOK 31 million last year.
- Adjusted EBITDA margin in Q2 was 9.6%, up from 9.4% last year.
- Adjustment of NOK 3 million is cost related to termination of one of the rental contracts in Sweden.

Cash Flow



- Cash flow from operations affected by reduction in inventory during the quarter.
- Cash flow from investments is mainly maintenance CAPEX and Spoton
- Cash flow from financing consists of proceed from issue of shares from the Subsequent Offering as an extension to the private placement in February, lease payments and interest paid.

Cash and credit facilities



The loan has a maturity of three years from 18th March 2024, while the overdraft facility is 12 months.

- Cash and available credit facilities of NOK 205 million (NOK 142 million), including an unused overdraft facility of NOK 120 million.
- Excluding IFRS 16 effects, net interest-bearing debt was NOK 165 million at the end of the quarter (NOK 327 million)
- Next amortization on our long-term loan is due December 2025

Events after the period and Outlook

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Events after the period and Outlook

- In July we signed a contract for a new store in Oslo. Target is to open mid November this year.
- We are committed to improve our gross margin and have conducted a price increase in Norway 1st of July, however weakened NOK to USD and increased cost of freight keeps pressure on gross margins.
- The Norwegian market shows modest signals of improved consumer confidence but still there is great uncertainty about the market development going forward. We believe the second half of 2024 will continue to be challenging.
- In Sweden we see some early indications of better market conditions after decrease of the policy rate in May. In addition, Veddesta performance is increasing month by month as knowledge about the store increases.

Q&A

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